

2017

SESSION LAWS

OF THE

STATE OF WASHINGTON

2017 REGULAR SESSION
SIXTY-FIFTH LEGISLATURE
Convened January 9, 2017. Adjourned April 23, 2017.

FIRST SPECIAL SESSION
SIXTY-FIFTH LEGISLATURE
Convened April 23, 2017. Adjourned May 23, 2017.

SECOND SPECIAL SESSION
SIXTY-FIFTH LEGISLATURE
Convened May 23, 2017. Adjourned June 21, 2017.

THIRD SPECIAL SESSION
SIXTY-FIFTH LEGISLATURE
Convened June 21, 2017. Adjourned July 20, 2017.



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WASHINGTON SESSION LAWS GENERAL INFORMATION

1. EDITIONS AVAILABLE.

- (a) *General Information.* The session laws are printed in a permanent softbound edition containing the accumulation of all laws adopted in the legislative session. The edition contains a subject index and tables indicating Revised Code of Washington sections affected.
- (b) *Where and how obtained - price.* The permanent session laws may be ordered from the Statute Law Committee, Pritchard Building, P.O. Box 40552, Olympia, Washington 98504-0552. The edition costs \$25.00 per set plus applicable state and local sales taxes and \$7.00 shipping and handling. All orders must be accompanied by payment.

2. PRINTING STYLE - INDICATION OF NEW OR DELETED MATTER.

The session laws are presented in the form in which they were enacted by the legislature. This style quickly and graphically portrays the current changes to existing law as follows:

- (a) In amendatory sections
 - (i) underlined matter is new matter.
 - (ii) ~~deleted matter is ((lined out and bracketed between double parentheses))~~.
- (b) Complete new sections are prefaced by the words NEW SECTION.

3. PARTIAL VETOES.

- (a) Vetoed matter is *printed in bold italics*.
- (b) Pertinent excerpts of the governor's explanation of partial vetoes are printed at the end of the chapter concerned.

4. EDITORIAL CORRECTIONS.

Words and clauses inserted in the session laws under the authority of RCW 44.20.060 are enclosed in [brackets].

5. EFFECTIVE DATE OF LAWS.

- (a) The state Constitution provides that unless otherwise qualified, the laws of any session take effect ninety days after adjournment sine die. The Secretary of State has determined the effective date for the Laws of the 2017 regular session is July 23, 2017. The effective date for the Laws of the 2017 first special session is August 22, 2017. The effective date for the Laws of the 2017 second special session is September 20, 2017. The effective date for the Laws of the 2017 third special session is October 19, 2017.
- (b) Laws that carry an emergency clause take effect immediately, or as otherwise specified, upon approval by the Governor.
- (c) Laws that prescribe an effective date take effect upon that date.

6. INDEX AND TABLES.

A cumulative index and tables of all 2017 laws may be found at the back of the final volume.

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CHAPTER 275

[Substitute House Bill 1641]

HOMELESS STUDENTS--HEALTH CARE CONSENT

AN ACT Relating to informed consent for nonemergency, outpatient, primary health care services for unaccompanied homeless youth under the federal McKinney-Vento homeless assistance act; amending RCW 7.70.065; and repealing RCW 28A.320.147.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 7.70.065 and 2007 c 156 s 11 are each amended to read as follows:

(1) Informed consent for health care for a patient who is not competent, as defined in RCW 11.88.010(1)(e), to consent may be obtained from a person authorized to consent on behalf of such patient.

(a) Persons authorized to provide informed consent to health care on behalf of a patient who is not competent to consent, based upon a reason other than incapacity as defined in RCW 11.88.010(1)(d), shall be a member of one of the following classes of persons in the following order of priority:

(i) The appointed guardian of the patient, if any;

(ii) The individual, if any, to whom the patient has given a durable power of attorney that encompasses the authority to make health care decisions;

(iii) The patient's spouse or state registered domestic partner;

(iv) Children of the patient who are at least eighteen years of age;

(v) Parents of the patient; and

(vi) Adult brothers and sisters of the patient.

(b) If the health care provider seeking informed consent for proposed health care of the patient who is not competent to consent under RCW 11.88.010(1)(e), other than a person determined to be incapacitated because he or she is under the age of majority and who is not otherwise authorized to provide informed consent, makes reasonable efforts to locate and secure authorization from a competent person in the first or succeeding class and finds no such person available, authorization may be given by any person in the next class in the order of descending priority. However, no person under this section may provide informed consent to health care:

(i) If a person of higher priority under this section has refused to give such authorization; or

(ii) If there are two or more individuals in the same class and the decision is not unanimous among all available members of that class.

(c) Before any person authorized to provide informed consent on behalf of a patient not competent to consent under RCW 11.88.010(1)(e), other than a person determined to be incapacitated because he or she is under the age of majority and who is not otherwise authorized to provide informed consent, exercises that authority, the person must first determine in good faith that that patient, if competent, would consent to the proposed health care. If such a determination cannot be made, the decision to consent to the proposed health care may be made only after determining that the proposed health care is in the patient's best interests.

(2) Informed consent for health care, including mental health care, for a patient who is not competent, as defined in RCW 11.88.010(1)(e), because he or she is under the age of majority and who is not otherwise authorized to provide

informed consent, may be obtained from a person authorized to consent on behalf of such a patient.

(a) Persons authorized to provide informed consent to health care, including mental health care, on behalf of a patient who is incapacitated, as defined in RCW 11.88.010(1)(e), because he or she is under the age of majority and who is not otherwise authorized to provide informed consent, shall be a member of one of the following classes of persons in the following order of priority:

(i) The appointed guardian, or legal custodian authorized pursuant to Title 26 RCW, of the minor patient, if any;

(ii) A person authorized by the court to consent to medical care for a child in out-of-home placement pursuant to chapter 13.32A or 13.34 RCW, if any;

(iii) Parents of the minor patient;

(iv) The individual, if any, to whom the minor's parent has given a signed authorization to make health care decisions for the minor patient; and

(v) A competent adult representing himself or herself to be a relative responsible for the health care of such minor patient or a competent adult who has signed and dated a declaration under penalty of perjury pursuant to RCW 9A.72.085 stating that the adult person is a relative responsible for the health care of the minor patient. Such declaration shall be effective for up to six months from the date of the declaration.

(b)(i) Informed consent for health care on behalf of a patient who is incapacitated, as defined in RCW 11.88.010(1)(e), because he or she is under the age of majority and who is not otherwise authorized to provide informed consent may be obtained from a school nurse, school counselor, or homeless student liaison when:

(A) Consent is necessary for nonemergency, outpatient, primary care services, including physical examinations, vision examinations and eyeglasses, dental examinations, hearing examinations and hearing aids, immunizations, treatments for illnesses and conditions, and routine follow-up care customarily provided by a health care provider in an outpatient setting, excluding elective surgeries;

(B) The minor patient meets the definition of a "homeless child or youth" under the federal McKinney-Vento homeless education assistance improvements act of 2001, P.L. 107-110, January 8, 2002, 115 Stat. 2005; and

(C) The minor patient is not under the supervision or control of a parent, custodian, or legal guardian, and is not in the care and custody of the department of social and health services.

(ii) A person authorized to consent to care under this subsection (2)(b) and the person's employing school or school district are not subject to administrative sanctions or civil damages resulting from the consent or nonconsent for care, any care, or payment for any care, rendered pursuant to this section. Nothing in this section prevents a health care facility or a health care provider from seeking reimbursement from other sources for care provided to a minor patient under this subsection (2)(b).

(iii) Upon request by a health care facility or a health care provider, a person authorized to consent to care under this subsection (2)(b) must provide to the person rendering care a declaration signed and dated under penalty of perjury pursuant to RCW 9A.72.085 stating that the person is a school nurse, school counselor, or homeless student liaison and that the minor patient meets the

elements under (b)(i) of this subsection. The declaration must also include written notice of the exemption from liability under (b)(ii) of this subsection.

(c) A health care provider may, but is not required to, rely on the representations or declaration of a person claiming to be a relative responsible for the care of the minor patient, under (a)(v) of this subsection, or a person claiming to be authorized to consent to the health care of the minor patient under (b) of this subsection, if the health care provider does not have actual notice of the falsity of any of the statements made by the person claiming to be a relative responsible for the health care of the minor patient, or person claiming to be authorized to consent to the health care of the minor patient.

((e)) (d) A health care facility or a health care provider may, in its discretion, require documentation of a person's claimed status as being a relative responsible for the health care of the minor patient, or a person claiming to be authorized to consent to the health care of the minor patient under (b) of this subsection. However, there is no obligation to require such documentation.

((f)) (e) The health care provider or health care facility where services are rendered shall be immune from suit in any action, civil or criminal, or from professional or other disciplinary action when such reliance is based on a declaration signed under penalty of perjury pursuant to RCW 9A.72.085 stating that the adult person is a relative responsible for the health care of the minor patient under (a)(v) of this subsection, or a person claiming to be authorized to consent to the health care of the minor patient under (b) of this subsection.

(3) For the purposes of this section, "health care," "health care provider," and "health care facility" shall be defined as established in RCW 70.02.010.

NEW SECTION, Sec. 2. RCW 28A.320.147 ("Homeless child or youth"—Informed consent for health care for patient under the age of majority—Exemption from liability) and 2016 c 157 s 7 are each repealed.

Passed by the House April 17, 2017.

Passed by the Senate April 11, 2017.

Approved by the Governor May 10, 2017.

Filed in Office of Secretary of State May 10, 2017.

CHAPTER 276

[Substitute House Bill 1815]

DEPENDENCY--DEFINITION OF PARENT

AN ACT Relating to the rights of an alleged parent in dependency proceedings; amending RCW 13.04.011; and reenacting and amending RCW 13.34.030.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 13.04.011 and 2011 c 330 s 2 are each amended to read as follows:

For purposes of this title:

(1) "Adjudication" has the same meaning as "conviction" in RCW 9.94A.030, but only for the purposes of sentencing under chapter 9.94A RCW;

(2) Except as specifically provided in RCW 13.40.020 and chapters 13.24 and 13.34 RCW, "juvenile," "youth," and "child" mean any individual who is under the chronological age of eighteen years;

(3) "Juvenile offender" and "juvenile offense" have the meaning ascribed in RCW 13.40.020;

(4) "Court" when used without further qualification means the juvenile court judge(s) or commissioner(s);

(5) "Parent" or "parents," except as used in chapter 13.34 RCW, means that parent or parents who have the right of legal custody of the child(~~(- "Parent" or "parents" as used in chapter 13.34 RCW, means the biological or adoptive parents of a child unless the legal rights of that person have been terminated by judicial proceedings);~~);

(6) "Custodian" means that person who has the legal right to custody of the child.

Sec. 2. RCW 13.34.030 and 2013 c 332 s 2 and 2013 c 182 s 2 are each reenacted and amended to read as follows:

For purposes of this chapter:

(1) "Abandoned" means when the child's parent, guardian, or other custodian has expressed, either by statement or conduct, an intent to forego, for an extended period, parental rights or responsibilities despite an ability to exercise such rights and responsibilities. If the court finds that the petitioner has exercised due diligence in attempting to locate the parent, no contact between the child and the child's parent, guardian, or other custodian for a period of three months creates a rebuttable presumption of abandonment, even if there is no expressed intent to abandon.

(2) "Child," "juvenile," and "youth" means:

(a) Any individual under the age of eighteen years; or

(b) Any individual age eighteen to twenty-one years who is eligible to receive and who elects to receive the extended foster care services authorized under RCW 74.13.031. A youth who remains dependent and who receives extended foster care services under RCW 74.13.031 shall not be considered a "child" under any other statute or for any other purpose.

(3) "Current placement episode" means the period of time that begins with the most recent date that the child was removed from the home of the parent, guardian, or legal custodian for purposes of placement in out-of-home care and continues until: (a) The child returns home; (b) an adoption decree, a permanent custody order, or guardianship order is entered; or (c) the dependency is dismissed, whichever occurs first.

(4) "Department" means the department of social and health services.

(5) "Dependency guardian" means the person, nonprofit corporation, or Indian tribe appointed by the court pursuant to this chapter for the limited purpose of assisting the court in the supervision of the dependency.

(6) "Dependent child" means any child who:

(a) Has been abandoned;

(b) Is abused or neglected as defined in chapter 26.44 RCW by a person legally responsible for the care of the child;

(c) Has no parent, guardian, or custodian capable of adequately caring for the child, such that the child is in circumstances which constitute a danger of substantial damage to the child's psychological or physical development; or

(d) Is receiving extended foster care services, as authorized by RCW 74.13.031.

(7) "Developmental disability" means a disability attributable to intellectual disability, cerebral palsy, epilepsy, autism, or another neurological or other condition of an individual found by the secretary to be closely related to an intellectual disability or to require treatment similar to that required for individuals with intellectual disabilities, which disability originates before the individual attains age eighteen, which has continued or can be expected to continue indefinitely, and which constitutes a substantial limitation to the individual.

(8) "Educational liaison" means a person who has been appointed by the court to fulfill responsibilities outlined in RCW 13.34.046.

(9) "Extended foster care services" means residential and other support services the department is authorized to provide under RCW 74.13.031. These services may include placement in licensed, relative, or otherwise approved care, or supervised independent living settings; assistance in meeting basic needs; independent living services; medical assistance; and counseling or treatment.

(10) "Guardian" means the person or agency that: (a) Has been appointed as the guardian of a child in a legal proceeding, including a guardian appointed pursuant to chapter 13.36 RCW; and (b) has the legal right to custody of the child pursuant to such appointment. The term "guardian" does not include a "dependency guardian" appointed pursuant to a proceeding under this chapter.

(11) "Guardian ad litem" means a person, appointed by the court to represent the best interests of a child in a proceeding under this chapter, or in any matter which may be consolidated with a proceeding under this chapter. A "court-appointed special advocate" appointed by the court to be the guardian ad litem for the child, or to perform substantially the same duties and functions as a guardian ad litem, shall be deemed to be guardian ad litem for all purposes and uses of this chapter.

(12) "Guardian ad litem program" means a court-authorized volunteer program, which is or may be established by the superior court of the county in which such proceeding is filed, to manage all aspects of volunteer guardian ad litem representation for children alleged or found to be dependent. Such management shall include but is not limited to: Recruitment, screening, training, supervision, assignment, and discharge of volunteers.

(13) "Housing assistance" means appropriate referrals by the department or other supervising agencies to federal, state, local, or private agencies or organizations, assistance with forms, applications, or financial subsidies or other monetary assistance for housing. For purposes of this chapter, "housing assistance" is not a remedial service or time-limited family reunification service as described in RCW 13.34.025(2).

(14) "Indigent" means a person who, at any stage of a court proceeding, is:

(a) Receiving one of the following types of public assistance: Temporary assistance for needy families, aged, blind, or disabled assistance benefits, medical care services under RCW 74.09.035, pregnant women assistance benefits, poverty-related veterans' benefits, food stamps or food stamp benefits transferred electronically, refugee resettlement benefits, medicaid, or supplemental security income; or

(b) Involuntarily committed to a public mental health facility; or

(c) Receiving an annual income, after taxes, of one hundred twenty-five percent or less of the federally established poverty level; or

(d) Unable to pay the anticipated cost of counsel for the matter before the court because his or her available funds are insufficient to pay any amount for the retention of counsel.

(15) "Nonminor dependent" means any individual age eighteen to twenty-one years who is participating in extended foster care services authorized under RCW 74.13.031.

(16) "Out-of-home care" means placement in a foster family home or group care facility licensed pursuant to chapter 74.15 RCW or placement in a home, other than that of the child's parent, guardian, or legal custodian, not required to be licensed pursuant to chapter 74.15 RCW.

(17) "Parent" means the biological or adoptive parents of a child, or an individual who has established a parent-child relationship under RCW 26.26.101, unless the legal rights of that person have been terminated by a judicial proceeding pursuant to this chapter, chapter 26.33 RCW, or the equivalent laws of another state or a federally recognized Indian tribe.

(18) "Preventive services" means preservation services, as defined in chapter 74.14C RCW, and other reasonably available services, including housing assistance, capable of preventing the need for out-of-home placement while protecting the child.

~~((18))~~ (19) "Shelter care" means temporary physical care in a facility licensed pursuant to RCW 74.15.030 or in a home not required to be licensed pursuant to RCW 74.15.030.

~~((19))~~ (20) "Sibling" means a child's birth brother, birth sister, adoptive brother, adoptive sister, half-brother, or half-sister, or as defined by the law or custom of the Indian child's tribe for an Indian child as defined in RCW 13.38.040.

~~((20))~~ (21) "Social study" means a written evaluation of matters relevant to the disposition of the case and shall contain the following information:

(a) A statement of the specific harm or harms to the child that intervention is designed to alleviate;

(b) A description of the specific services and activities, for both the parents and child, that are needed in order to prevent serious harm to the child; the reasons why such services and activities are likely to be useful; the availability of any proposed services; and the agency's overall plan for ensuring that the services will be delivered. The description shall identify the services chosen and approved by the parent;

(c) If removal is recommended, a full description of the reasons why the child cannot be protected adequately in the home, including a description of any previous efforts to work with the parents and the child in the home; the in-home treatment programs that have been considered and rejected; the preventive services, including housing assistance, that have been offered or provided and have failed to prevent the need for out-of-home placement, unless the health, safety, and welfare of the child cannot be protected adequately in the home; and the parents' attitude toward placement of the child;

(d) A statement of the likely harms the child will suffer as a result of removal;

(e) A description of the steps that will be taken to minimize the harm to the child that may result if separation occurs including an assessment of the child's relationship and emotional bond with any siblings, and the agency's plan to

provide ongoing contact between the child and the child's siblings if appropriate; and

(f) Behavior that will be expected before determination that supervision of the family or placement is no longer necessary.

~~((21))~~ (22) "Supervised independent living" includes, but is not limited to, apartment living, room and board arrangements, college or university dormitories, and shared roommate settings. Supervised independent living settings must be approved by the children's administration or the court.

~~((22))~~ (23) "Supervising agency" means an agency licensed by the state under RCW 74.15.090, or licensed by a federally recognized Indian tribe located in this state under RCW 74.15.190, that has entered into a performance-based contract with the department to provide case management for the delivery and documentation of child welfare services as defined in RCW 74.13.020.

~~((23))~~ (24) "Voluntary placement agreement" means, for the purposes of extended foster care services, a written voluntary agreement between a nonminor dependent who agrees to submit to the care and authority of the department for the purposes of participating in the extended foster care program.

Passed by the House March 6, 2017.

Passed by the Senate April 11, 2017.

Approved by the Governor May 10, 2017.

Filed in Office of Secretary of State May 10, 2017.

CHAPTER 277

[Substitute House Bill 1816]

CRISIS RESIDENTIAL CENTERS AND HOPE CENTERS--INFORMATION SHARING-- ADMINISTRATION

AN ACT Relating to information sharing regarding implementation the homeless youth prevention and protection act of 2015; amending RCW 43.185C.010, 43.185C.250, 43.185C.260, 43.185C.285, 43.185C.295, 43.185C.315, and 43.185C.320; and reenacting and amending RCW 13.50.010.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 13.50.010 and 2016 c 93 s 2, 2016 c 72 s 109, and 2016 c 71 s 2 are each reenacted and amended to read as follows:

(1) For purposes of this chapter:

(a) "Good faith effort to pay" means a juvenile offender has either (i) paid the principal amount in full; (ii) made at least eighty percent of the value of full monthly payments within the period from disposition or deferred disposition until the time the amount of restitution owed is under review; or (iii) can show good cause why he or she paid an amount less than eighty percent of the value of full monthly payments;

(b) "Juvenile justice or care agency" means any of the following: Police, diversion units, court, prosecuting attorney, defense attorney, detention center, attorney general, the legislative children's oversight committee, the office of the family and children's ombuds, the department of social and health services and its contracting agencies, schools; persons or public or private agencies having children committed to their custody; and any placement oversight committee created under RCW 72.05.415;

(c) "Official juvenile court file" means the legal file of the juvenile court containing the petition or information, motions, memorandums, briefs, notices of hearing or appearance, service documents, witness and exhibit lists, findings of the court and court orders, agreements, judgments, decrees, notices of appeal, as well as documents prepared by the clerk, including court minutes, letters, warrants, waivers, affidavits, declarations, invoices, and the index to clerk papers;

(d) "Records" means the official juvenile court file, the social file, and records of any other juvenile justice or care agency in the case;

(e) "Social file" means the juvenile court file containing the records and reports of the probation counselor.

(2) Each petition or information filed with the court may include only one juvenile and each petition or information shall be filed under a separate docket number. The social file shall be filed separately from the official juvenile court file.

(3) It is the duty of any juvenile justice or care agency to maintain accurate records. To this end:

(a) The agency may never knowingly record inaccurate information. Any information in records maintained by the department of social and health services relating to a petition filed pursuant to chapter 13.34 RCW that is found by the court to be false or inaccurate shall be corrected or expunged from such records by the agency;

(b) An agency shall take reasonable steps to assure the security of its records and prevent tampering with them; and

(c) An agency shall make reasonable efforts to insure the completeness of its records, including action taken by other agencies with respect to matters in its files.

(4) Each juvenile justice or care agency shall implement procedures consistent with the provisions of this chapter to facilitate inquiries concerning records.

(5) Any person who has reasonable cause to believe information concerning that person is included in the records of a juvenile justice or care agency and who has been denied access to those records by the agency may make a motion to the court for an order authorizing that person to inspect the juvenile justice or care agency record concerning that person. The court shall grant the motion to examine records unless it finds that in the interests of justice or in the best interests of the juvenile the records or parts of them should remain confidential.

(6) A juvenile, or his or her parents, or any person who has reasonable cause to believe information concerning that person is included in the records of a juvenile justice or care agency may make a motion to the court challenging the accuracy of any information concerning the moving party in the record or challenging the continued possession of the record by the agency. If the court grants the motion, it shall order the record or information to be corrected or destroyed.

(7) The person making a motion under subsection (5) or (6) of this section shall give reasonable notice of the motion to all parties to the original action and to any agency whose records will be affected by the motion.

(8) The court may permit inspection of records by, or release of information to, any clinic, hospital, or agency which has the subject person under care or

treatment. The court may also permit inspection by or release to individuals or agencies, including juvenile justice advisory committees of county law and justice councils, engaged in legitimate research for educational, scientific, or public purposes. Each person granted permission to inspect juvenile justice or care agency records for research purposes shall present a notarized statement to the court stating that the names of juveniles and parents will remain confidential.

(9) The court shall release to the caseload forecast council the records needed for its research and data-gathering functions. Access to caseload forecast data may be permitted by the council for research purposes only if the anonymity of all persons mentioned in the records or information will be preserved.

(10) Juvenile detention facilities shall release records to the caseload forecast council upon request. The commission shall not disclose the names of any juveniles or parents mentioned in the records without the named individual's written permission.

(11) Requirements in this chapter relating to the court's authority to compel disclosure shall not apply to the legislative children's oversight committee or the office of the family and children's ombuds.

(12) For the purpose of research only, the administrative office of the courts shall maintain an electronic research copy of all records in the judicial information system related to juveniles. Access to the research copy is restricted to the administrative office of the courts for research purposes as authorized by the supreme court or by state statute. The administrative office of the courts shall maintain the confidentiality of all confidential records and shall preserve the anonymity of all persons identified in the research copy. Data contained in the research copy may be shared with other governmental agencies as authorized by state statute, pursuant to data-sharing and research agreements, and consistent with applicable security and confidentiality requirements. The research copy may not be subject to any records retention schedule and must include records destroyed or removed from the judicial information system pursuant to RCW 13.50.270 and 13.50.100(3).

(13) The court shall release to the Washington state office of public defense records needed to implement the agency's oversight, technical assistance, and other functions as required by RCW 2.70.020. Access to the records used as a basis for oversight, technical assistance, or other agency functions is restricted to the Washington state office of public defense. The Washington state office of public defense shall maintain the confidentiality of all confidential information included in the records.

(14) The court shall release to the Washington state office of civil legal aid records needed to implement the agency's oversight, technical assistance, and other functions as required by RCW 2.53.045. Access to the records used as a basis for oversight, technical assistance, or other agency functions is restricted to the Washington state office of civil legal aid. The Washington state office of civil legal aid shall maintain the confidentiality of all confidential information included in the records, and shall, as soon as possible, destroy any retained notes or records obtained under this section that are not necessary for its functions related to RCW 2.53.045.

(15) For purposes of providing for the educational success of youth in foster care, the department of social and health services may disclose only those

confidential child welfare records that pertain to or may assist with meeting the educational needs of foster youth to another state agency or state agency's contracted provider responsible under state law or contract for assisting foster youth to attain educational success. The records retain their confidentiality pursuant to this chapter and federal law and cannot be further disclosed except as allowed under this chapter and federal law.

(16) For the purpose of ensuring the safety and welfare of the youth who are in foster care, the department of social and health services may disclose to the department of commerce and its contracted providers responsible under state law or contract for providing services to youth, only those confidential child welfare records that pertain to ensuring the safety and welfare of the youth who are in foster care who are admitted to crisis residential centers or HOPE centers under contract with the office of homeless youth prevention and protection. Records disclosed under this subsection retain their confidentiality pursuant to this chapter and federal law and may not be further disclosed except as permitted by this chapter and federal law.

Sec. 2. RCW 43.185C.010 and 2015 c 69 s 10 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Administrator" means the individual who has the daily administrative responsibility of a crisis residential center.

(2) "Child in need of services petition" means a petition filed in juvenile court by a parent, child, or the department of social and health services seeking adjudication of placement of the child.

(3) "Community action agency" means a nonprofit private or public organization established under the economic opportunity act of 1964.

(4) "Crisis residential center" means a secure or semi-secure facility established pursuant to chapter 74.13 RCW.

(5) "Department" means the department of commerce.

(6) "Director" means the director of the department of commerce.

(7) "Home security fund account" means the state treasury account receiving the state's portion of income from revenue from the sources established by RCW 36.22.179, RCW 36.22.1791, and all other sources directed to the homeless housing and assistance program.

(8) "Homeless housing grant program" means the vehicle by which competitive grants are awarded by the department, utilizing moneys from the home security fund account, to local governments for programs directly related to housing homeless individuals and families, addressing the root causes of homelessness, preventing homelessness, collecting data on homeless individuals, and other efforts directly related to housing homeless persons.

(9) "Homeless housing plan" means the ten-year plan developed by the county or other local government to address housing for homeless persons.

(10) "Homeless housing program" means the program authorized under this chapter as administered by the department at the state level and by the local government or its designated subcontractor at the local level.

(11) "Homeless housing strategic plan" means the ten-year plan developed by the department, in consultation with the interagency council on homelessness and the affordable housing advisory board.

(12) "Homeless person" means an individual living outside or in a building not meant for human habitation or which they have no legal right to occupy, in an emergency shelter, or in a temporary housing program which may include a transitional and supportive housing program if habitation time limits exist. This definition includes substance abusers, people with mental illness, and sex offenders who are homeless.

(13) "HOPE center" means an agency licensed by the secretary of the department of social and health services to provide temporary residential placement and other services to street youth. A street youth may remain in a HOPE center for thirty days while services are arranged and permanent placement is coordinated. No street youth may stay longer than thirty days unless approved by the department and any additional days approved by the department must be based on the unavailability of a long-term placement option. A street youth whose parent wants him or her returned to home may remain in a HOPE center until his or her parent arranges return of the youth, not longer. All other street youth must have court approval under chapter 13.34 or 13.32A RCW to remain in a HOPE center up to thirty days.

(14) "Housing authority" means any of the public corporations created by chapter 35.82 RCW.

(15) "Housing continuum" means the progression of individuals along a housing-focused continuum with homelessness at one end and homeownership at the other.

(16) "Interagency council on homelessness" means a committee appointed by the governor and consisting of, at least, policy level representatives of the following entities: (a) The department of commerce; (b) the department of corrections; (c) the department of social and health services; (d) the department of veterans affairs; and (e) the department of health.

(17) "Local government" means a county government in the state of Washington or a city government, if the legislative authority of the city affirmatively elects to accept the responsibility for housing homeless persons within its borders.

(18) "Local homeless housing task force" means a voluntary local committee created to advise a local government on the creation of a local homeless housing plan and participate in a local homeless housing program. It must include a representative of the county, a representative of the largest city located within the county, at least one homeless or formerly homeless person, such other members as may be required to maintain eligibility for federal funding related to housing programs and services and if feasible, a representative of a private nonprofit organization with experience in low-income housing.

(19) "Long-term private or public housing" means subsidized and unsubsidized rental or owner-occupied housing in which there is no established time limit for habitation of less than two years.

(20) "Performance measurement" means the process of comparing specific measures of success against ultimate and interim goals.

(21) "Secure facility" means a crisis residential center, or portion thereof, that has locking doors, locking windows, or a secured perimeter, designed and operated to prevent a child from leaving without permission of the facility staff.

(22) "Semi-secure facility" means any facility including, but not limited to, crisis residential centers or specialized foster family homes, operated in a

manner to reasonably assure that youth placed there will not run away. Pursuant to rules established by ~~((the department,))~~ the facility administrator, the facility administrator shall establish reasonable hours for residents to come and go from the facility such that no residents are free to come and go at all hours of the day and night. To prevent residents from taking unreasonable actions, the facility administrator, where appropriate, may condition a resident's leaving the facility upon the resident being accompanied by the administrator or the administrator's designee and the resident may be required to notify the administrator or the administrator's designee of any intent to leave, his or her intended destination, and the probable time of his or her return to the center.

(23) "Staff secure facility" means a structured group care facility licensed under rules adopted by the department of social and health services with a ratio of at least one adult staff member to every two children.

(24) "Washington homeless census" means an annual statewide census conducted as a collaborative effort by towns, cities, counties, community-based organizations, and state agencies, with the technical support and coordination of the department, to count and collect data on all homeless individuals in Washington.

(25) "Washington homeless client management information system" means a database of information about homeless individuals in the state used to coordinate resources to assist homeless clients to obtain and retain housing and reach greater levels of self-sufficiency or economic independence when appropriate, depending upon their individual situations.

Sec. 3. RCW 43.185C.250 and 2015 c 69 s 11 are each amended to read as follows:

(1)(a) The administrator of a crisis residential center may convene a multidisciplinary team, which is to be locally based and administered, at the request of a child placed at the center or the child's parent.

(b) If the administrator has reasonable cause to believe that a child is a child in need of services and the parent is unavailable or unwilling to continue efforts to maintain the family structure, the administrator shall immediately convene a multidisciplinary team.

(c) A parent may disband a team twenty-four hours, excluding weekends and holidays, after receiving notice of formation of the team under (b) of this subsection unless a petition has been filed under RCW 13.32A.140. If a petition has been filed the parent may not disband the team until the hearing is held under RCW 13.32A.179. The court may allow the team to continue if an out-of-home placement is ordered under RCW 13.32A.179(3). Upon the filing of an at-risk youth or dependency petition the team shall cease to exist, unless the parent requests continuation of the team or unless the out-of-home placement was ordered under RCW 13.32A.179(3).

(2) The ~~((administrator))~~ department shall request participation of appropriate state agencies to assist in the coordination and delivery of services through the multidisciplinary teams. Those agencies that agree to participate shall provide the ~~((secretary))~~ director or the director's designee all information necessary to facilitate forming a multidisciplinary team and the ~~((administrator))~~ director or the director's designee shall provide this information to the administrator of each crisis residential center.

(3) The administrator shall also seek participation from representatives of mental health and drug and alcohol treatment providers as appropriate.

(4) A parent shall be advised of the request to form a multidisciplinary team and may select additional members of the multidisciplinary team. The parent or child may request any person or persons to participate including, but not limited to, educators, law enforcement personnel, court personnel, family therapists, licensed health care practitioners, social service providers, youth residential placement providers, other family members, church representatives, and members of their own community. The administrator shall assist in obtaining the prompt participation of persons requested by the parent or child.

(5) When an administrator of a crisis residential center requests the formation of a team, the state agencies must respond as soon as possible.

Sec. 4. RCW 43.185C.260 and 2015 c 69 s 13 are each amended to read as follows:

(1) A law enforcement officer shall take a child into custody:

(a) If a law enforcement agency has been contacted by the parent of the child that the child is absent from parental custody without consent; or

(b) If a law enforcement officer reasonably believes, considering the child's age, the location, and the time of day, that a child is in circumstances which constitute a danger to the child's safety or that a child is violating a local curfew ordinance; or

(c) If an agency legally charged with the supervision of a child has notified a law enforcement agency that the child has run away from placement; or

(d) If a law enforcement agency has been notified by the juvenile court that the court finds probable cause exists to believe that the child has violated a court placement order issued under this chapter or chapter 13.34 RCW or that the court has issued an order for law enforcement pick-up of the child under this chapter or chapter 13.34 RCW.

(2) Law enforcement custody shall not extend beyond the amount of time reasonably necessary to transport the child to a destination authorized by law and to place the child at that destination. Law enforcement custody continues until the law enforcement officer transfers custody to a person, agency, or other authorized entity under this chapter, or releases the child because no placement is available. Transfer of custody is not complete unless the person, agency, or entity to whom the child is released agrees to accept custody.

(3) If a law enforcement officer takes a child into custody pursuant to either subsection (1)(a) or (b) of this section and transports the child to a crisis residential center, the officer shall, within twenty-four hours of delivering the child to the center, provide to the center a written report detailing the reasons the officer took the child into custody. The center shall provide the department of social and health services with a copy of the officer's report if the youth is in the care of or receiving services from the department of social and health services children's administration.

(4) If the law enforcement officer who initially takes the juvenile into custody or the staff of the crisis residential center have reasonable cause to believe that the child is absent from home because he or she is abused or neglected, a report shall be made immediately to the department of social and health services.

(5) Nothing in this section affects the authority of any political subdivision to make regulations concerning the conduct of minors in public places by ordinance or other local law.

(6) If a law enforcement officer has a reasonable suspicion that a child is being unlawfully harbored in violation of RCW 13.32A.080, the officer shall remove the child from the custody of the person harboring the child and shall transport the child to one of the locations specified in RCW 43.185C.265.

(7) No child may be placed in a secure facility except as provided in this chapter.

Sec. 5. RCW 43.185C.285 and 2015 c 69 s 17 are each amended to read as follows:

The administrator of a crisis residential center shall notify parents~~((;))~~ and the appropriate law enforcement agency~~((; and the department of social and health services immediately))~~ as to any unauthorized leave from the center by a child placed at the center. The administrator shall also notify the department of social and health services immediately as to any unauthorized leave from the center by a child who is in the care of or receiving services from the department of social and health services children's administration.

Sec. 6. RCW 43.185C.295 and 2015 c 69 s 19 are each amended to read as follows:

(1) The department shall establish, through performance-based contracts with private or public vendors, regional crisis residential centers with semi-secure facilities. These facilities shall be structured group care facilities licensed under rules adopted by the department of social and health services and shall have an average of at least four adult staff members and in no event less than three adult staff members to every eight children.

(2) Crisis residential centers must record client information into a homeless management information system specified by the department.

(3) Within available funds appropriated for this purpose, the department shall establish, through performance-based contracts with private or public vendors, regional crisis residential centers with secure facilities. These facilities shall be facilities licensed under rules adopted by the department of social and health services. These centers may also include semi-secure facilities and to such extent shall be subject to subsection (1) of this section.

(4) The department shall, in addition to the facilities established under subsections (1) and (2) of this section, establish additional crisis residential centers pursuant to performance-based contracts with licensed private group care facilities.

(5) The department is authorized to allow contracting entities to include a combination of secure or semi-secure crisis residential centers as defined in RCW 13.32A.030 and/or HOPE centers pursuant to RCW 43.185C.315 in the same building or structure. The department of social and health services shall permit the colocation of these centers only if the entity operating the facility agrees to designate a particular number of beds to each type of center that is located within the building or structure.

(6) The staff at the facilities established under this section shall be trained so that they may effectively counsel juveniles admitted to the centers, provide treatment, supervision, and structure to the juveniles that recognize the need for

support and the varying circumstances that cause children to leave their families, and carry out the responsibilities stated in RCW 43.185C.280.

(7) The secure facilities located within crisis residential centers shall be operated to conform with the definition in RCW 13.32A.030. The facilities shall have an average of no less than one adult staff member to every ten children. The staffing ratio shall continue to ensure the safety of the children.

(8) If a secure crisis residential center is located in or adjacent to a secure juvenile detention facility, the center shall be operated in a manner that prevents in-person contact between the residents of the center and the persons held in such facility.

Sec. 7. RCW 43.185C.315 and 2016 c 205 s 10 are each amended to read as follows:

(1) The department shall establish HOPE centers that provide no more than seventy-five beds across the state and may establish HOPE centers by contract, within funds appropriated by the legislature specifically for this purpose. HOPE centers shall be operated in a manner to reasonably assure that street youth placed there will not run away. ~~((Street youth may leave a HOPE center during the course of the day to attend school or other necessary appointments, but the street youth must be accompanied by an administrator or an administrator's designee. The street youth must provide the administration with specific information regarding his or her destination and expected time of return to the HOPE center.))~~ Pursuant to rules established by the facility administrator, residents may come and go from the facility at reasonable hours such that no residents are free to come and go at all hours of the day and night. The facility administrator, where appropriate, may condition a resident's leaving the facility upon the resident being accompanied by the administrator or the administrator's designee and the resident may be required to notify the administrator or the administrator's designee of any intent to leave, his or her intended destination, and the probable time of his or her return to the HOPE center. Any street youth who runs away from a HOPE center shall not be readmitted unless specifically authorized by the street youth's placement and liaison specialist, and the placement and liaison specialist shall document with specific factual findings an appropriate basis for readmitting any street youth to a HOPE center. HOPE centers are required to have the following:

(a) A license issued by the department of social and health services;

(b) A professional with a master's degree in counseling, social work, or related field and at least one year of experience working with street youth or a bachelor of arts degree in social work or a related field and five years of experience working with street youth. This professional staff person may be contractual or a part-time employee, but must be available to work with street youth in a HOPE center at a ratio of one to every fifteen youth staying in a HOPE center. This professional shall be known as a placement and liaison specialist. Preference shall be given to those professionals cross-credentialed in mental health and chemical dependency. The placement and liaison specialist shall:

(i) Conduct an assessment of the street youth that includes a determination of the street youth's legal status regarding residential placement;

(ii) Facilitate the street youth's return to his or her legally authorized residence at the earliest possible date or initiate processes to arrange legally

authorized appropriate placement. Any street youth who may meet the definition of dependent child under RCW 13.34.030 must be referred to the department of social and health services. The department of social and health services shall determine whether a dependency petition should be filed under chapter 13.34 RCW. A shelter care hearing must be held within seventy-two hours to authorize out-of-home placement for any youth the department of social and health services determines is appropriate for out-of-home placement under chapter 13.34 RCW. All of the provisions of chapter 13.32A RCW must be followed for children in need of services or at-risk youth;

(iii) Interface with other relevant resources and system representatives to secure long-term residential placement and other needed services for the street youth;

(iv) Be assigned immediately to each youth and meet with the youth within eight hours of the youth receiving HOPE center services;

(v) Facilitate a physical examination of any street youth who has not seen a physician within one year prior to residence at a HOPE center and facilitate evaluation by a county-designated mental health professional, a chemical dependency specialist, or both if appropriate; and

(vi) Arrange an educational assessment to measure the street youth's competency level in reading, writing, and basic mathematics, and that will measure learning disabilities or special needs;

(c) Staff trained in development needs of street youth as determined by the department, including an administrator who is a professional with a master's degree in counseling, social work, or a related field and at least one year of experience working with street youth, or a bachelor of arts degree in social work or a related field and five years of experience working with street youth, who must work with the placement and liaison specialist to provide appropriate services on site;

(d) A data collection system that measures outcomes for the population served, and enables research and evaluation that can be used for future program development and service delivery. Data collection systems must have confidentiality rules and protocols developed by the department;

(e) Notification requirements that meet the notification requirements of chapter 13.32A RCW. The youth's arrival date and time must be logged at intake by HOPE center staff. The staff must immediately notify law enforcement and dependency caseworkers if a street youth runs away from a HOPE center. A child may be transferred to a secure facility as defined in RCW 13.32A.030 whenever the staff reasonably believes that a street youth is likely to leave the HOPE center and not return after full consideration of the factors set forth in RCW 43.185C.290(2)(a) (i) and (ii). The street youth's temporary placement in the HOPE center must be authorized by the court or the secretary of the department of social and health services if the youth is a dependent of the state under chapter 13.34 RCW or the department of social and health services is responsible for the youth under chapter 13.32A RCW, or by the youth's parent or legal custodian, until such time as the parent can retrieve the youth who is returning to home;

(f) HOPE centers must identify to the department of social and health services any street youth it serves who is not returning promptly to home. The department of social and health services then must contact the missing children's

clearinghouse identified in chapter 13.60 RCW and either report the youth's location or report that the youth is the subject of a dependency action and the parent should receive notice from the department of social and health services; and

(g) Services that provide counseling and education to the street youth.

(2) The department shall award contracts for the operation of HOPE center beds with the goal of facilitating the coordination of services provided for youth by such programs and those services provided by secure and semi-secure crisis residential centers.

(3) Subject to funds appropriated for this purpose, the department must incrementally increase the number of available HOPE beds by at least seventeen beds in fiscal year 2017, at least seventeen beds in fiscal year 2018, and at least seventeen beds in fiscal year 2019, such that by July 1, 2019, seventy-five HOPE beds are established and operated throughout the state as set forth in subsection (1) of this section.

(4) Subject to funds appropriated for this purpose, the beds available in HOPE centers shall be increased incrementally beyond the limit of seventy-five set forth in subsection (1) of this section. The additional capacity shall be distributed around the state based upon need and, to the extent feasible, shall be geographically situated so that HOPE beds are available across the state. In determining the need for increased numbers of HOPE beds in a particular county or counties, one of the considerations should be the volume of truancy petitions filed there.

Sec. 8. RCW 43.185C.320 and 2016 c 205 s 11 are each amended to read as follows:

To be eligible for placement in a HOPE center, a minor must be either a street youth, as that term is defined in this chapter, or a youth who, without placement in a HOPE center, will continue to participate in increasingly risky behavior, including truancy. Youth may also self-refer to a HOPE center. ~~((Payment for a HOPE center bed is not contingent upon prior approval by the department; however, approval from the department of social and health services is needed if the youth is dependent under chapter 13.34 RCW.))~~

Passed by the House March 6, 2017.

Passed by the Senate April 12, 2017.

Approved by the Governor May 10, 2017.

Filed in Office of Secretary of State May 10, 2017.

CHAPTER 278

[House Bill 1983]

JUVENILE CORRECTIONAL FACILITIES--COUNTY CONSORTIUM--POPULATION--REJOINING

AN ACT Relating to reducing the population requirement in a consortium of counties in order to operate a juvenile correctional facility; and amending RCW 13.04.035.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 13.04.035 and 1996 c 284 s 1 are each amended to read as follows:

Juvenile court shall be administered by the superior court, except that by local court rule and agreement with the legislative authority of the county this service may be administered by the legislative authority of the county. Juvenile probation counselor and detention services shall be administered by the superior court, except that (1) by local court rule and agreement with the county legislative authority, these services may be administered by the county legislative authority; (2) for the consortium in existence on the effective date of this section, if a consortium of three or more counties, located east of the Cascade mountains and whose combined population exceeds (~~(five)~~) two hundred ((thirty)) thousand, jointly operates a juvenile correctional facility, the county legislative authorities may prescribe for alternative administration of the juvenile correctional facility by ordinance; and (3) in any county with a population of one million or more, probation and detention services shall be administered in accordance with chapter 13.20 RCW. The administrative body shall appoint an administrator of juvenile court, probation counselor, and detention services who shall be responsible for day-to-day administration of such services, and who may also serve in the capacity of a probation counselor. One person may, pursuant to the agreement of more than one administrative body, serve as administrator of more than one juvenile court. If a county participating in a consortium authorized under subsection (2) of this section withdraws from participation, the withdrawing county may rejoin the consortium at a later time so long as a majority of the consortium members agree.

Passed by the House April 13, 2017.

Passed by the Senate April 6, 2017.

Approved by the Governor May 10, 2017.

Filed in Office of Secretary of State May 10, 2017.

CHAPTER 279

[Substitute House Bill 1988]

VULNERABLE YOUTH GUARDIANSHIP PROGRAM

AN ACT Relating to implementing a vulnerable youth guardianship program; adding a new chapter to Title 13 RCW; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. Existing federal law, 8 U.S.C. Sec. 1101(a)(27)(J), establishes a procedure for classification of abandoned, abused, or neglected youth as special immigrants who have been declared dependent on a juvenile court or legally committed to or placed in the custody of a state agency or department, or placed under the custody of an individual or entity appointed by a state or juvenile court, and authorizes those youth to apply for an adjustment of status to that of a lawful permanent resident within the United States. A youth is age-eligible if the youth is under twenty-one years old. Existing state law already provides that superior courts have jurisdiction to make judicial determinations regarding the custody and care of juveniles.

This chapter authorizes a court to appoint a guardian for a vulnerable youth from eighteen to twenty-one years old, who is not participating in extended foster care services authorized under RCW 74.13.031, and who is eligible for

classification under 8 U.S.C. Sec. 1101(a)(27)(J) with the consent of the proposed ward. This chapter also provides that a vulnerable youth guardianship of the person terminates on the youth's twenty-first birthday unless the youth requests termination prior to that date. Opening court doors for the provision of a vulnerable youth guardianship serves the state's interest in eliminating human trafficking, preventing further victimization of youth, decreasing reliance on public resources, reducing youth homelessness, and offering protection for youth who may otherwise be targets for traffickers.

NEW SECTION. **Sec. 2.** (1) The legislature finds and declares the following:

(a) Washington law grants the superior courts jurisdiction to make judicial determinations regarding the custody and care of youth within the meaning of the federal immigration and nationality act. Pursuant to 8 U.S.C. Sec. 1101(b), the term "child" means an unmarried person under twenty-one years of age. Superior courts are empowered to make the findings necessary for a youth to petition the United States citizenship and immigration services for classification under 8 U.S.C. Sec. 1101(a)(27)(J).

(b) 8 U.S.C. Sec. 1101(a)(27)(J) offers interim relief from deportation to undocumented, unmarried immigrant youth under twenty-one years old, if a state court with jurisdiction over juveniles has made specific findings.

(c) The findings necessary for a youth to petition for classification under 8 U.S.C. Sec. 1101(a)(27)(J) include, among others, a finding that reunification with one or both parents is not viable due to abuse, neglect, abandonment, or a similar basis under state law, and a finding that it is not in the youth's best interest to be returned to the youth's country of origin.

(d) Misalignment between state and federal law continues to exist. Federal law allows a person under twenty-one years old, who otherwise meets the requirements for eligibility under 8 U.S.C. Sec. 1101(a)(27)(J), to file for relief. In Washington, however, vulnerable youth who are between eighteen and twenty-one years old have largely been unable to obtain the findings from the superior court necessary to seek classification under 8 U.S.C. Sec. 1101(a)(27)(J) and the relief that it was intended to afford them, solely because superior courts cannot take jurisdiction of these vulnerable youth under current law. This is true despite the fact that many vulnerable youth between eighteen and twenty-one years old face circumstances identical to those faced by their younger counterparts.

(e) Given the recent influx of vulnerable youth arriving to the United States, many of whom have been released to family members and other adults in Washington, and who have experienced parental abuse, neglect, or abandonment, it is necessary to provide an avenue for these vulnerable youth to petition the superior courts to appoint a guardian of the person, even if the youth is over eighteen years old. This is particularly necessary in light of the vulnerability of this class of youth, and their need for a custodial relationship with a responsible adult as they adjust to a new cultural context, language, and education system, and recover from the trauma of abuse, neglect, or abandonment. These custodial arrangements promote the long-term well-being and stability of vulnerable youth present in the United States who have experienced abuse, neglect, or abandonment by one or both parents.

(f) The legislature has an interest in combating human trafficking throughout Washington state. In 2003, Washington became the first state to enact a law making human trafficking a crime and has since continued its efforts to provide support services for victims of human trafficking while also raising awareness of human trafficking. Vulnerable youth who have been subject to parental abuse, neglect, or abandonment are particularly susceptible to becoming victims of human trafficking. By creating an avenue for a vulnerable youth guardianship for certain eligible individuals between eighteen and twenty-one years old, the legislature will provide such youth with the possibility for additional support and protection that a guardian can offer, which will make these youth less likely to become targets for human traffickers. Guardians can support vulnerable youth by providing them stable housing and caring for their basic necessities, which may help alleviate many of the risk factors that make such youth prime targets for trafficking and exploitation.

(g) Vulnerable youth guardianships of the person may be necessary and appropriate for these individuals, even between eighteen and twenty-one years old, although a vulnerable youth for whom a guardian has been appointed retains the rights of an adult under Washington law.

(2) It is the intent of the legislature to give the juvenile division of superior courts jurisdiction to appoint a guardian for a consenting vulnerable youth between eighteen, up to the age of twenty-one who has been abandoned, neglected, or abused by one or both parents, or for whom the court determines that a guardian is otherwise necessary as one or both parents cannot adequately provide for the youth such that the youth risks physical or psychological harm if returned to the youth's home. The juvenile court will have jurisdiction to make the findings necessary for a vulnerable youth to petition for classification under 8 U.S.C. Sec. 1101(a)(27)(J). It is further the intent of the legislature to provide an avenue for a person between eighteen and twenty-one years old to have a guardian of the person appointed beyond eighteen years old if the youth so requests or consents to the appointment of a guardian as provided in section 5 of this act.

NEW SECTION. Sec. 3. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Department" means the department of social and health services.

(2) "Guardian" means a person who has been appointed by the court as the guardian of a vulnerable youth in a legal proceeding under this chapter. The term "guardian" does not include a "dependency guardian" appointed pursuant to a proceeding under chapter 13.34 RCW for the purpose of assisting the court in supervising the dependency. The term "guardian" does not include a "guardian" appointed pursuant to a proceeding under chapter 13.36 RCW or a "dependency guardian" appointed pursuant to a proceeding under chapter 13.34 RCW.

(3) "Juvenile court" or "court" means the juvenile division of the superior court.

(4) "Relative" means a person related to the child in the following ways:

(a) Any parent, or blood relative, including those of half-blood, and including first cousins, second cousins, nephews or nieces, and persons of preceding generations as denoted by prefixes of grand, great, or great-great;

(b) A stepfather, stepmother, stepbrother, and stepsister;

(c) A person who legally adopts a child or the child's parent as well as the natural and other legally adopted children of such persons, and other relatives of the adoptive parents in accordance with state law;

(d) Spouses of any persons named in (a) through (c) of this subsection (4), even after the marriage is terminated;

(e) Relatives, as described in (a) through (d) of this subsection (4), of any half-sibling of the child.

(5)(a) "Suitable person" means a nonrelative who has completed all required criminal history background checks as specified in (b) of this subsection and otherwise appears to be suitable and competent to provide care for the youth.

(b) The criminal background checks required in (a) of this subsection are those set out in RCW 26.10.135 (1) and (2)(b), but apply only to the guardian and not to other adult members of the household.

(6) "Vulnerable youth" is an individual who has turned eighteen years old, but who is not yet twenty-one years old and who is eligible for classification under 8 U.S.C. Sec. 1101(a)(27)(J). A youth who remains in a vulnerable youth guardianship under this chapter shall not be considered a "child" under any other state statute or for any other purpose. A vulnerable youth is one who is not also a nonminor dependent who is participating in extended foster care services authorized under RCW 74.13.031.

NEW SECTION. Sec. 4. (1) A vulnerable youth may petition the court that a vulnerable youth guardianship be established for him or her by filing a petition in juvenile court under this chapter. The proposed guardian must agree to join in the petition, and must receive notice of the petition.

(2) To be designated as a proposed guardian in a petition under this chapter, a person must be age twenty-one or over, suitable, and capable of performing the duties of guardian under section 6 of this act, including but not limited to parents, licensed foster parents, relatives, and suitable persons.

(3) The petition must allege and show that:

(a) Both the petitioner and the proposed guardian agree to the establishment of a guardianship;

(b) The youth is between the ages of eighteen and twenty-one years;

(c) The youth is prima facie eligible to apply for classification under 8 U.S.C. Sec. 1101(a)(27)(J);

(d) The youth requests the support of a responsible adult; and

(e) The proposed guardian agrees to serve as guardian, and is a suitable adult over twenty-one years old who is capable of performing the duties of a guardian as stated in section 6 of this act.

(4) There must be no fee associated with the filing of a vulnerable youth guardianship petition by or for a vulnerable youth under this section.

NEW SECTION. Sec. 5. (1) At the hearing on a vulnerable youth guardianship petition, both parties, the vulnerable youth and the proposed guardian, have the right to present evidence and cross-examine witnesses. The rules of evidence apply to the conduct of the hearing.

(2) A vulnerable youth guardianship must be established if the court finds by a preponderance of the evidence that:

(a) The allegations in the petition are true;

(b) It is in the vulnerable youth's best interest to establish a vulnerable youth guardianship; and

(c) The vulnerable youth consents in writing to the appointment of a guardian.

(3) A guardianship established under subsection (2) of this section remains in effect as provided in section 8 of this act.

NEW SECTION. Sec. 6. (1) If the court has made the findings required under section 5 of this act, the court shall issue an order establishing a vulnerable youth guardianship for the vulnerable youth. The order shall:

(a) Appoint a person to be the guardian for the vulnerable youth;

(b) Provide that the guardian shall ensure that the legal rights of the vulnerable youth are not violated, and may specify the guardian's other rights and responsibilities concerning the care, custody, and nurturing of the vulnerable youth;

(c) Specify that the guardian shall not have possession of any identity documents belonging to the vulnerable youth; and

(d) Specify the need for and scope of continued oversight by the court, if any.

(2) Unless specifically ordered by the court, the standards and requirements for relocation in chapter 26.09 RCW do not apply to vulnerable youth guardianships established under this chapter.

(3) The court shall provide a certified copy of the vulnerable youth guardianship order to the vulnerable youth and the guardian.

(4) For an unrepresented vulnerable youth whose vulnerable youth guardian is a suitable person, as defined in section 3 of this act, the court shall provide a list of service providers and available resources for survivors of human trafficking, such as any relevant lists or materials created by the Washington state task force against the trafficking of persons under RCW 7.68.350.

NEW SECTION. Sec. 7. (1) The youth may move the court to modify the provisions of a vulnerable youth guardianship order at any time by: (a) Filing with the court a motion for modification and an affidavit setting forth facts supporting the requested modification; and (b) providing notice and a copy of the motion and affidavit to the other party. The nonmoving party may file and serve opposing affidavits.

(2) The youth may move the court to appoint a new guardian at any time by: (a) Filing with the court a motion for appointment of a new guardian and an affidavit setting forth facts supporting the requested appointment; and (b) providing notice and a copy of the motion and affidavit to the other party.

(3) The youth may move the court to substitute a new guardian, provided that the proposed new guardian is a suitable adult over twenty-one years old who is capable of performing the duties of a guardian as stated in section 6 of this act. The substitution of a new guardian must be permitted without termination of the vulnerable youth guardianship and the youth is not required to file a new vulnerable youth guardianship petition to substitute a guardian.

(4) If a party other than the youth moves the court to modify the provisions of a vulnerable youth guardianship order, the modification is subject to the youth's agreement.

NEW SECTION. Sec. 8. (1) The vulnerable youth guardianship terminates on the vulnerable youth's twenty-first birthday.

(2) The vulnerable youth may request the termination of the vulnerable youth guardianship at any time. The court shall terminate the vulnerable youth guardianship upon the request of the vulnerable youth. The vulnerable youth may also withdraw consent to the vulnerable youth guardianship at any time.

(3) The guardian may request termination of the vulnerable youth guardianship by filing a petition and supporting affidavit alleging a substantial change has occurred in the circumstances of the vulnerable youth or the guardian and that the termination is necessary to serve the best interests of the vulnerable youth. The petition and affidavit must be served on both parties to the vulnerable youth guardianship.

(4) Except as provided in subsection (2) of this section, the court shall not terminate a vulnerable youth guardianship unless it finds, upon the basis of facts that have arisen since the vulnerable youth guardianship was established or that were unknown to the court at the time the vulnerable youth guardianship was established, that a substantial change has occurred in the circumstances of the vulnerable youth or the guardian and that termination of the vulnerable youth guardianship is necessary to serve the best interests of the vulnerable youth. The effect of a guardian's duties while serving in the military potentially impacting vulnerable youth guardianship functions is not, by itself, a substantial change of circumstances justifying termination of a vulnerable youth guardianship.

NEW SECTION. Sec. 9. In all proceedings under this chapter to establish, modify, or terminate a vulnerable youth guardianship order, the vulnerable youth and the guardian or prospective guardian have the right to be represented by counsel of their choosing and at their own expense.

NEW SECTION. Sec. 10. (1) Subject to the availability of amounts appropriated for this specific purpose, the Washington state task force against the trafficking of persons created in RCW 7.68.350 shall:

(a) Evaluate whether vulnerable youth guardianships established under chapter 13.--- RCW (the new chapter created in section 11 of this act) where the guardian is a suitable person, as defined in section 3 of this act, have the unintended impact of placing youth at greater risk of being trafficked; and

(b) Compile a list of service providers and available resources for survivors of human trafficking that a court issuing a vulnerable youth guardianship order under section 6 of this act can provide to a vulnerable youth applying for a guardian who is a suitable person, as defined in section 3 of this act.

(2) If findings are made that vulnerable youth guardianships established under chapter 13.--- RCW (the new chapter created in section 11 of this act) where the guardian is a suitable person, as defined in section 3 of this act, have the unintended impact of placing youth at greater risk of being trafficked, the task force shall:

(a) Research and identify ways to reduce this risk, including recommendations on legislation;

(b) Examine whether providing a vulnerable youth applying for a guardian who is a suitable person, as defined in section 3 of this act, with an advocate interview prior to granting a vulnerable youth guardianship will help reduce this risk; and

(c) Identify best practices for an advocate interview and any related recommendations on training or other requirements for advocate organizations.

(3) The task force shall deliver the evaluation of vulnerable youth guardianships specified by this section to the legislature by January 1, 2019.

NEW SECTION. Sec. 11. Sections 1 through 9 of this act constitute a new chapter in Title 13 RCW.

Passed by the House April 13, 2017.

Passed by the Senate April 7, 2017.

Approved by the Governor May 10, 2017.

Filed in Office of Secretary of State May 10, 2017.

CHAPTER 280

[Engrossed Substitute House Bill 2010]

WILDFIRE AREAS--HOMELESSNESS--TRANSFER OF VEHICLES AND EQUIPMENT

AN ACT Relating to the prevention of homelessness in wildfire areas; amending RCW 76.04.135; adding a new section to chapter 43.30 RCW; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 43.30 RCW to read as follows:

Subject to the availability of amounts appropriated for this specific purpose, in order to prevent homelessness in any county located east of the crest of the Cascade mountain range that shares a common border with Canada and has a population of one hundred thousand or less, the department shall, to strengthen the local capacity for controlling risk to life and property that may result from wildfires, administer to these counties, funding for radio communication equipment; and fire protection service providers within these counties to provide residential wildfire risk reduction activities, including education and outreach, technical assistance, fuel mitigation and other residential risk reduction measures. For the purposes of this section, fire protection service providers include fire departments, fire districts, emergency management services, and regional fire protection service authorities. The department must prioritize funding to counties authorized in this section serving a disproportionately higher percentage of low-income residents, as defined in RCW 84.36.042, that are located in areas of higher wildfire risk, and whose fire protection service providers have a shortage of reliable equipment and resources.

Sec. 2. RCW 76.04.135 and 2012 c 38 s 2 are each amended to read as follows:

(1) For the purpose of promoting and facilitating cooperation among fire protection agencies, including the department, and between the department and other agencies that manage lands owned by the state, and to more adequately protect life, property, and the natural resources of the state, the department may enter into a contract or agreement with a municipality, county, state, or federal agency to provide fire detection, prevention, presuppression, or suppression services on property which they are responsible to protect or manage.

(2) Contracts or agreements under subsection (1) of this section may contain provisions for the exchange of services on a cooperative basis or services in return for cash payment or other compensation.

(3) No charges may be made when the department determines that under a cooperative contract or agreement the assistance received from a municipality, county, or federal agency on state protected lands equals that provided by the state on municipal, county, or federal lands.

(4) The department may transfer ownership of depreciated firefighting vehicles and related equipment upon terms subject to mutual agreement to local fire districts in wildfire prone areas in all areas of the state, as determined by the department, and where the median household income is below the state average. These vehicle and equipment transfers are exempt from the requirements in RCW 43.19.1919(1). The department must notify the chairs and ranking members of the legislative committees with jurisdiction regarding these transfers at least ten days prior to transfer of the equipment.

NEW SECTION. Sec. 3. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Passed by the House April 13, 2017.

Passed by the Senate April 7, 2017.

Approved by the Governor May 10, 2017.

Filed in Office of Secretary of State May 10, 2017.

CHAPTER 281

[Substitute Senate Bill 5081]

REVISED UNIFORM LAW ON NOTARIAL ACTS

AN ACT Relating to adoption of the revised uniform law on notarial acts; amending RCW 9.97.020, 18.235.010, 18.235.020, 19.34.340, 19.154.060, 43.24.150, 64.08.060, and 64.08.070; adding a new chapter to Title 42 RCW; repealing RCW 42.44.010, 42.44.020, 42.44.030, 42.44.050, 42.44.060, 42.44.070, 42.44.080, 42.44.090, 42.44.100, 42.44.110, 42.44.120, 42.44.130, 42.44.140, 42.44.150, 42.44.160, 42.44.170, 42.44.180, 42.44.190, 42.44.200, 42.44.210, 42.44.220, 42.44.221, 42.44.900, 42.44.901, and 42.44.903; and providing an effective date.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. SHORT TITLE. This chapter may be known and cited as the revised uniform law on notarial acts.

NEW SECTION. Sec. 2. DEFINITIONS. In this chapter:

(1) "Acknowledgment" means a declaration by an individual in the presence of a notarial officer stating that the individual has signed a record of the individual's free will for the purpose stated in the record and, if the record is signed in a representative capacity, the individual also declares that he or she signed the record with proper authority and signed it as the act of the individual or entity identified in the record.

(2) "Department" means the department of licensing.

(3) "Director" means the director of licensing or the director's designee.

(4) "Electronic" means relating to technology having electrical, digital, magnetic, wireless, optical, electromagnetic, or similar capabilities.

(5) "Electronic records notary public" means an individual commissioned by the director to perform a notarial act with respect to electronic records. Nothing in this act authorizes an electronic records notary public to provide court reporting services.

(6) "Electronic signature" means an electronic symbol, sound, or process attached to or logically associated with a record and executed or adopted by an individual with the intent to sign the record.

(7) "In a representative capacity" means acting as:

(a) An authorized officer, agent, partner, trustee, or other representative for a person other than an individual;

(b) A public officer, personal representative, guardian, or other representative, in the capacity stated in a record;

(c) An agent or attorney-in-fact for a principal; or

(d) An authorized representative of another in any other capacity.

(8) "Notarial act" means an act, whether performed with respect to a tangible or electronic record, that a notarial officer may perform under the law of this state. The term includes taking an acknowledgment, administering an oath or affirmation, taking a verification on oath or affirmation, witnessing or attesting a signature, certifying or attesting a copy, certifying the occurrence of an event or the performance of an act, and noting a protest of a negotiable instrument if the protest was prepared under the authority of an attorney licensed to practice law in this state or another state, or was prepared under the authority of a financial institution that is regulated by this state, another state, or the federal government.

(9) "Notarial officer" means a notary public or other individual authorized to perform a notarial act.

(10) "Notary public" means an individual commissioned to perform a notarial act by the director.

(11) "Official stamp" means a physical image affixed to or embossed on a tangible record or an electronic image attached to or logically associated with an electronic record.

(12) "Person" means an individual, corporation, business trust, statutory trust, estate, trust, partnership, limited liability company, association, joint venture, public corporation, government or governmental subdivision, agency, or instrumentality, or any other legal or commercial entity.

(13) "Record" means information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in human perceivable form.

(14) "Sign" means, with present intent to authenticate or adopt a record:

(a) To execute or adopt a tangible symbol; or

(b) To attach to or logically associate with the record an electronic symbol, sound, or process.

(15) "Signature" means a tangible symbol or an electronic signature that evidences the signing of a record.

(16) "Stamping device" means:

(a) A physical device capable of affixing to or embossing on a tangible record an official stamp; or

(b) An electronic device or process capable of attaching to or logically associating with an electronic record an official stamp.

(17) "State" means a state of the United States, the District of Columbia, Puerto Rico, the United States Virgin Islands, or any territory or insular possession subject to the jurisdiction of the United States.

(18) "Verification on oath or affirmation" means a declaration, made by an individual on oath or affirmation before a notarial officer, that a statement in a record is true.

NEW SECTION. Sec. 3. APPLICABILITY. This chapter applies to a notarial act performed on or after the effective date of this section.

NEW SECTION. Sec. 4. AUTHORITY TO PERFORM NOTARIAL ACT. (1) A notarial officer may perform a notarial act authorized by this chapter or by law of this state other than this chapter.

(2)(a) A notarial officer may not perform a notarial act with respect to a record to which the officer or the officer's spouse or domestic partner is a party, or in which any of the above have a direct beneficial interest.

(b) A notarial officer may not notarize the notarial officer's own signature.

(c) A notarial act performed in violation of this subsection (2) is voidable.

NEW SECTION. Sec. 5. REQUIREMENTS FOR CERTAIN NOTARIAL ACTS. (1) A notarial officer who takes an acknowledgment of a record shall determine, from personal knowledge or satisfactory evidence of the identity of the individual, that the individual appearing before the officer and making the acknowledgment has the identity claimed and that the signature on the record is the signature of the individual.

(2) A notarial officer who takes a verification of a statement on oath or affirmation shall determine, from personal knowledge or satisfactory evidence of the identity of the individual, that the individual appearing before the officer and making the verification has the identity claimed and that the signature on the statement verified is the signature of the individual.

(3) A notarial officer who witnesses or attests to a signature shall determine, from personal knowledge or satisfactory evidence of the identity of the individual, that the individual appearing before the officer and signing the record has the identity claimed.

(4) A notarial officer who certifies or attests a copy of a record or an item that was copied shall compare the copy with the original record or item and determine that the copy is a full, true, and accurate transcription or reproduction of the record or item.

(5) A notarial officer may make or note a protest of a negotiable instrument only if the notarial officer is licensed to practice law in this state, acting under the authority of an attorney who is licensed to practice law in this or another state, or acting under the authority of a financial institution regulated by this state, another state, or the federal government. In making or noting a protest of a negotiable instrument the notarial officer or licensed attorney shall determine the matters set forth in RCW 62A.3-505(b).

NEW SECTION. Sec. 6. PERSONAL APPEARANCE REQUIRED. If a notarial act relates to a statement made in or a signature executed on a record, the individual making the statement or executing the signature shall appear personally before the notarial officer.

NEW SECTION. Sec. 7. IDENTIFICATION OF INDIVIDUAL. (1) A notarial officer has personal knowledge of the identity of an individual appearing before the officer if the individual is personally known to the officer through dealings sufficient to provide reasonable certainty that the individual has the identity claimed.

(2) A notarial officer has satisfactory evidence of the identity of an individual appearing before the officer if the officer can identify the individual:

(a) By means of:

(i) A passport, driver's license, or government-issued nondriver identification card, which is current or expired not more than three years before performance of the notarial act; or

(ii) Another form of government identification issued to an individual, which is current or expired not more than three years before performance of the notarial act, contains the signature or a photograph of the individual, and is satisfactory to the officer; or

(b) By a verification on oath or affirmation of a credible witness personally appearing before the officer and personally known to the officer and who provides satisfactory evidence of his or her identity as described in (a) of this subsection.

(3) A notarial officer may require an individual to provide additional information or identification credentials necessary to assure the officer of the identity of the individual.

NEW SECTION. Sec. 8. AUTHORITY TO REFUSE TO PERFORM NOTARIAL ACT. (1) A notarial officer has the authority to refuse to perform a notarial act if the officer is not satisfied that:

(a) The individual executing the record is competent or has the capacity to execute the record; or

(b) The individual's signature is knowingly and voluntarily made.

(2) A notarial officer has the authority to refuse to perform a notarial act unless refusal is prohibited by law other than this chapter.

NEW SECTION. Sec. 9. SIGNATURE IF INDIVIDUAL UNABLE TO SIGN. Except as otherwise provided in RCW 64.08.100, if an individual is physically unable to sign a record, the individual may direct an individual other than the notarial officer to sign the individual's name on the record. The notarial officer shall insert "signature affixed by (name of other individual) at the direction of (name of individual)" or words of similar import.

NEW SECTION. Sec. 10. NOTARIAL ACT IN THIS STATE. (1) A notarial act may be performed in this state by:

(a) A notary public of this state;

(b) A judge, clerk, or deputy clerk of a court of this state; or

(c) Any other individual authorized to perform the specific act by the law of this state.

(2) The signature and title of an individual authorized by this act to perform a notarial act in this state are prima facie evidence that the signature is genuine and that the individual holds the designated title.

(3) The signature and title of a notarial officer described in subsection (1)(a) or (b) of this section conclusively establishes the authority of the officer to perform the notarial act.

NEW SECTION. Sec. 11. NOTARIAL ACT IN ANOTHER STATE. (1) A notarial act performed in another state has the same effect under the law of this state as if performed by a notarial officer of this state, if the act performed in that state is performed by:

(a) A notary public of that state;

(b) A judge, clerk, or deputy clerk of a court of that state; or

(c) Any other individual authorized by the law of that state to perform the notarial act.

(2) The signature and title of an individual performing a notarial act in another state are prima facie evidence that the signature is genuine and that the individual holds the designated title.

(3) The signature and title of a notarial officer described in subsection (1)(a) through (c) of this section conclusively establishes the authority of the officer to perform the notarial act.

NEW SECTION. Sec. 12. NOTARIAL ACT UNDER AUTHORITY OF FEDERALLY RECOGNIZED INDIAN TRIBE. (1) A notarial act performed under the authority and in the jurisdiction of a federally recognized Indian tribe has the same effect as if performed by a notarial officer of this state, if the act performed in the jurisdiction of the tribe is performed by:

(a) A notary public of the tribe;

(b) A judge, clerk, or deputy clerk of a court of the tribe; or

(c) Any other individual authorized by the law of the tribe to perform the notarial act.

(2) The signature and title of an individual performing a notarial act under the authority of and in the jurisdiction of a federally recognized Indian tribe are prima facie evidence that the signature is genuine and that the individual holds the designated title.

(3) The signature and title of a notarial officer described in subsection (1)(a) through (c) of this section conclusively establishes the authority of the officer to perform the notarial act.

NEW SECTION. Sec. 13. NOTARIAL ACT UNDER FEDERAL AUTHORITY. (1) A notarial act performed under federal law has the same effect under the law of this state as if performed by a notarial officer of this state, if the act performed under federal law is performed by:

(a) A judge, clerk, or deputy clerk of a court;

(b) An individual in military service or performing duties under the authority of military service who is authorized to perform notarial acts under federal law;

(c) An individual designated a notarizing officer by the United States department of state for performing notarial acts overseas; or

(d) Any other individual authorized by federal law to perform the notarial act.

(2) The signature and title of an individual acting under federal authority and performing a notarial act are prima facie evidence that the signature is genuine and that the individual holds the designated title.

(3) The signature and title of an officer described in subsection (1)(a), (b), or (c) of this section conclusively establishes the authority of the officer to perform the notarial act.

NEW SECTION. Sec. 14. FOREIGN NOTARIAL ACT. (1) In this section, "foreign state" means a government other than the United States, a state, or a federally recognized Indian tribe.

(2) If a notarial act is performed under the authority and in the jurisdiction of a foreign state or constituent unit of the foreign state or is performed under the

authority of a multinational or international governmental organization, the act has the same effect under the law of this state as if performed by a notarial officer of this state.

(3) If the title of office and indication of authority to perform notarial acts in a foreign state appears in a digest of foreign law or in a list customarily used as a source for that information, the authority of an officer with that title to perform notarial acts is conclusively established.

(4) The signature and official stamp of an individual holding an office described in subsection (3) of this section are prima facie evidence that the signature is genuine and the individual holds the designated title.

(5) An apostille in the form prescribed by the Hague Convention of October 5, 1961, and issued by a foreign state party to the Hague Convention conclusively establishes that the signature of the notarial officer is genuine and that the officer holds the indicated office.

(6) A consular authentication issued by an individual designated by the United States department of state as a notarizing officer for performing notarial acts overseas and attached to the record with respect to which the notarial act is performed conclusively establishes that the signature of the notarial officer is genuine and that the officer holds the indicated office.

NEW SECTION. Sec. 15. CERTIFICATE OF NOTARIAL ACT. (1) A notarial act must be evidenced by a certificate. The certificate must:

(a) Be executed contemporaneously with the performance of the notarial act;

(b) Be signed and dated by the notarial officer and, if the notarial officer is a notary public, be signed in the same manner as on file with the department;

(c) Identify the jurisdiction in which the notarial act is performed;

(d) Contain the title of office of the notarial officer;

(e) Be written in English or in dual languages, one of which must be English; and

(f) If the notarial officer is a notary public, indicate the date of expiration, if any, of the officer's commission.

(2) Regarding notarial act certificates on a tangible record:

(a) If a notarial act regarding a tangible record is performed by a notary public, an official stamp must be affixed to or embossed on the certificate.

(b) If a notarial act regarding a tangible record is performed by a notarial officer other than a notary public and the certificate contains the information specified in subsection (1)(b), (c), and (d) of this section, an official stamp may be affixed to or embossed on the certificate.

(3) Regarding notarial act certificates on an electronic record:

(a) If a notarial act regarding an electronic record is performed by an electronic records notary public, an official stamp must be attached to or logically associated with the certificate.

(b) If a notarial act regarding an electronic record is performed by a notarial officer other than a notary public and the certificate contains the information specified in subsection (1)(b), (c), and (d) of this section, an official stamp may be attached to or logically associated with the certificate.

(4) A certificate of a notarial act is sufficient if it meets the requirements of subsections (1) through (3) of this section and:

(a) Is in a short form set forth in section 16 of this act;

- (b) Is in a form otherwise permitted by the law of this state;
- (c) Is in a form permitted by the law applicable in the jurisdiction in which the notarial act was performed; or

(d) Sets forth the actions of the notarial officer and the actions are sufficient to meet the requirements of the notarial act as provided in sections 5, 6, and 7 of this act or law of this state other than this chapter.

(5) By executing a certificate of a notarial act, a notarial officer certifies that the officer has complied with the requirements and made the determinations specified in sections 5, 6, and 7 of this act.

(6) A notarial officer may not affix the officer's signature to, or logically associate it with, a certificate until the notarial act has been performed.

(7) If a notarial act is performed regarding a tangible record, a certificate must be part of, or securely attached to, the record. If a notarial act is performed regarding an electronic record, the certificate must be affixed to, or logically associated with, the electronic record. If the director has established standards pursuant to section 27 of this act for attaching, affixing, or logically associating the certificate, the process must conform to the standards.

NEW SECTION. Sec. 16. SHORT FORM CERTIFICATES. The following short form certificates of notarial acts are sufficient for the purposes indicated, if completed with the information required by section 15 (1) through (4) of this act:

- (1) For an acknowledgment in an individual capacity:

State of

County of

This record was acknowledged before me on (date) by (name(s) of individuals).

.....
(Signature of notary public)

(Stamp)

.....
(Title of office)

My commission expires:
.....
(date)

- (2) For an acknowledgment in a representative capacity:

State of

County of

This record was acknowledged before me on (date) by (name(s) of individuals) as (type of authority, such as officer or trustee) of (name of party on behalf of whom record was executed).

.....
(Signature of notary public)

(Stamp)

.....
(Title of office)
My commission expires:
.....
(date)

(3) For verification on oath or affirmation:

State of

County of

Signed and sworn to (or affirmed) before me on (date) by (name(s) of individuals making statement).

.....
(Signature of notary public)

(Stamp)

.....
(Title of office)
My commission expires:
.....
(date)

(4) For witnessing or attesting a signature:

State of

County of

Signed or attested before me on (date) by (name(s) of individuals).

.....
(Signature of notary public)

(Stamp)

.....
(Title of office)
My commission expires:
.....
(date)

(5) For certifying or attesting a copy of a record:

State of

County of

I certify that this is a true and correct copy of a record in the possession of

Dated:

.....

(Signature of notary public)

(Stamp)

.....

(Title of office)

My commission expires:

.....

(date)

(6) For certifying the occurrence of an event or the performance of any act:

State of

County of

I certify that the event described in this document has occurred or been performed.

Dated:

.....

(Signature of notary public)

(Stamp)

.....

(Title of office)

My commission expires:

.....

(date)

NEW SECTION. **Sec. 17. OFFICIAL STAMP.** (1) It is unlawful for any person intentionally to manufacture, give, sell, procure, or possess a seal or stamp evidencing the current appointment of a person as a notary public until the director has issued a notary commission. The official seal or stamp of a notary public must include:

- (a) The words "notary public;"
- (b) The words "state of Washington;"
- (c) The notary public's name as commissioned;
- (d) The notary public's commission expiration date; and
- (e) Any other information required by the director.

(2) The size and form or forms of the seal or stamp shall be prescribed by the director in rule.

(3) The seal or stamp must be capable of being copied together with the record to which it is affixed or attached or with which it is logically associated.

(4) The seal or stamp used at the time that a notarial act is performed must be the seal or stamp evidencing the notary public's commission in effect as of

such time, even if the notary public has received the seal or stamp evidencing his or her next commission.

NEW SECTION. Sec. 18. STAMPING DEVICE. (1) A notary public is responsible for the security of the notary public's stamping device and may not allow another individual to use the device to perform a notarial act. On resignation from, or the revocation or expiration of, the notary public's commission, or on the expiration of the date set forth in the stamping device, the notary public shall disable the stamping device by destroying, defacing, damaging, erasing, or securing it against use in a manner that renders it unusable. On the death or adjudication of incompetency of a notary public, the notary public's personal representative or guardian or any other person knowingly in possession of the stamping device shall render it unusable by destroying, defacing, damaging, erasing, or securing it against use in a manner that renders it unusable.

(2) The seal or stamp should be kept in a locked and secured area, under the direct and exclusive control of the notary public. If a notary public's stamping device is lost or stolen, the notary public or the notary public's personal representative or guardian shall notify promptly the department on discovering that the device is lost or stolen. Any replacement device must contain a variance from the lost or stolen seal or stamp.

NEW SECTION. Sec. 19. FEES. (1) The director may establish by rule the maximum fees that may be charged by notaries public for various notarial services.

(2) A notary public need not charge fees for notarial acts.

NEW SECTION. Sec. 20. JOURNAL. (1) A notary public shall maintain a journal in which the notary public chronicles all notarial acts that the notary public performs. The notary public shall retain the journal for ten years after the performance of the last notarial act chronicled in the journal. The journal is to be destroyed as required by the director in rule upon completion of the ten-year period.

(2) Notwithstanding any other provision of this chapter requiring a notary public to maintain a journal, a notary public who is an attorney licensed to practice law in this state is not required to chronicle a notarial act in a journal if documentation of the notarial act is otherwise maintained by professional practice.

(3) A notary public shall maintain only one tangible journal at a time to chronicle notarial acts, whether those notarial acts are performed regarding tangible or electronic records. The journal must be a permanent, bound register with numbered pages. An electronic records notary public may also maintain an electronic format journal, which can be kept concurrently with the tangible journal. The electronic journal must be in a permanent, tamper-evident electronic format complying with the rules of the director.

(4) An entry in a journal must be made contemporaneously with performance of the notarial act and contain the following information:

- (a) The date and time of the notarial act;
- (b) A description of the record, if any, and type of notarial act;
- (c) The full name and address of each individual for whom the notarial act is performed; and

(d) Any additional information as required by the director in rule.

(5) The journal shall be kept in a locked and secured area, under the direct and exclusive control of the notary public. Failure to secure the journal may be cause for the director to take administrative action against the commission held by the notary public. If a notary public's journal is lost or stolen, the notary public promptly shall notify the department on discovering that the journal is lost or stolen.

(6) On resignation from, or the revocation or suspension of, a notary public's commission, the notary public shall retain the notary public's journal in accordance with subsection (1) of this section and inform the department where the journal is located.

NEW SECTION. Sec. 21. NOTIFICATION REGARDING PERFORMANCE OF NOTARIAL ACT ON ELECTRONIC RECORD—SELECTION OF TECHNOLOGY. (1) A notary public may not perform notarial acts with respect to electronic records unless the notary public holds a commission as an electronic records notary public.

(2) An electronic records notary public may select one or more tamper-evident technologies to perform notarial acts with respect to electronic records that meet the standards provided in subsection (4) of this section. A person cannot require an electronic records notary public to perform a notarial act with respect to an electronic record with a technology that the notary public has not selected.

(3) Before an electronic records notary public performs the notary public's initial notarial act with respect to an electronic record, an electronic records notary public shall notify the department that he or she will be performing notarial acts with respect to electronic records and identify the technology the electronic records notary public intends to use.

(4) The director shall establish standards for approval of technology in rule. If the technology conforms to the standards, the director shall approve the use of the technology.

NEW SECTION. Sec. 22. COMMISSION AS NOTARY PUBLIC—QUALIFICATIONS—NO IMMUNITY OR BENEFIT. (1) An individual qualified under subsection (2) of this section may apply to the director for a commission as a notary public. The applicant shall comply with and provide the information required by rules established by the director and pay any application fee.

(2) An applicant for a commission as a notary public must:

- (a) Be at least eighteen years of age;
- (b) Be a citizen or permanent legal resident of the United States;
- (c) Be a resident of or have a place of employment or practice in this state;
- (d) Be able to read and write English; and
- (e) Not be disqualified to receive a commission under section 23 of this act.

(3) Before issuance of a commission as a notary public, an applicant for the commission shall execute an oath of office and submit it to the department in the format prescribed by the director in rule.

(4) Before issuance of a commission as a notary public, the applicant for a commission shall submit to the director an assurance in the form of a surety bond in the amount established by the director in rule. The assurance must be

issued by a surety or other entity licensed or authorized to write surety bonds in this state. The assurance must be effective for a four-year term or for a term that expires on the date the notary public's commission expires. The assurance must cover acts performed during the term of the notary public's commission and must be in the form prescribed by the director. If a notary public violates law with respect to notaries public in this state, the surety or issuing entity is liable under the assurance. The surety or issuing entity shall give at least thirty days notice to the department before canceling the assurance. The surety or issuing entity shall notify the department not later than thirty days after making a payment to a claimant under the assurance. A notary public may perform notarial acts in this state only during the period that a valid assurance is on file with the department.

(5) On compliance with this section, the director shall issue a commission as a notary public to an applicant for a term of four years or for a term that expires on the date of expiration of the assurance, whichever comes first.

(6) A commission to act as a notary public authorizes the notary public to perform notarial acts. The commission does not provide the notary public any immunity or benefit conferred by law of this state on public officials or employees.

(7) An individual qualified under (a) of this subsection may apply to the director for a commission as an electronic records notary public. The applicant shall comply with and provide the information required by rules established by the director and pay the relevant application fee.

(a) An applicant for a commission as an electronic records notary public must hold a commission as notary public.

(b) An electronic records notary public commission may take the form of an endorsement to the notary public commission if deemed appropriate by the director.

NEW SECTION. Sec. 23. GROUNDS TO DENY, REFUSE TO RENEW, REVOKE, SUSPEND, OR CONDITION COMMISSION OF NOTARY PUBLIC. (1) In addition to conduct defined as unprofessional under RCW 18.235.130, the director may take action as provided for in RCW 18.235.110 against a commission as notary public for any act or omission that demonstrates the individual lacks the honesty, integrity, competence, or reliability to act as a notary public, including:

(a) Failure to comply with this chapter;

(b) A fraudulent, dishonest, or deceitful misstatement or omission in the application for a commission as a notary public submitted to the department;

(c) A conviction of the applicant or notary public of any felony or crime involving fraud, dishonesty, or deceit;

(d) A finding against, or admission of liability by, the applicant or notary public in any legal proceeding or disciplinary action based on the applicant's or notary public's fraud, dishonesty, or deceit;

(e) Failure by the notary public to discharge any duty required of a notary public, whether by this chapter, rules of the director, or any federal or state law;

(f) Use of false or misleading advertising or representation by the notary public representing that the notary public has a duty, right, or privilege that the notary public does not have;

(g) Violation by the notary public of a rule of the director regarding a notary public;

(h) Denial, refusal to renew, revocation, suspension, or conditioning of a notary public commission in another state;

(i) Failure of the notary public to maintain an assurance as provided in section 22(4) of this act; or

(j) Making or noting a protest of a negotiable instrument without being a person authorized by section 5(5) of this act.

(2) If the director denies, refuses to renew, revokes, suspends, imposes conditions, or otherwise sanctions, a commission as a notary public, the applicant or notary public is entitled to timely notice and hearing in accordance with chapter 34.05 RCW.

(3) The authority of the director to take disciplinary action on a commission as a notary public does not prevent a person from seeking and obtaining other criminal or civil remedies provided by law.

NEW SECTION. Sec. 24. DATABASE OF NOTARIES PUBLIC. The director shall maintain an electronic database of notaries public:

(1) Through which a person may verify the authority of a notary public to perform notarial acts; and

(2) Which indicates whether a notary public has notified the director that the notary public will be performing notarial acts on electronic records.

NEW SECTION. Sec. 25. PROHIBITED ACTS. (1) A commission as a notary public does not authorize an individual to:

(a) Assist persons in drafting legal records, give legal advice, or otherwise practice law;

(b) Act as an immigration consultant or an expert on immigration matters;

(c) Represent a person in a judicial or administrative proceeding relating to immigration to the United States, United States citizenship, or related matters;

(d) Receive compensation for performing any of the activities listed in this subsection; or

(e) Provide court reporting services.

(2) A notary public may not engage in false or deceptive advertising.

(3) A notary public, other than an attorney licensed to practice law in this state, or a Washington-licensed limited license legal technician acting within the scope of his or her license, may not use the term "notario" or "notario publico."

(4) A notary public, other than an attorney licensed to practice law in this state or a limited license legal technician acting within the scope of his or her license, may not assist another person in selecting the appropriate certificate required by section 15 of this act.

(5) A notary public, other than an attorney licensed to practice law in this state, or a Washington-licensed limited license legal technician acting within the scope of his or her license, may not advertise or represent that the notary public may assist persons in drafting legal records, give legal advice, or otherwise practice law. If a notary public who is not an attorney licensed to practice law in this state, or a Washington-licensed limited license legal technician acting within the scope of his or her license, in any manner advertises or represents that the notary public offers notarial services, whether orally or in a record, including broadcast media, print media, and the internet, the notary public shall include the

following statement, or an alternate statement authorized or required by the director, in the advertisement or representation, prominently and in each language used in the advertisement or representation: "I am not an attorney licensed to practice law in this state. I am not allowed to draft legal records, give advice on legal matters, including immigration, or charge a fee for those activities." If the form of advertisement or representation is not broadcast media, print media, or the internet and does not permit inclusion of the statement required by this subsection because of size, it must be displayed prominently or provided at the place of performance of the notarial act before the notarial act is performed.

(6) Except as otherwise allowed by law, a notary public may not withhold access to or possession of an original record provided by a person that seeks performance of a notarial act by the notary public. A notary public may not maintain copies or electronic images of documents notarized unless the copies or images are maintained by an attorney or Washington-licensed limited license legal technician acting within his or her scope of practice for the performance of legal services or for other services performed for the client and the copies or images are not maintained solely as part of the notary transaction.

NEW SECTION. Sec. 26. VALIDITY OF NOTARIAL ACTS. Except as otherwise provided in section 4(2) of this act, the failure of a notarial officer to perform a duty or meet a requirement specified in this chapter does not invalidate a notarial act performed by the notarial officer. The validity of a notarial act under this chapter does not prevent an aggrieved person from seeking to invalidate the record or transaction that is the subject of the notarial act or from seeking other remedies based on law of this state other than this chapter or law of the United States. This section does not validate a purported notarial act performed by an individual who does not have the authority to perform notarial acts. Nothing in this act gives the director authority to invalidate a notarial act.

NEW SECTION. Sec. 27. RULES. (1) The director may adopt rules necessary to implement this chapter.

(2) In adopting, amending, or repealing rules about notarial acts with respect to electronic records, the director shall consider standards, practices, and customs of other jurisdictions that substantially enact this chapter.

NEW SECTION. Sec. 28. NOTARY PUBLIC COMMISSION IN EFFECT. A commission as a notary public in effect on the effective date of this section continues until its date of expiration. A notary public who applies to renew a commission as a notary public on or after the effective date of this section is subject to and shall comply with this chapter. A notary public, in performing notarial acts after the effective date of this section, shall comply with this chapter.

NEW SECTION. Sec. 29. SAVINGS CLAUSE. This chapter does not affect the validity or effect of a notarial act performed before the effective date of this section.

NEW SECTION. Sec. 30. UNIFORMITY OF APPLICATION AND CONSTRUCTION. In applying and construing this uniform act, consideration must be given to the need to promote uniformity of the law with respect to its subject matter among states that enact it.

NEW SECTION. Sec. 31. RELATION TO ELECTRONIC SIGNATURES IN GLOBAL AND NATIONAL COMMERCE ACT. This chapter modifies, limits, and supersedes the electronic signatures in global and national commerce act, 15 U.S.C. Sec. 7001 et seq., but does not modify, limit, or supersede section 101(c) of that act, 15 U.S.C. Sec. 7001(c), or authorize electronic delivery of any of the notices described in section 103(b) of that act, 15 U.S.C. Sec. 7003(b).

NEW SECTION. Sec. 32. UNIFORM REGULATION OF BUSINESS AND PROFESSIONS ACT. The uniform regulation of business and professions act, chapter 18.235 RCW, governs unlicensed practice, the issuance and denial of licenses, and the discipline of licensees under this chapter.

NEW SECTION. Sec. 33. NEW CHAPTER. Sections 1 through 32 and 44 of this act constitute a new chapter in Title 42 RCW.

NEW SECTION. Sec. 34. REPEALS. The following acts or parts of acts are each repealed:

- (1) RCW 42.44.010 (Definitions) and 1985 c 156 s 1;
- (2) RCW 42.44.020 (Qualifications—Application—Bond) and 1985 c 156 s 2;
- (3) RCW 42.44.030 (Appointment—Denial for unprofessional conduct—Certificate of appointment) and 2011 c 244 s 6, 2002 c 86 s 287, & 1985 c 156 s 3;
- (4) RCW 42.44.050 (Seal or stamp) and 1985 c 156 s 5;
- (5) RCW 42.44.060 (Term) and 2002 c 86 s 288 & 1985 c 156 s 6;
- (6) RCW 42.44.070 (Reappointment without endorsements) and 1985 c 156 s 7;
- (7) RCW 42.44.080 (Standards for notarial acts) and 1987 c 76 s 3 & 1985 c 156 s 8;
- (8) RCW 42.44.090 (Form of certificate—General—Seal or stamp as exclusive property) and 1985 c 156 s 9;
- (9) RCW 42.44.100 (Short forms of certificate) and 1988 c 69 s 4 & 1985 c 156 s 10;
- (10) RCW 42.44.110 (Illegible writing) and 1985 c 156 s 11;
- (11) RCW 42.44.120 (Fees) and 1985 c 156 s 12;
- (12) RCW 42.44.130 (Notarial acts by officials of other jurisdictions) and 1985 c 156 s 13;
- (13) RCW 42.44.140 (Notarial acts by federal authorities) and 1985 c 156 s 14;
- (14) RCW 42.44.150 (Notarial acts by foreign authorities) and 1985 c 156 s 15;
- (15) RCW 42.44.160 (Official misconduct—Penalty) and 2002 c 86 s 289 & 1985 c 156 s 16;
- (16) RCW 42.44.170 (Revocation of appointment—Resignation) and 2002 c 86 s 290 & 1985 c 156 s 17;
- (17) RCW 42.44.180 (Evidence of authenticity of notarial seal and signature) and 1985 c 156 s 18;
- (18) RCW 42.44.190 (Rules) and 2002 c 86 s 291 & 1985 c 156 s 20;
- (19) RCW 42.44.200 (Transfer of records) and 1985 c 156 s 22;
- (20) RCW 42.44.210 (Uniform regulation of business and professions act) and 2002 c 86 s 292;

- (21) RCW 42.44.220 (Military training or experience) and 2011 c 351 s 18;
(22) RCW 42.44.221 (Spouses of military personnel—Appointment) and 2011 2nd sp.s. c 5 s 7;
(23) RCW 42.44.900 (Savings—1985 c 156) and 1985 c 156 s 21;
(24) RCW 42.44.901 (Construction) and 1985 c 156 s 23; and
(25) RCW 42.44.903 (Effective date—1985 c 156) and 1985 c 156 s 27.

Sec. 35. RCW 9.97.020 and 2016 c 81 s 3 are each amended to read as follows:

(1) Except as provided in this section, no state, county, or municipal department, board, officer, or agency authorized to assess the qualifications of any applicant for a license, certificate of authority, qualification to engage in the practice of a profession or business, or for admission to an examination to qualify for such a license or certificate may disqualify a qualified applicant, solely based on the applicant's criminal history, if the qualified applicant has obtained a certificate of restoration of opportunity and the applicant meets all other statutory and regulatory requirements, except as required by federal law or exempted under this subsection. Nothing in this section is interpreted as restoring or creating a means to restore any firearms rights or eligibility to obtain a firearm dealer license pursuant to RCW 9.41.110 or requiring the removal of a protection order.

(a)(i) Criminal justice agencies, as defined in RCW 10.97.030, and the Washington state bar association are exempt from this section.

(ii) This section does not apply to the licensing, certification, or qualification of the following professionals: Accountants, RCW 18.04.295; assisted living facilities employees, RCW 18.20.125; bail bond agents, RCW 18.185.020; escrow agents, RCW 18.44.241; long-term care workers, RCW 18.88B.080; nursing home administrators, RCW 18.52.071; nursing, chapter 18.79 RCW; physicians and physician assistants, chapters 18.71 and 18.71A RCW; private investigators, RCW 18.165.030; receivers, RCW 7.60.035; teachers, chapters 28A.405 and 28A.410 RCW; notaries public, chapter ((42.44 RCW)) 42.--- RCW (the new chapter created in section 33 of this act); private investigators, chapter 18.165 RCW; real estate brokers and salespersons, chapters 18.85 and 18.86 RCW; security guards, chapter 18.170 RCW; and vulnerable adult care providers, RCW 43.43.842.

(iii) To the extent this section conflicts with the requirements for receipt of federal funding under the adoption and safe families act, 42 U.S.C. Sec. 671, this section does not apply.

(b) Unless otherwise addressed in statute, in cases where an applicant would be disqualified under RCW 43.20A.710, and the applicant has obtained a certificate of restoration of opportunity, the department of social and health services may, after review of relevant factors, including the nature and seriousness of the offense, time that has passed since conviction, changed circumstances since the offense occurred, and the nature of the employment or license sought, at its discretion:

(i) Allow the applicant to have unsupervised access to children, vulnerable adults, or individuals with mental illness or developmental disabilities if the applicant is otherwise qualified and suitable; or

(ii) Disqualify the applicant solely based on the applicant's criminal history.

(c) If the practice of a profession or business involves unsupervised contact with vulnerable adults, children, or individuals with mental illness or developmental disabilities, or populations otherwise defined by statute as vulnerable, the department of health may, after review of relevant factors, including the nature and seriousness of the offense, time that has passed since conviction, changed circumstances since the offense occurred, and the nature of the employment or license sought, at its discretion:

(i) Disqualify an applicant who has obtained a certificate of restoration of opportunity, for a license, certification, or registration to engage in the practice of a health care profession or business solely based on the applicant's criminal history; or

(ii) If such applicant is otherwise qualified and suitable, credential or credential with conditions an applicant who has obtained a certificate of restoration of opportunity for a license, certification, or registration to engage in the practice of a health care profession or business.

(d) The state of Washington, any of its counties, cities, towns, municipal corporations, or quasi-municipal corporations, the department of health, and its officers, employees, contractors, and agents are immune from suit in law, equity, or any action under the administrative procedure act based upon its exercise of discretion under this section. This section does not create a protected class; private right of action; any right, privilege, or duty; or change to any right, privilege, or duty existing under law. This section does not modify a licensing or certification applicant's right to a review of an agency's decision under the administrative procedure act or other applicable statute or agency rule. A certificate of restoration of opportunity does not remove or alter citizenship or legal residency requirements already in place for state agencies and employers.

(2) A qualified court has jurisdiction to issue a certificate of restoration of opportunity to a qualified applicant.

(a) A court must determine, in its discretion whether the certificate:

(i) Applies to all past criminal history; or

(ii) Applies only to the convictions or adjudications in the jurisdiction of the court.

(b) The certificate does not apply to any future criminal justice involvement that occurs after the certificate is issued.

(c) A court must determine whether to issue a certificate by determining whether the applicant is a qualified applicant as defined in RCW 9.97.010.

(3) An employer or housing provider may, in its sole discretion, determine whether to consider a certificate of restoration of opportunity issued under this chapter in making employment or rental decisions. An employer or housing provider is immune from suit in law, equity, or under the administrative procedure act for damages based upon its exercise of discretion under this section or the refusal to exercise such discretion. In any action at law against an employer or housing provider arising out of the employment of or provision of housing to the recipient of a certificate of restoration of opportunity, evidence of the crime for which a certificate of restoration of opportunity has been issued may not be introduced as evidence of negligence or intentionally tortious conduct on the part of the employer or housing provider. This subsection does not create a protected class, private right of action, any right, privilege, or duty,

or to change any right, privilege, or duty existing under law related to employment or housing except as provided in RCW 7.60.035.

(4)(a) Department of social and health services: A certificate of restoration of opportunity does not apply to the state abuse and neglect registry. No finding of abuse, neglect, or misappropriation of property may be removed from the registry based solely on a certificate. The department must include such certificates as part of its criminal history record reports, qualifying letters, or other assessments pursuant to RCW 43.43.830 through 43.43.838. The department shall adopt rules to implement this subsection.

(b) Washington state patrol: The Washington state patrol is not required to remove any records based solely on a certificate of restoration of opportunity. The state patrol must include a certificate as part of its criminal history record report.

(c) Court records:

(i) A certificate of restoration of opportunity has no effect on any other court records, including records in the judicial information system. The court records related to a certificate of restoration of opportunity must be processed and recorded in the same manner as any other record.

(ii) The qualified court where the applicant seeks the certificate of restoration of opportunity must administer the court records regarding the certificate in the same manner as it does regarding all other proceedings.

(d) Effect in other judicial proceedings: A certificate of restoration of opportunity may only be submitted to a court to demonstrate that the individual met the specific requirements of this section and not for any other procedure, including evidence of character, reputation, or conduct. A certificate is not an equivalent procedure under Rule of Evidence 609(c).

(e) Department of health: The department of health must include a certificate of restoration of opportunity on its public web site if:

(i) Its web site includes an order, stipulation to informal disposition, or notice of decision related to the conviction identified in the certificate of restoration of opportunity; and

(ii) The credential holder has provided a certified copy of the certificate of restoration of opportunity to the department of health.

(5) In all cases, an applicant must provide notice to the prosecutor in the county where he or she seeks a certificate of restoration of opportunity of the pendency of such application. If the applicant has been sentenced by any other jurisdiction in the five years preceding the application for a certificate, the applicant must also notify the prosecuting attorney in those jurisdictions. The prosecutor in the county where an applicant applies for a certificate shall provide the court with a report of the applicant's criminal history.

(6) Application for a certificate of restoration of opportunity must be filed as a civil action.

(7) A superior court in the county in which the applicant resides may decline to consider the application for certificate of restoration of opportunity. If the superior court in which the applicant resides declines to consider the application, the court must dismiss the application without prejudice and the applicant may refile the application in another qualified court. The court must state the reason for the dismissal on the order. If the court determines that the applicant does not meet the required qualifications, then the court must dismiss the application

without prejudice and state the reason(s) on the order. The superior court in the county of the applicant's conviction or adjudication may not decline to consider the application.

(8) Unless the qualified court determines that a hearing on an application for certificate of restoration is necessary, the court must decide without a hearing whether to grant the certificate of restoration of opportunity based on a review of the application filed by the applicant and pleadings filed by the prosecuting attorney.

(9) The clerk of the court in which the certificate of restoration of opportunity is granted shall transmit the certificate of restoration of opportunity to the Washington state patrol identification section, which holds criminal history information for the person who is the subject of the conviction. The Washington state patrol shall update its records to reflect the certificate of restoration of opportunity.

(10)(a) The administrative office of the courts shall develop and prepare instructions, forms, and an informational brochure designed to assist applicants applying for a certificate of restoration of opportunity.

(b) The instructions must include, at least, a sample of a standard application and a form order for a certificate of restoration of opportunity.

(c) The administrative office of the courts shall distribute a master copy of the instructions, informational brochure, and sample application and form order to all county clerks and a master copy of the application and order to all superior courts by January 1, 2017.

(d) The administrative office of the courts shall determine the significant non-English-speaking or limited English-speaking populations in the state. The administrator shall then arrange for translation of the instructions, which shall contain a sample of the standard application and order, and the informational brochure into languages spoken by those significant non-English-speaking populations and shall distribute a master copy of the translated instructions and informational brochures to the county clerks by January 1, 2017.

(e) The administrative office of the courts shall update the instructions, brochures, standard application and order, and translations when changes in the law make an update necessary.

Sec. 36. RCW 18.235.010 and 2007 c 256 s 11 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Board" means those boards specified in RCW 18.235.020(2)(b).

(2) "Department" means the department of licensing.

(3) "Director" means the director of the department or director's designee.

(4) "Disciplinary action" means sanctions identified in RCW 18.235.110.

(5) "Disciplinary authority" means the director, board, or commission having the authority to take disciplinary action against a holder of, or applicant for, a professional or business license upon a finding of a violation of this chapter or a chapter specified under RCW 18.235.020.

(6) "License," "licensing," and "licensure" are deemed equivalent to the terms "license," "licensing," "licensure," "certificate," "certification," and "registration" as those terms are defined in RCW 18.118.020. Each of these terms, and the term ("~~appointment~~") "commission" under chapter (~~42.44~~

RCW)) 42.--- RCW (the new chapter created in section 33 of this act), are interchangeable under the provisions of this chapter.

(7) "Unlicensed practice" means:

(a) Practicing a profession or operating a business identified in RCW 18.235.020 without holding a valid, unexpired, unrevoked, and unsuspended license to do so; or

(b) Representing to a person, through offerings, advertisements, or use of a professional title or designation, that the individual or business is qualified to practice a profession or operate a business identified in RCW 18.235.020 without holding a valid, unexpired, unrevoked, and unsuspended license to do so.

Sec. 37. RCW 18.235.020 and 2013 c 322 s 29 are each amended to read as follows:

(1) This chapter applies only to the director and the boards and commissions having jurisdiction in relation to the businesses and professions licensed under the chapters specified in this section. This chapter does not apply to any business or profession not licensed under the chapters specified in this section.

(2)(a) The director has authority under this chapter in relation to the following businesses and professions:

(i) Auctioneers under chapter 18.11 RCW;

(ii) Bail bond agents and bail bond recovery agents under chapter 18.185 RCW;

(iii) Camping resorts' operators and salespersons under chapter 19.105 RCW;

(iv) Commercial telephone solicitors under chapter 19.158 RCW;

(v) Cosmetologists, barbers, manicurists, and estheticians under chapter 18.16 RCW;

(vi) Court reporters under chapter 18.145 RCW;

(vii) Driver training schools and instructors under chapter 46.82 RCW;

(viii) Employment agencies under chapter 19.31 RCW;

(ix) For hire vehicle operators under chapter 46.72 RCW;

(x) Limousines under chapter 46.72A RCW;

(xi) Notaries public under chapter (~~42.44 RCW~~) 42.--- RCW (the new chapter created in section 33 of this act);

(xii) Private investigators under chapter 18.165 RCW;

(xiii) Professional boxing, martial arts, and wrestling under chapter 67.08 RCW;

(xiv) Real estate appraisers under chapter 18.140 RCW;

(xv) Real estate brokers and salespersons under chapters 18.85 and 18.86 RCW;

(xvi) Scrap metal processors, scrap metal recyclers, and scrap metal suppliers under chapter 19.290 RCW;

(xvii) Security guards under chapter 18.170 RCW;

(xviii) Sellers of travel under chapter 19.138 RCW;

(xix) Timeshares and timeshare salespersons under chapter 64.36 RCW;

(xx) Whitewater river outfitters under chapter 79A.60 RCW;

(xxi) Home inspectors under chapter 18.280 RCW;

(xxii) Body artists, body piercers, and tattoo artists, and body art, body piercing, and tattooing shops and businesses, under chapter 18.300 RCW; and

(xxiii) Appraisal management companies under chapter 18.310 RCW.

(b) The boards and commissions having authority under this chapter are as follows:

(i) The state board for architects established in chapter 18.08 RCW;

(ii) The Washington state collection agency board established in chapter 19.16 RCW;

(iii) The state board of registration for professional engineers and land surveyors established in chapter 18.43 RCW governing licenses issued under chapters 18.43 and 18.210 RCW;

(iv) The funeral and cemetery board established in chapter 18.39 RCW governing licenses issued under chapters 18.39 and 68.05 RCW;

(v) The state board of licensure for landscape architects established in chapter 18.96 RCW; and

(vi) The state geologist licensing board established in chapter 18.220 RCW.

(3) In addition to the authority to discipline license holders, the disciplinary authority may grant or deny licenses based on the conditions and criteria established in this chapter and the chapters specified in subsection (2) of this section. This chapter also governs any investigation, hearing, or proceeding relating to denial of licensure or issuance of a license conditioned on the applicant's compliance with an order entered under RCW 18.235.110 by the disciplinary authority.

Sec. 38. RCW 19.34.340 and 1997 c 27 s 21 are each amended to read as follows:

(1) Unless otherwise provided by law or contract, if so provided in the certificate issued by a licensed certification authority, a digital signature verified by reference to the public key listed in a valid certificate issued by a licensed certification authority satisfies the requirements for an acknowledgment under ~~((RCW 42.44.010(4)))~~ section 2(1) of this act and for acknowledgment of deeds and other real property conveyances under RCW 64.04.020 if words of an express acknowledgment appear with the digital signature regardless of whether the signer personally appeared before either the certification authority or some other person authorized to take acknowledgments of deeds, mortgages, or other conveyance instruments under RCW 64.08.010 when the digital signature was created, if that digital signature is:

(a) Verifiable by that certificate; and

(b) Affixed when that certificate was valid.

(2) If the digital signature is used as an acknowledgment, then the certification authority is responsible to the same extent as a notary up to the recommended reliance limit for failure to satisfy the requirements for an acknowledgment. The certification authority may not disclaim or limit, other than as provided in RCW 19.34.280, the effect of this section.

Sec. 39. RCW 19.154.060 and 2011 c 244 s 3 are each amended to read as follows:

(1) Persons, other than those licensed to practice law in this state or otherwise permitted to practice law or represent others under federal law in an immigration matter, are prohibited from engaging in the practice of law in an immigration matter for compensation.

(2) Persons, other than those licensed to practice law in this state or otherwise permitted to practice law or represent others under federal law in an immigration matter, are prohibited from engaging in the following acts or practices, for compensation:

(a) Advising or assisting another person in determining the person's legal or illegal status for the purpose of an immigration matter;

(b) Selecting or assisting another in selecting, or advising another as to his or her answers on, a government agency form or document in an immigration matter;

(c) Selecting or assisting another in selecting, or advising another in selecting, a benefit, visa, or program to apply for in an immigration matter;

(d) Soliciting to prepare documents for, or otherwise representing the interests of, another in a judicial or administrative proceeding in an immigration matter;

(e) Explaining, advising, or otherwise interpreting the meaning or intent of a question on a government agency form in an immigration matter;

(f) Charging a fee for referring another to a person licensed to practice law;

(g) Selecting, drafting, or completing legal documents affecting the legal rights of another in an immigration matter.

(3) Persons, other than those holding an active license to practice law issued by the Washington state bar association or otherwise permitted to practice law or represent others under federal law in an immigration matter, are prohibited from engaging in the following acts or practices, regardless of whether compensation is sought:

(a) Representing, either orally or in any document, letterhead, advertisement, stationery, business card, web site, or other comparable written material, that he or she is a notario publico, notario, immigration assistant, immigration consultant, immigration specialist, or using any other designation or title, in any language, that conveys or implies that he or she possesses professional legal skills in the area of immigration law;

(b) Representing, in any language, either orally or in any document, letterhead, advertisement, stationery, business card, web site, or other comparable written material, that he or she can or is willing to provide services in an immigration matter, if such services would constitute the practice of law.

(4)(a) The prohibitions of subsections (1) through (3) of this section shall not apply to the activities of nonlawyer assistants acting under the supervision of a person holding an active license to practice law issued by the Washington state bar association or otherwise permitted to practice law or represent others under federal law in an immigration matter.

(b) This section does not prohibit a person from offering translation services, regardless of whether compensation is sought. Translating words contained on a government form from English to another language and translating a person's words from another language to English does not constitute the unauthorized practice of law.

(5) In addition to complying with the prohibitions of subsections (1) through (3) of this section, persons licensed as a notary public under chapter ((42.44 RCW)) 42.--- RCW (the new chapter created in section 33 of this act) who do not hold an active license to practice law issued by the Washington state bar association shall not use the term notario publico, notario, immigration assistant,

immigration consultant, immigration specialist, or any other designation or title, in any language, that conveys or implies that he or she possesses professional legal skills in the areas of immigration law, when advertising notary public services in the conduct of their business. A violation of any provision of this chapter by a person licensed as a notary public under chapter ~~((42.44 RCW))~~ 42.--- RCW (the new chapter created in section 33 of this act) shall constitute unprofessional conduct under the uniform regulation of business and professions act, chapter 18.235 RCW.

Sec. 40. RCW 43.24.150 and 2013 2nd sp.s. c 4 s 978 are each amended to read as follows:

(1) The business and professions account is created in the state treasury. All receipts from business or professional licenses, registrations, certifications, renewals, examinations, or civil penalties assessed and collected by the department from the following chapters must be deposited into the account:

- (a) Chapter 18.11 RCW, auctioneers;
- (b) Chapter 18.16 RCW, cosmetologists, barbers, and manicurists;
- (c) Chapter 18.145 RCW, court reporters;
- (d) Chapter 18.165 RCW, private investigators;
- (e) Chapter 18.170 RCW, security guards;
- (f) Chapter 18.185 RCW, bail bond agents;
- (g) Chapter 18.280 RCW, home inspectors;
- (h) Chapter 19.16 RCW, collection agencies;
- (i) Chapter 19.31 RCW, employment agencies;
- (j) Chapter 19.105 RCW, camping resorts;
- (k) Chapter 19.138 RCW, sellers of travel;
- (l) Chapter ~~((42.44 RCW))~~ 42.--- RCW (the new chapter created in section 33 of this act), notaries public;
- (m) Chapter 64.36 RCW, timeshares;
- (n) Chapter 67.08 RCW, boxing, martial arts, and wrestling;
- (o) Chapter 18.300 RCW, body art, body piercing, and tattooing;
- (p) Chapter 79A.60 RCW, whitewater river outfitters;
- (q) Chapter 19.158 RCW, commercial telephone solicitation; and
- (r) Chapter 19.290 RCW, scrap metal businesses.

Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for expenses incurred in carrying out these business and professions licensing activities of the department. Any residue in the account must be accumulated and may not revert to the general fund at the end of the biennium. However, during the 2013-2015 fiscal biennium the legislature may transfer to the state general fund such amounts as reflect the excess fund balance in the account.

(2) The director must biennially prepare a budget request based on the anticipated costs of administering the business and professions licensing activities listed in subsection (1) of this section, which must include the estimated income from these business and professions fees.

Sec. 41. RCW 64.08.060 and 2016 c 202 s 40 are each amended to read as follows:

A certificate of acknowledgment for an individual, substantially in the following form or, after December 31, 1985, substantially in the form set forth in

((RCW 42.44.100(1))) section 16(1) of this act, shall be sufficient for the purposes of this chapter and for any acknowledgment required to be taken in accordance with this chapter:

State of }
County of } ss.

On this day personally appeared before me (here insert the name of grantor or grantors) to me known to be the individual, or individuals described in and who executed the within and foregoing instrument, and acknowledged that he (she or they) signed the same as his (her or their) free and voluntary act and deed, for the uses and purposes therein mentioned. Given under my hand and official seal this day of, (year) (Signature of officer and official seal)

If acknowledgment is taken before a notary public of this state the signature shall be followed by substantially the following: Notary Public in and for the state of Washington, residing at, (giving place of residence).

Sec. 42. RCW 64.08.070 and 2016 c 202 s 41 are each amended to read as follows:

A certificate of acknowledgment for a corporation, substantially in the following form or, after December 31, 1985, substantially in the form set forth in ((RCW 42.44.100(2))) section 16(2) of this act, shall be sufficient for the purposes of this chapter and for any acknowledgment required to be taken in accordance with this chapter:

State of }
County of } ss.

On this day of, (year) , before me personally appeared, to me known to be the (president, vice president, secretary, treasurer, or other authorized officer or agent, as the case may be) of the corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he or she was authorized to execute said instrument and that the seal affixed is the corporate seal of said corporation.

In Witness Whereof I have hereunto set my hand and affixed my official seal the day and year first above written. (Signature and title of officer with place of residence of notary public.)

NEW SECTION. Sec. 43. SEVERABILITY. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 44. EFFECTIVE DATE. This act takes effect July 1, 2018.

Passed by the Senate April 19, 2017.

Passed by the House April 18, 2017.

Approved by the Governor May 10, 2017.

Filed in Office of Secretary of State May 10, 2017.

CHAPTER 282

[Senate Bill 5268]

CONCEALED PISTOL LICENSE EXPIRATION--NOTICE BY EMAIL

AN ACT Relating to notice to the licensee before a concealed pistol license expires; amending RCW 9.41.070; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 9.41.070 and 2017 c ... (SHB 1100) s 1 are each amended to read as follows:

(1) The chief of police of a municipality or the sheriff of a county shall within thirty days after the filing of an application of any person, issue a license to such person to carry a pistol concealed on his or her person within this state for five years from date of issue, for the purposes of protection or while engaged in business, sport, or while traveling. However, if the applicant does not have a valid permanent Washington driver's license or Washington state identification card or has not been a resident of the state for the previous consecutive ninety days, the issuing authority shall have up to sixty days after the filing of the application to issue a license. The issuing authority shall not refuse to accept completed applications for concealed pistol licenses during regular business hours.

The applicant's constitutional right to bear arms shall not be denied, unless:

(a) He or she is ineligible to possess a firearm under the provisions of RCW 9.41.040 or 9.41.045, or is prohibited from possessing a firearm under federal law;

(b) The applicant's concealed pistol license is in a revoked status;

(c) He or she is under twenty-one years of age;

(d) He or she is subject to a court order or injunction regarding firearms pursuant to RCW 9A.46.080, 10.14.080, 10.99.040, 10.99.045, 26.09.050, 26.09.060, 26.10.040, 26.10.115, 26.26.130, 26.50.060, 26.50.070, or 26.26.590;

(e) He or she is free on bond or personal recognizance pending trial, appeal, or sentencing for a felony offense;

(f) He or she has an outstanding warrant for his or her arrest from any court of competent jurisdiction for a felony or misdemeanor; or

(g) He or she has been ordered to forfeit a firearm under RCW 9.41.098(1)(e) within one year before filing an application to carry a pistol concealed on his or her person.

No person convicted of a felony may have his or her right to possess firearms restored or his or her privilege to carry a concealed pistol restored, unless the person has been granted relief from disabilities by the attorney general under 18 U.S.C. Sec. 925(c), or RCW 9.41.040 (3) or (4) applies.

(2)(a) The issuing authority shall conduct a check through the national instant criminal background check system, the Washington state patrol electronic database, the department of social and health services electronic database, and with other agencies or resources as appropriate, to determine whether the

applicant is ineligible under RCW 9.41.040 or 9.41.045 to possess a firearm, or is prohibited from possessing a firearm under federal law, and therefore ineligible for a concealed pistol license.

(b) The issuing authority shall deny a permit to anyone who is found to be prohibited from possessing a firearm under federal or state law.

(c) This subsection applies whether the applicant is applying for a new concealed pistol license or to renew a concealed pistol license.

(3) Any person whose firearms rights have been restricted and who has been granted relief from disabilities by the attorney general under 18 U.S.C. Sec. 925(c) or who is exempt under 18 U.S.C. Sec. 921(a)(20)(A) shall have his or her right to acquire, receive, transfer, ship, transport, carry, and possess firearms in accordance with Washington state law restored except as otherwise prohibited by this chapter.

(4) The license application shall bear the full name, residential address, telephone number at the option of the applicant, email address at the option of the applicant, date and place of birth, race, gender, description, a complete set of fingerprints, and signature of the licensee, and the licensee's driver's license number or state identification card number if used for identification in applying for the license. A signed application for a concealed pistol license shall constitute a waiver of confidentiality and written request that the department of social and health services, mental health institutions, and other health care facilities release information relevant to the applicant's eligibility for a concealed pistol license to an inquiring court or law enforcement agency.

The application for an original license shall include two complete sets of fingerprints to be forwarded to the Washington state patrol.

The license and application shall contain a warning substantially as follows:

CAUTION: Although state and local laws do not differ, federal law and state law on the possession of firearms differ. If you are prohibited by federal law from possessing a firearm, you may be prosecuted in federal court. A state license is not a defense to a federal prosecution.

The license shall contain a description of the major differences between state and federal law and an explanation of the fact that local laws and ordinances on firearms are preempted by state law and must be consistent with state law.

The application shall contain questions about the applicant's eligibility under RCW 9.41.040 and federal law to possess a pistol, the applicant's place of birth, and whether the applicant is a United States citizen. If the applicant is not a United States citizen, the applicant must provide the applicant's country of citizenship, United States issued alien number or admission number, and the basis on which the applicant claims to be exempt from federal prohibitions on firearm possession by aliens. The applicant shall not be required to produce a birth certificate or other evidence of citizenship. A person who is not a citizen of the United States shall, if applicable, meet the additional requirements of RCW 9.41.173 and produce proof of compliance with RCW 9.41.173 upon application. The license may be in triplicate or in a form to be prescribed by the department of licensing.

The original thereof shall be delivered to the licensee, the duplicate shall within seven days be sent to the director of licensing and the triplicate shall be preserved for six years, by the authority issuing the license.

The department of licensing shall make available to law enforcement and corrections agencies, in an on-line format, all information received under this subsection.

(5) The nonrefundable fee, paid upon application, for the original five-year license shall be thirty-six dollars plus additional charges imposed by the federal bureau of investigation that are passed on to the applicant. No other state or local branch or unit of government may impose any additional charges on the applicant for the issuance of the license.

The fee shall be distributed as follows:

- (a) Fifteen dollars shall be paid to the state general fund;
- (b) Four dollars shall be paid to the agency taking the fingerprints of the person licensed;
- (c) Fourteen dollars shall be paid to the issuing authority for the purpose of enforcing this chapter;
- (d) Two dollars and sixteen cents to the firearms range account in the general fund; and
- (e) Eighty-four cents to the concealed pistol license renewal notification account created in RCW 43.79.--- (section 2, chapter . . . (SHB 1100), Laws of 2017).

(6) The nonrefundable fee for the renewal of such license shall be thirty-two dollars. No other branch or unit of government may impose any additional charges on the applicant for the renewal of the license.

The renewal fee shall be distributed as follows:

- (a) Fifteen dollars shall be paid to the state general fund;
- (b) Fourteen dollars shall be paid to the issuing authority for the purpose of enforcing this chapter;
- (c) Two dollars and sixteen cents to the firearms range account in the general fund; and
- (d) Eighty-four cents to the concealed pistol license renewal notification account created in RCW 43.79.--- (section 2, chapter . . . (SHB 1100), Laws of 2017).

(7) The nonrefundable fee for replacement of lost or damaged licenses is ten dollars to be paid to the issuing authority.

(8) Payment shall be by cash, check, or money order at the option of the applicant. Additional methods of payment may be allowed at the option of the issuing authority.

(9)(a) A licensee may renew a license if the licensee applies for renewal within ninety days before or after the expiration date of the license. A license so renewed shall take effect on the expiration date of the prior license. A licensee renewing after the expiration date of the license must pay a late renewal penalty of ten dollars in addition to the renewal fee specified in subsection (6) of this section. The fee shall be distributed as follows:

(i) Three dollars shall be deposited in the state wildlife account and used exclusively first for the printing and distribution of a pamphlet on the legal limits of the use of firearms, firearms safety, and the preemptive nature of state law, and subsequently the support of volunteer instructors in the basic firearms safety training program conducted by the department of fish and wildlife. The pamphlet shall be given to each applicant for a license; and

(ii) Seven dollars shall be paid to the issuing authority for the purpose of enforcing this chapter.

(b) Beginning with concealed pistol licenses that expire on or after August 1, 2018, the department of licensing shall mail a renewal notice approximately ninety days before the license expiration date to the licensee at the address listed on the concealed pistol license application, or to the licensee's new address if the licensee has notified the department of licensing of a change of address. Alternatively, if the licensee provides an email address at the time of license application, the department of licensing may send the renewal notice to the licensee's email address. The notice must contain the date the concealed pistol license will expire, the amount of renewal fee, the penalty for late renewal, and instructions on how to renew the license.

(10) Notwithstanding the requirements of subsections (1) through (9) of this section, the chief of police of the municipality or the sheriff of the county of the applicant's residence may issue a temporary emergency license for good cause pending review under subsection (1) of this section. However, a temporary emergency license issued under this subsection shall not exempt the holder of the license from any records check requirement. Temporary emergency licenses shall be easily distinguishable from regular licenses.

(11) A political subdivision of the state shall not modify the requirements of this section or chapter, nor may a political subdivision ask the applicant to voluntarily submit any information not required by this section.

(12) A person who knowingly makes a false statement regarding citizenship or identity on an application for a concealed pistol license is guilty of false swearing under RCW 9A.72.040. In addition to any other penalty provided for by law, the concealed pistol license of a person who knowingly makes a false statement shall be revoked, and the person shall be permanently ineligible for a concealed pistol license.

(13) A person may apply for a concealed pistol license:

(a) To the municipality or to the county in which the applicant resides if the applicant resides in a municipality;

(b) To the county in which the applicant resides if the applicant resides in an unincorporated area; or

(c) Anywhere in the state if the applicant is a nonresident.

(14) Any person who, as a member of the armed forces, including the national guard and armed forces reserves, is unable to renew his or her license under subsections (6) and (9) of this section because of the person's assignment, reassignment, or deployment for out-of-state military service may renew his or her license within ninety days after the person returns to this state from out-of-state military service, if the person provides the following to the issuing authority no later than ninety days after the person's date of discharge or assignment, reassignment, or deployment back to this state: (a) A copy of the person's original order designating the specific period of assignment, reassignment, or deployment for out-of-state military service, and (b) if appropriate, a copy of the person's discharge or amended or subsequent assignment, reassignment, or deployment order back to this state. A license so renewed under this subsection (14) shall take effect on the expiration date of the prior license. A licensee renewing after the expiration date of the license under this subsection (14) shall pay only the renewal fee specified in subsection (6) of

this section and shall not be required to pay a late renewal penalty in addition to the renewal fee.

NEW SECTION. **Sec. 2.** If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided from the firearms range account by June 30, 2017, in the omnibus appropriations act, this act is null and void.

Passed by the Senate April 20, 2017.

Passed by the House April 19, 2017.

Approved by the Governor May 10, 2017.

Filed in Office of Secretary of State May 10, 2017.

CHAPTER 283

[Senate Bill 5336]

BALLOT RETURN BOXES--CRIMES

AN ACT Relating to criminalizing damaging, destroying, tampering, or removing ballot return boxes or contents; amending RCW 9A.48.070, 9A.48.080, and 29A.84.540; and prescribing penalties.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 9A.48.070 and 2009 c 431 s 4 are each amended to read as follows:

(1) A person is guilty of malicious mischief in the first degree if he or she knowingly and maliciously:

(a) Causes physical damage to the property of another in an amount exceeding five thousand dollars;

(b) Causes an interruption or impairment of service rendered to the public by physically damaging or tampering with an emergency vehicle or property of the state, a political subdivision thereof, or a public utility or mode of public transportation, power, or communication; ~~((or))~~

(c) Causes an impairment of the safety, efficiency, or operation of an aircraft by physically damaging or tampering with the aircraft or aircraft equipment, fuel, lubricant, or parts; or

(d) Causes an interruption or impairment of service rendered to the public by, without lawful authority, physically damaging, destroying, or removing an official ballot deposit box or ballot drop box or, without lawful authority, damaging, destroying, removing, or tampering with the contents thereof.

(2) Malicious mischief in the first degree is a class B felony.

Sec. 2. RCW 9A.48.080 and 2009 c 431 s 5 are each amended to read as follows:

(1) A person is guilty of malicious mischief in the second degree if he or she knowingly and maliciously:

(a) Causes physical damage to the property of another in an amount exceeding seven hundred fifty dollars; ~~((or))~~

(b) Creates a substantial risk of interruption or impairment of service rendered to the public, by physically damaging or tampering with an emergency vehicle or property of the state, a political subdivision thereof, or a public utility or mode of public transportation, power, or communication; or

(c) Creates a substantial risk of interruption or impairment of service rendered to the public by, without lawful authority, physically damaging, destroying, or removing an official ballot deposit box or ballot drop box or, without lawful authority, damaging, destroying, removing, or tampering with the contents thereof.

(2) Malicious mischief in the second degree is a class C felony.

Sec. 3. RCW 29A.84.540 and 2011 c 10 s 72 are each amended to read as follows:

Any person who, without lawful authority, removes a ballot from a voting center or ballot drop location is guilty of a ~~((gross misdemeanor))~~ class C felony punishable to the same extent as a ~~((gross misdemeanor))~~ class C felony that is punishable under RCW 9A.20.021.

Passed by the Senate April 18, 2017.

Passed by the House April 12, 2017.

Approved by the Governor May 10, 2017.

Filed in Office of Secretary of State May 10, 2017.

CHAPTER 284

[Engrossed Substitute Senate Bill 5388]

REMOVAL OF UNAUTHORIZED PERSONS--DECLARATION

AN ACT Relating to the removal of unauthorized persons from certain premises; adding new sections to chapter 9A.52 RCW; and adding a new section to chapter 4.24 RCW.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. **Sec. 1.** A new section is added to chapter 9A.52 RCW to read as follows:

(1) Subject to subsections (2) and (3) of this section and upon the receipt of a declaration signed under penalty of perjury, in the form prescribed in section 2 of this act, declaring the truth of all of the required elements set forth in subsection (4) of this section, a peace officer shall have the authority to:

(a) Remove the person or persons from the premises, with or without arresting the person or persons; and

(b) Order the person or persons to remain off the premises or be subject to arrest for criminal trespass.

(2) Only a peace officer having probable cause to believe that a person is guilty of criminal trespass under RCW 9A.52.070 for knowingly entering or remaining unlawfully in a building considered residential real property, as defined in RCW 61.24.005, has the authority and discretion to make an arrest or exclude anyone under penalty of criminal trespass.

(3) While a peace officer can take into account a declaration from the property owner signed under penalty of perjury containing all of the required elements and in the form prescribed in section 2 of this act, the peace officer must provide the occupant or occupants with a reasonable opportunity to secure and present any credible evidence provided by the person or persons on the premises, which the peace officer must consider, showing that the person or persons are tenants, legal occupants, or the guests or invitees of tenants or legal occupants.

(4) The declaration must include the following elements:

(a) That the declarant is the owner of the premises or the authorized agent of the owner of the premises;

(b) That an unauthorized person or persons have entered and are remaining unlawfully on the premises;

(c) That the person or persons were not authorized to enter or remain;

(d) That the person or persons are not a tenant or tenants and have not been a tenant or tenants, or a homeowner or homeowners who have been on title, within the last twelve months on the property;

(e) That the declarant has demanded that the unauthorized person or persons vacate the premises but they have not done so;

(f) That the premises were not abandoned at the time the unauthorized person or persons entered;

(g) That the premises were not open to members of the public at the time the unauthorized person or persons entered;

(h) That the declarant understands that a person or persons removed from the premises pursuant to this section may bring a cause of action under section 3 of this act against the declarant for any false statements made in the declaration, and that as a result of such action the declarant may be held liable for actual damages, costs, and reasonable attorneys' fees;

(i) That the declarant understands and acknowledges the prohibitions in RCW 59.18.230 and 59.18.290 against taking or detaining an occupant's personal property or removing or excluding an occupant from a dwelling unit or rental premises without an authorizing court order; and

(j) That the declarant agrees to indemnify and hold harmless law enforcement for its actions or omissions made in good faith pursuant to the declaration.

(5) Neither the peace officer nor his or her law enforcement agency shall be held liable for actions or omissions made in good faith under this section.

(6) This section may not be construed to in any way limit rights under RCW 61.24.060 or to allow a peace officer to remove or exclude an occupant who is entitled to occupy a dwelling unit under a rental agreement or the occupant's guests or invitees.

NEW SECTION. Sec. 2. A new section is added to chapter 9A.52 RCW to read as follows:

The owner of premises, or his or her authorized agent, may initiate the investigation and request the removal of an unauthorized person or persons from the premises by providing to law enforcement a declaration containing all of the following required elements and in substantially the following form:

REQUEST TO REMOVE TRESPASSER(S) FORM

The undersigned owner, or authorized agent of the owner, of the premises located at hereby represents and declares under the penalty of perjury that (initial each box):

(1) The declarant is the owner of the premises or the authorized agent of the owner of the premises;

(2) An unauthorized person or persons have entered and are remaining unlawfully on the premises;

(3) The person or persons were not authorized to enter or remain;

(4) [] The person or persons are not a tenant or tenants and have not been a tenant or tenants, or a homeowner or homeowners who have been on title, within the last twelve months on the property;

(5) [] The declarant has demanded that the unauthorized person or persons vacate the premises but they have not done so;

(6) [] The premises were not abandoned at the time the unauthorized person or persons entered;

(7) [] The premises were not open to members of the public at the time the unauthorized person or persons entered;

(8) [] The declarant understands that a person or persons removed from the premises pursuant to section 1 of this act may bring a cause of action under section 3 of this act against the declarant for any false statements made in this declaration, and that as a result of such action the declarant may be held liable for actual damages, costs, and reasonable attorneys' fees;

(9) [] The declarant understands and acknowledges the prohibitions in RCW 59.18.230 and 59.18.290 against taking or detaining an occupant's personal property or removing or excluding an occupant from a dwelling unit or rental premises without an authorizing court order;

(10) [] The declarant agrees to indemnify and hold harmless law enforcement for its actions or omissions made in good faith pursuant to this declaration; and

(11) [] Additional Optional Explanatory Comments:

.....
.....

A declarant of premises who falsely swears on a declaration provided under this section may be guilty of false swearing under RCW 9A.72.040 or of making a false or misleading statement to a public servant under RCW 9A.76.175, both of which are gross misdemeanors.

NEW SECTION. **Sec. 3.** A new section is added to chapter 4.24 RCW to read as follows:

All persons removed from premises pursuant to section 1 of this act on the basis of false statements made by a declarant pursuant to section 2 of this act shall have a cause of action to recover from the declarant for actual damages, together with costs and reasonable attorneys' fees.

Passed by the Senate April 20, 2017.

Passed by the House April 20, 2017.

Approved by the Governor May 10, 2017.

Filed in Office of Secretary of State May 10, 2017.

CHAPTER 285

[Engrossed Senate Bill 5647]

LOW-INCOME HOME REHABILITATION REVOLVING LOAN PROGRAM

AN ACT Relating to creating a low-income home rehabilitation revolving loan program; reenacting and amending RCW 43.79A.040; and adding new sections to chapter 43.330 RCW.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 43.330 RCW to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

- (1) "Home" means a single-family residential structure.
- (2) "Home rehabilitation" means residential repairs and improvements that address health, safety, and durability issues in existing housing in rural areas.
- (3) "Homeowner" means a person who owns and resides permanently in the home the person occupies.
- (4) "Low-income" means persons or households with income at or below two hundred percent of the federal poverty level as adjusted for family size and determined annually by the federal department of health and human services.
- (5) "Rehabilitation agency" means any approved department grantee, tribal nation, or any public service company, municipality, public utility district, mutual or cooperative, or other entity that bears the responsibility for rehabilitating residences under this chapter and has been approved by the department.
- (6) "Rural areas" means areas of Washington state defined as non-entitlement areas by the United States department of housing and urban development.

NEW SECTION. Sec. 2. A new section is added to chapter 43.330 RCW to read as follows:

(1) Subject to availability of amounts appropriated for this specific purpose, the low-income home rehabilitation revolving loan program is created within the department.

- (2) The program must include the following elements:
 - (a) Eligible homeowners must be low-income and live in rural areas.
 - (b) Homeowners who are senior citizens, persons with disabilities, families with children five years old and younger, and veterans must receive priority for loans.
 - (c) The cost of the home rehabilitation must be the lesser of eighty percent of the assessed value of the property post rehabilitation or forty thousand dollars.
 - (d) The maximum amount that may be loaned under this program may not exceed the cost of the home rehabilitation as provided in (c) of this subsection, and must not result in total loans borrowed against the property equaling more than eighty percent of the assessed value.
 - (e) The interest rate of the loan must be equal to the previous calendar year's annual average consumer price index compiled by the bureau of labor statistics, United States department of labor.
 - (f) The department must allow participating homeowners to defer repayment of the loan principal and interest and any fees related to the administration or issuance of the loan. Any amounts deferred pursuant to this section become a lien in favor of the state. The lien is subordinate to liens for general taxes, amounts deferred under chapter 84.37 or 84.38 RCW, or special assessments as defined in RCW 84.38.020. The lien is also subordinate to the first deed of trust or the first mortgage on the real property but has priority over all other privileges, liens, monetary encumbrances, or other security interests affecting the real property, whenever incurred, filed, or recorded. The department must take such necessary action to file and perfect the state's lien. All

amounts due under the loan become due and payable upon the sale of the home or upon change in ownership of the home.

(3) All moneys from repayments must be deposited into the low-income home rehabilitation revolving loan program account created in section 4 of this act.

(4) The department must adopt rules for implementation of this program.

NEW SECTION. Sec. 3. A new section is added to chapter 43.330 RCW to read as follows:

(1) The department must contract with rehabilitation agencies to provide home rehabilitation to participating homeowners. Preference must be given to local agencies delivering programs and services with similar eligibility criteria.

(2) Any rehabilitation agency may charge participating homeowners an administrative fee of no more than seven percent of the home rehabilitation loan amount. The administrative fee must become a component of the total loan amount to be repaid by the participating homeowner.

(3) Any rehabilitation agency receiving funding under this section must report to the department at least quarterly, or in alignment with federal reporting, whichever is the greater frequency, the project costs and the number of homes repaired or rehabilitated. The director must review the accuracy of these reports.

NEW SECTION. Sec. 4. A new section is added to chapter 43.330 RCW to read as follows:

The low-income home rehabilitation revolving loan program account is created in the custody of the state treasury. All transfers and appropriations by the legislature, repayments of loans, private contributions, and all other sources must be deposited into the account. Expenditures from the account may be used only for the purposes of the low-income home rehabilitation revolving loan program created in section 2 of this act. Only the director 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.

Sec. 5. RCW 43.79A.040 and 2016 c 203 s 2, 2016 c 173 s 10, 2016 c 69 s 21, and 2016 c 39 s 7 are each reenacted and amended to read as follows:

(1) Money in the treasurer's trust fund may be deposited, invested, and reinvested by the state treasurer in accordance with RCW 43.84.080 in the same manner and to the same extent as if the money were in the state treasury, and may be commingled with moneys in the state treasury for cash management and cash balance purposes.

(2) All income received from investment of the treasurer's trust fund must be set aside in an account in the treasury trust fund to be known as the investment income account.

(3) The investment income account may be utilized for the payment of purchased banking services on behalf of treasurer's trust funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasurer or affected state agencies. The investment income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments must occur prior to distribution of earnings set forth in subsection (4) of this section.

(4)(a) Monthly, the state treasurer must distribute the earnings credited to the investment income account to the state general fund except under (b), (c), and (d) of this subsection.

(b) The following accounts and funds must receive their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The 24/7 sobriety account, the Washington promise scholarship account, the Washington advanced college tuition payment program account, the Washington college savings program account, the accessible communities account, the Washington achieving a better life experience program account, the community and technical college innovation account, the agricultural local fund, the American Indian scholarship endowment fund, the foster care scholarship endowment fund, the foster care endowed scholarship trust fund, the contract harvesting revolving account, the Washington state combined fund drive account, the commemorative works account, the county enhanced 911 excise tax account, the toll collection account, the developmental disabilities endowment trust fund, the energy account, the fair fund, the family leave insurance account, the food animal veterinarian conditional scholarship account, the fruit and vegetable inspection account, the future teachers conditional scholarship account, the game farm alternative account, the GET ready for math and science scholarship account, the Washington global health technologies and product development account, the grain inspection revolving fund, the industrial insurance rainy day fund, the juvenile accountability incentive account, the law enforcement officers' and firefighters' plan 2 expense fund, the local tourism promotion account, the low-income home rehabilitation revolving loan program account, the multiagency permitting team account, the pilotage account, the produce railcar pool account, the regional transportation investment district account, the rural rehabilitation account, the Washington sexual assault kit account, the stadium and exhibition center account, the youth athletic facility account, the self-insurance revolving fund, the children's trust fund, the Washington horse racing commission Washington bred owners' bonus fund and breeder awards account, the Washington horse racing commission class C purse fund account, the individual development account program account, the Washington horse racing commission operating account, the life sciences discovery fund, the Washington state heritage center account, the reduced cigarette ignition propensity account, the center for childhood deafness and hearing loss account, the school for the blind account, the Millersylvania park trust fund, the public employees' and retirees' insurance reserve fund, and the radiation perpetual maintenance fund.

(c) The following accounts and funds must receive eighty percent of their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The advanced right-of-way revolving fund, the advanced environmental mitigation revolving account, the federal narcotics asset forfeitures account, the high occupancy vehicle account, the local rail service assistance account, and the miscellaneous transportation programs account.

(d) Any state agency that has independent authority over accounts or funds not statutorily required to be held in the custody of the state treasurer that deposits funds into a fund or account in the custody of the state treasurer 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 trust accounts or funds shall be allocated earnings without the specific affirmative directive of this section.

Passed by the Senate April 18, 2017.

Passed by the House April 12, 2017.

Approved by the Governor May 10, 2017.

Filed in Office of Secretary of State May 10, 2017.

CHAPTER 286

[Senate Bill 5715]

NURSING HOME DIRECT CARE PAYMENT ADJUSTMENTS--VARIOUS CHANGES

AN ACT Relating to limiting nursing home direct care payment adjustments to the lowest case mix weights in the reduced physical function groups and authorizing upward adjustments to case mix weights in the cognitive and behavior groups; amending RCW 74.46.485 and 74.46.561; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 74.46.485 and 2011 1st sp.s. c 7 s 4 are each amended to read as follows:

(1) The legislature recognizes that staff and resources needed to adequately care for individuals with cognitive or behavioral impairments is not limited to support for activities of daily living. Therefore, the department shall:

(a) Employ the resource utilization group ~~((HH))~~ IV case mix classification methodology. The department shall use the ~~((forty-four))~~ fifty-seven group index maximizing model for the resource utilization group ~~((HH))~~ IV grouper version ~~((5-10))~~ MDS 3.05, but the department may revise or update the classification methodology to reflect advances or refinements in resident assessment or classification, subject to federal requirements. The department may adjust by no more than thirteen percent the case mix index for ~~((any of the lowest ten))~~ resource utilization group categories beginning with PA1 through ~~((PE2))~~ PB2 to any case mix index that aids in achieving the purpose and intent of RCW 74.39A.007 and cost-efficient care, excluding behaviors, and allowing for exceptions for limited placement options; and

(b) Implement minimum data set 3.0 under the authority of this section ~~((and RCW 74.46.431(3)))~~. The department must notify nursing home contractors twenty-eight days in advance the date of implementation of the minimum data set 3.0. In the notification, the department must identify for all semiannual rate settings following the date of minimum data set 3.0 implementation a previously established semiannual case mix adjustment established for the semiannual rate settings that will be used for semiannual case mix calculations in direct care until minimum data set 3.0 is fully implemented.

(2) The department is authorized to adjust upward the weights for resource utilization groups BA1-BB2 related to cognitive or behavioral health to ensure adequate access to appropriate levels of care.

(3) A default case mix group shall be established for cases in which the resident dies or is discharged for any purpose prior to completion of the

resident's initial assessment. The default case mix group and case mix weight for these cases shall be designated by the department.

~~((3))~~ (4) A default case mix group may also be established for cases in which there is an untimely assessment for the resident. The default case mix group and case mix weight for these cases shall be designated by the department.

Sec. 2. RCW 74.46.561 and 2016 c 131 s 1 are each amended to read as follows:

(1) The legislature adopts a new system for establishing nursing home payment rates beginning July 1, 2016. Any payments to nursing homes for services provided after June 30, 2016, must be based on the new system. The new system must be designed in such a manner as to decrease administrative complexity associated with the payment methodology, reward nursing homes providing care for high acuity residents, incentivize quality care for residents of nursing homes, and establish minimum staffing standards for direct care.

(2) The new system must be based primarily on industry-wide costs, and have three main components: Direct care, indirect care, and capital.

(3) The direct care component must include the direct care and therapy care components of the previous system, along with food, laundry, and dietary services. Direct care must be paid at a fixed rate, based on one hundred percent or greater of statewide case mix neutral median costs, but shall be set so that a nursing home provider's direct care rate does not exceed one hundred eighteen percent of its base year's direct care allowable costs except if the provider is below the minimum staffing standard established in RCW 74.42.360(2). Direct care must be performance-adjusted for acuity every six months, using case mix principles. Direct care must be regionally adjusted using county wide wage index information available through the United States department of labor's bureau of labor statistics. There is no minimum occupancy for direct care. The direct care component rate allocations calculated in accordance with this section must be adjusted to the extent necessary to comply with RCW 74.46.421.

(4) The indirect care component must include the elements of administrative expenses, maintenance costs, and housekeeping services from the previous system. A minimum occupancy assumption of ninety percent must be applied to indirect care. Indirect care must be paid at a fixed rate, based on ninety percent or greater of statewide median costs. The indirect care component rate allocations calculated in accordance with this section must be adjusted to the extent necessary to comply with RCW 74.46.421.

(5) The capital component must use a fair market rental system to set a price per bed. The capital component must be adjusted for the age of the facility, and must use a minimum occupancy assumption of ninety percent.

(a) Beginning July 1, 2016, the fair rental rate allocation for each facility must be determined by multiplying the allowable nursing home square footage in (c) of this subsection by the RS means rental rate in (d) of this subsection and by the number of licensed beds yielding the gross unadjusted building value. An equipment allowance of ten percent must be added to the unadjusted building value. The sum of the unadjusted building value and equipment allowance must then be reduced by the average age of the facility as determined by (e) of this subsection using a depreciation rate of one and one-half percent. The depreciated building and equipment plus land valued at ten percent of the gross unadjusted building value before depreciation must then be multiplied by the rental rate at

seven and one-half percent to yield an allowable fair rental value for the land, building, and equipment.

(b) The fair rental value determined in (a) of this subsection must be divided by the greater of the actual total facility census from the prior full calendar year or imputed census based on the number of licensed beds at ninety percent occupancy.

(c) For the rate year beginning July 1, 2016, all facilities must be reimbursed using four hundred square feet. For the rate year beginning July 1, 2017, allowable nursing facility square footage must be determined using the total nursing facility square footage as reported on the medicaid cost reports submitted to the department in compliance with this chapter. The maximum allowable square feet per bed may not exceed four hundred fifty.

(d) Each facility must be paid at eighty-three percent or greater of the median nursing facility RS means construction index value per square foot for Washington state. The department may use updated RS means construction index information when more recent square footage data becomes available. The statewide value per square foot must be indexed based on facility zip code by multiplying the statewide value per square foot times the appropriate zip code based index. For the purpose of implementing this section, the value per square foot effective July 1, 2016, must be set so that the weighted average FRV [fair rental value] rate is not less than ten dollars and eighty cents ppd [per patient day]. The capital component rate allocations calculated in accordance with this section must be adjusted to the extent necessary to comply with RCW 74.46.421.

(e) The average age is the actual facility age reduced for significant renovations. Significant renovations are defined as those renovations that exceed two thousand dollars per bed in a calendar year as reported on the annual cost report submitted in accordance with this chapter. For the rate beginning July 1, 2016, the department shall use renovation data back to 1994 as submitted on facility cost reports. Beginning July 1, 2016, facility ages must be reduced in future years if the value of the renovation completed in any year exceeds two thousand dollars times the number of licensed beds. The cost of the renovation must be divided by the accumulated depreciation per bed in the year of the renovation to determine the equivalent number of new replacement beds. The new age for the facility is a weighted average with the replacement bed equivalents reflecting an age of zero and the existing licensed beds, minus the new bed equivalents, reflecting their age in the year of the renovation. At no time may the depreciated age be less than zero or greater than forty-four years.

(f) A nursing facility's capital component rate allocation must be rebased annually, effective July 1, 2016, in accordance with this section and this chapter.

(6) A quality incentive must be offered as a rate enhancement beginning July 1, 2016.

(a) An enhancement no larger than five percent and no less than one percent of the statewide average daily rate must be paid to facilities that meet or exceed the standard established for the quality incentive. All providers must have the opportunity to earn the full quality incentive payment.

(b) The quality incentive component must be determined by calculating an overall facility quality score composed of four to six quality measures. For fiscal year 2017 there shall be four quality measures, and for fiscal year 2018 there shall be six quality measures. Initially, the quality incentive component must be

based on minimum data set quality measures for the percentage of long-stay residents who self-report moderate to severe pain, the percentage of high-risk long-stay residents with pressure ulcers, the percentage of long-stay residents experiencing one or more falls with major injury, and the percentage of long-stay residents with a urinary tract infection. Quality measures must be reviewed on an annual basis by a stakeholder work group established by the department. Upon review, quality measures may be added or changed. The department may risk adjust individual quality measures as it deems appropriate.

(c) The facility quality score must be point based, using at a minimum the facility's most recent available three-quarter average CMS [centers for medicare and medicaid services] quality data. Point thresholds for each quality measure must be established using the corresponding statistical values for the quality measure (QM) point determinants of eighty QM points, sixty QM points, forty QM points, and twenty QM points, identified in the most recent available five-star quality rating system technical user's guide published by the center for medicare and medicaid services.

(d) Facilities meeting or exceeding the highest performance threshold (top level) for a quality measure receive twenty-five points. Facilities meeting the second highest performance threshold receive twenty points. Facilities meeting the third level of performance threshold receive fifteen points. Facilities in the bottom performance threshold level receive no points. Points from all quality measures must then be summed into a single aggregate quality score for each facility.

(e) Facilities receiving an aggregate quality score of eighty percent of the overall available total score or higher must be placed in the highest tier (tier V), facilities receiving an aggregate score of between seventy and seventy-nine percent of the overall available total score must be placed in the second highest tier (tier IV), facilities receiving an aggregate score of between sixty and sixty-nine percent of the overall available total score must be placed in the third highest tier (tier III), facilities receiving an aggregate score of between fifty and fifty-nine percent of the overall available total score must be placed in the fourth highest tier (tier II), and facilities receiving less than fifty percent of the overall available total score must be placed in the lowest tier (tier I).

(f) The tier system must be used to determine the amount of each facility's per patient day quality incentive component. The per patient day quality incentive component for tier IV is seventy-five percent of the per patient day quality incentive component for tier V, the per patient day quality incentive component for tier III is fifty percent of the per patient day quality incentive component for tier V, and the per patient day quality incentive component for tier II is twenty-five percent of the per patient day quality incentive component for tier V. Facilities in tier I receive no quality incentive component.

(g) Tier system payments must be set in a manner that ensures that the entire biennial appropriation for the quality incentive program is allocated.

(h) Facilities with insufficient three-quarter average CMS [centers for medicare and medicaid services] quality data must be assigned to the tier corresponding to their five-star quality rating. Facilities with a five-star quality rating must be assigned to the highest tier (tier V) and facilities with a one-star quality rating must be assigned to the lowest tier (tier I). The use of a facility's

five-star quality rating shall only occur in the case of insufficient CMS [centers for medicare and medicaid services] minimum data set information.

(i) The quality incentive rates must be adjusted semiannually on July 1 and January 1 of each year using, at a minimum, the most recent available three-quarter average CMS [centers for medicare and medicaid services] quality data.

(j) Beginning July 1, 2017, the percentage of short-stay residents who newly received an antipsychotic medication must be added as a quality measure. The department must determine the quality incentive thresholds for this quality measure in a manner consistent with those outlined in (b) through (h) of this subsection using the centers for medicare and medicaid services quality data.

(k) Beginning July 1, 2017, the percentage of direct care staff turnover must be added as a quality measure using the centers for medicare and medicaid services' payroll-based journal and nursing home facility payroll data. Turnover is defined as an employee departure. The department must determine the quality incentive thresholds for this quality measure using data from the centers for medicare and medicaid services' payroll-based journal, unless such data is not available, in which case the department shall use direct care staffing turnover data from the most recent medicaid cost report.

(7) Reimbursement of the safety net assessment imposed by chapter 74.48 RCW and paid in relation to medicaid residents must be continued.

(8) The direct care and indirect care components must be rebased in even-numbered years, beginning with rates paid on July 1, 2016. Rates paid on July 1, 2016, must be based on the 2014 calendar year cost report. On a percentage basis, after rebasing, the department must confirm that the statewide average daily rate has increased at least as much as the average rate of inflation, as determined by the skilled nursing facility market basket index published by the centers for medicare and medicaid services, or a comparable index. If after rebasing, the percentage increase to the statewide average daily rate is less than the average rate of inflation for the same time period, the department is authorized to increase rates by the difference between the percentage increase after rebasing and the average rate of inflation.

(9) The direct care component provided in subsection (3) of this section is subject to the reconciliation and settlement process provided in RCW 74.46.022(6). Beginning July 1, 2016, pursuant to rules established by the department, funds that are received through the reconciliation and settlement process provided in RCW 74.46.022(6) must be used for technical assistance, specialized training, or an increase to the quality enhancement established in subsection (6) of this section. The legislature intends to review the utility of maintaining the reconciliation and settlement process under a price-based payment methodology, and may discontinue the reconciliation and settlement process after the 2017-2019 fiscal biennium.

(10) Compared to the rate in effect June 30, 2016, including all cost components and rate add-ons, no facility may receive a rate reduction of more than one percent on July 1, 2016, more than two percent on July 1, 2017, or more than five percent on July 1, 2018. To ensure that the appropriation for nursing homes remains cost neutral, the department is authorized to cap the rate increase for facilities in fiscal years 2017, 2018, and 2019.

NEW SECTION. Sec. 3. If specific funding for the purpose of this act, referencing the act by bill or chapter number, is not provided by June 30, 2017, in the omnibus appropriations act, this act is null and void.

Passed by the Senate April 17, 2017.

Passed by the House April 10, 2017.

Approved by the Governor May 10, 2017.

Filed in Office of Secretary of State May 10, 2017.

CHAPTER 287

[Senate Bill 5736]

NUTRITION PROGRAMS FOR OLDER ADULTS--EXPANSION

AN ACT Relating to the expansion of nutrition programs for older adults; and creating new sections.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that:

(1) Washingtonians sixty-five years of age and older will nearly double in the next twenty-five years, from twelve percent of our population in 2015 to almost twenty-two percent of our population in 2040. Younger people with disabilities will also require supportive long-term care services.

(2) The long-term care system should support autonomy and self-determination. Furthermore, the long-term care system should promote personal planning and savings combined with public support, when needed.

(3) Whenever possible, the long-term care system should utilize evidence-based practices to improve the general health of Washingtonians over their lifetime and reduce related health care and long-term care costs.

(4) Nutrition programs, such as the meals on wheels program, are a low-cost method of helping seniors remain independent.

NEW SECTION. Sec. 2. (1) Subject to the availability of amounts appropriated for this specific purpose, the department of social and health services must develop a program to expand nutrition services through the meals on wheels program.

(a) At least sixty-five percent of the moneys may be distributed according to formulae to existing providers of meals on wheels programs to expand the number of people served.

(b) Up to twenty-five percent of the moneys may be distributed by a competitive grant process to expand the meals on wheels program into areas not presently being served.

(c) Up to five percent of the moneys may be used by the department administration, monitoring of the grants, and providing technical assistance to existing and new meals on wheels providers.

(2) The department must develop criteria for awarding grants under subsection (1)(b) of this section. The criteria must include, but is not limited to:

(a) Expanding service in areas with the greatest need to assist low-income homebound seniors who are unable to prepare food for themselves and lack a caregiver that prepares meals;

(b) Expanding services in areas where senior citizens have limited access to community support services and facilities; and

(c) Geographic diversity within the state and between rural and urban areas.

(3) None of the grant moneys awarded under subsection (1)(b) of this section may be used to supplant existing funds the provider receives for the meals on wheels program.

Passed by the Senate March 3, 2017.

Passed by the House April 11, 2017.

Approved by the Governor May 10, 2017.

Filed in Office of Secretary of State May 10, 2017.

CHAPTER 288

[Substitute Senate Bill 5806]

COLUMBIA RIVER I-5 BRIDGE--PLANNING--COMMITTEE

AN ACT Relating to preliminary work to develop a process for planning for a new Interstate 5 bridge spanning the Columbia river; amending RCW 43.157.030; reenacting and amending RCW 43.157.010; adding a new section to chapter 47.01 RCW; creating a new section; and making an appropriation.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that Washington is one of our nation's trade leaders, serving as a gateway to both international and interstate trade for the west. Clark county's population has grown by thirty percent over the past fifteen years. Recent southwest Washington regional transportation council data found a greater than fifty percent year-over-year increase in peak-hour vehicle and truck delays on the Interstate 5 corridor through Vancouver. Southwest Washington must find a path forward to establishing a unified plan for infrastructure investments that will serve as the basis for progress for the next one hundred years. The safety and economic well-being of our residents cannot wait. Legislators representing southwest Washington have set out some guiding principles that will enable a planning process to begin to select a new Interstate 5 bridge project that will serve as the foundation of an initial investment in the bridges that link Washington with Oregon, supporting critical trade routes, alleviating congestion, and improving safety.

Sec. 2. RCW 43.157.010 and 2012 c 63 s 2 are each reenacted and amended to read as follows:

The definitions in this section apply throughout this chapter and RCW 28A.525.166, ((28B.76.210, 28C.18.080,)) 43.21A.350, and 90.58.100, unless the context requires otherwise:

(1) "Applicant" means a person applying to the department for designation of a development project as a project of statewide significance.

(2) "Aviation biofuels production facility" means a facility primarily for the processing of nonfossil biogenic feedstocks to produce aviation fuels that meet the fuel quality technical standards of the American society for testing materials for aviation fuels and coproducts.

(3) "Department" means the department of commerce.

(4) "Manufacturing" shall have the meaning assigned it in RCW 82.62.010.

(5)(a) "Project of statewide significance" means:

- (i) A border crossing project that involves both private and public investments carried out in conjunction with adjacent states or provinces;
- (ii) A development project that will provide a net environmental benefit;
- (iii) A development project in furtherance of the commercialization of innovations;
- (iv) A private industrial development with private capital investment in manufacturing or research and development; ~~((or))~~
- (v) An aviation biofuels production facility; or
- (vi) A project designated by the legislature and codified under this chapter.
- (b) To qualify for designation under RCW 43.157.030 as a project of statewide significance:
 - (i) The project must be completed after January 1, 2009;
 - (ii) The applicant must submit an application to the department for designation as a project of statewide significance to the department of commerce; and
 - (iii) Except for an aviation biofuels production facility, the project must have:
 - (A) In counties with a population less than or equal to twenty thousand, a capital investment of five million dollars;
 - (B) In counties with a population greater than twenty thousand but no more than fifty thousand, a capital investment of ten million dollars;
 - (C) In counties with a population greater than fifty thousand but no more than one hundred thousand, a capital investment of fifteen million dollars;
 - (D) In counties with a population greater than one hundred thousand but no more than two hundred thousand, a capital investment of twenty million dollars;
 - (E) In counties with a population greater than two hundred thousand but no more than four hundred thousand, a capital investment of thirty million dollars;
 - (F) In counties with a population greater than four hundred thousand but no more than one million, a capital investment of forty million dollars;
 - (G) In counties with a population greater than one million, a capital investment of fifty million dollars;
 - (H) In rural counties as defined by RCW 82.14.370, projected full-time employment positions after completion of construction of fifty or greater;
 - (I) In counties other than rural counties as defined by RCW 82.14.370, projected full-time employment positions after completion of construction of one hundred or greater; or
 - (J) Been qualified by the director of the department as a project of statewide significance either because:
 - (I) The economic circumstances of the county merit the additional assistance such designation will bring;
 - (II) The impact on a region due to the size and complexity of the project merits such designation;
 - (III) The project resulted from or is in furtherance of innovation activities at a public research institution in the state or is in or resulted from innovation activities within an innovation partnership zone; or
 - (IV) The project will provide a net environmental benefit as evidenced by plans for design and construction under green building standards or for the creation of renewable energy technology or components or under other

environmental criteria established by the director in consultation with the director of the department of ecology.

A project may be qualified under this subsection (5)(b)(iii)(J) only after consultation on the availability of staff resources of the office of regulatory assistance.

(6) "Research and development" shall have the meaning assigned it in RCW 82.62.010.

Sec. 3. RCW 43.157.030 and 2009 c 421 s 4 are each amended to read as follows:

(1) The department of ~~((community, trade, and economic development))~~ commerce shall:

(a) Develop an application for designation of development projects as projects of statewide significance. The application must be accompanied by a letter of approval from the legislative authority of any jurisdiction that will have the proposed project of statewide significance within its boundaries. No designation of a project as a project of statewide significance shall be made without such letter of approval. The letter of approval must state that the jurisdiction joins in the request for the designation of the project as one of statewide significance and has or will hire the professional staff that will be required to expedite the processes necessary to the completion of a project of statewide significance. The development project proponents may provide the funding necessary for the jurisdiction to hire the professional staff that will be required to so expedite. The application shall contain information regarding the location of the project, the applicant's average employment in the state for the prior year, estimated new employment related to the project, estimated wages of employees related to the project, estimated time schedules for completion and operation, and other information required by the department; and

(b) Designate a development project as a project of statewide significance if the department determines:

(i) After review of the application under criteria adopted by rule, the development project will provide significant economic benefit to the local or state economy, or both, the project is aligned with the state's comprehensive plan for economic development under RCW 43.162.020, and, by its designation, the project will not prevent equal consideration of all categories of proposals under RCW 43.157.010; and

(ii) The development project meets or will meet the requirements of RCW 43.157.010 regarding designation as a project of statewide significance.

(2) Any project designated by the legislature and codified in this chapter is not subject to the application requirements set out in subsection (1) of this section.

(3) The office of regulatory assistance shall assign a project facilitator or coordinator to each project of statewide significance to:

(a) Assist in the scoping and coordinating functions provided for in chapter 43.42 RCW;

(b) Assemble a team of state and local government and private officials to help meet the planning, permitting, and development needs of each project, which team shall include those responsible for planning, permitting and licensing, infrastructure development, workforce development services

including higher education, transportation services, and the provision of utilities; and

(c) Work with each team member to expedite their actions in furtherance of the project.

NEW SECTION. Sec. 4. A new section is added to chapter 47.01 RCW to read as follows:

(1) On behalf of the state, the legislature of the state of Washington invites the legislature of the state of Oregon to participate in a joint legislative action committee regarding the construction of a new Interstate 5 bridge spanning the Columbia river that achieves the following purposes:

(a) Works with both states' departments of transportation and transportation commissions and stakeholders to begin a process toward project development. It is assumed that the appropriate local and bistate entities already tasked with related work will also be included when the legislative and interagency agreements are ready to move forward. The legislative action committee must convene its first meeting by December 15, 2017;

(b) Reviews and confirms lead roles related to permitting, construction, operation, and maintenance of a future Interstate 5 bridge project;

(c) Establishes a process to seek public comment on the Interstate 5 bridge project development plan selected and presents final recommendations for the process and financing to both states;

(d) Works to ensure that there are sufficient resources available to both states' departments of transportation to inventory and utilize existing data and any prior relevant work to allow for nonduplicative and efficient decision making regarding a new project;

(e) Examines all of the potential mass transit options available for a future Interstate 5 bridge project;

(f) Utilizes design-build procurement, or an equivalent or better innovation delivery method, and determines the least costly, most efficient project management and best practices tools consistent with work already completed including, but not limited to, height, navigation needs, transparency, economic development, and other critical elements, while minimizing the impacts of congestion during construction;

(g) Considers the creation of a Columbia river bridge authority to review bridge needs for possible repair, maintenance, or new construction, prioritizing those needs and making recommendations to both states with regard to financing specific projects, timing, authorities, and operations; and

(h) Provides a report to the legislatures of each state that details the findings and recommendations of the legislative action committee by December 15, 2018. The report must also contain a recommendation as to whether the Interstate 5 project should be designated by the legislature of the state of Washington as a project of statewide significance and by the state of Oregon with an equivalent designation.

(2)(a) The joint Oregon-Washington legislative action committee is established, with sixteen members as provided in this subsection:

(i) The speaker and minority leader of the house of representatives of each state shall jointly appoint four members, two from each of the two largest caucuses of their state's house of representatives.

(ii) The majority leader and minority leader of the senate of each state shall jointly appoint four members, two from each of the two largest caucuses of their state's senate.

(b) The legislative action committee shall choose its cochairs from among its membership, one each from the senate and the house of representatives of both states.

(c) Executive agencies, including the departments of transportation and the transportation commissions, shall cooperate with the committee and provide information and other assistance as the cochairs may reasonably request.

(d) Staff support for the legislative action committee must be provided by the Washington house of representatives office of program research, Washington senate committee services, and, contingent upon the acceptance by the legislature of the state of Oregon of the invitation in subsection (1) of this section to participate in the legislative action committee, the Oregon legislative policy and research office.

(e) Legislative members of the legislative action committee are reimbursed for travel expenses. For Washington legislative members, this reimbursement must be in accordance with RCW 44.04.120.

(f) The expenses of the legislative action committee must be paid jointly by both states' senate and house of representatives. In Washington, committee expenditures are subject to approval by the senate facilities and operations committee and the house of representatives executive rules committee, or their successor committees.

(g) Each meeting of the legislative action committee must allow an opportunity for public comment. Legislative action committee meetings must be scheduled and conducted in accordance with the requirements of both the senate and the house of representatives of both states.

NEW SECTION. Sec. 5. (1) The sum of three hundred fifty thousand dollars, or as much thereof as may be necessary, is appropriated for the fiscal biennium ending June 30, 2019, from the motor vehicle fund to the department of transportation for the purposes of a planning inventory to be conducted in 2017 to document the existing planning data related to the construction of a new Interstate 5 bridge over the Columbia river.

(2) By December 1, 2017, and in compliance with RCW 43.01.036, the department of transportation must submit a report to the legislature that details the findings of the inventory of existing planning work.

Passed by the Senate April 17, 2017.

Passed by the House April 6, 2017.

Approved by the Governor May 10, 2017.

Filed in Office of Secretary of State May 10, 2017.

CHAPTER 289

[Substitute House Bill 1086]

ENVIRONMENTAL IMPACT STATEMENTS--TWO YEAR COMPLETION

AN ACT Relating to promoting the completion of environmental impact statements within two years; adding a new section to chapter 43.21C RCW; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that the analysis of environmental impacts required under the state environmental policy act adds value to government decision-making processes in Washington state and helps minimize the potential environmental harm coming from those government decisions. However, the legislature also recognizes that excessive delays in the environmental impact analysis process adds uncertainty and burdensome costs to those seeking to do business in the state of Washington. Therefore, it is the intent of the legislature to promote timely completion of state environmental policy act processes. In doing so, the legislature intends to restore balance between the need to carefully consider environmental impacts and the need to maintain the economic competitiveness of state businesses.

NEW SECTION. Sec. 2. A new section is added to chapter 43.21C RCW to read as follows:

(1) A lead agency shall aspire to prepare a final environmental impact statement required by RCW 43.21C.030(2) in as expeditious a manner as possible while not compromising the integrity of the analysis.

(a) For even the most complex government decisions associated with a broad scope of possible environmental impacts, a lead agency shall aspire to prepare a final environmental impact statement required by RCW 43.21C.030(2) within twenty-four months of a threshold determination of a probable significant, adverse environmental impact.

(b) Wherever possible, a lead agency shall aspire to far outpace the twenty-four month time limit established in this section for more commonplace government decisions associated with narrower and more easily identifiable environmental impacts.

(2) Beginning December 31, 2018, and every two years thereafter, the department of ecology must submit a report on the environmental impact statements produced by state agencies and local governments to the appropriate committees of the legislature. The report must include data on the average time, and document the range of time, it took to complete environmental impact statements within the previous two years.

(3) Nothing in this section creates any civil liability for a lead agency or creates a new cause of action against a lead agency.

Passed by the House April 13, 2017.

Passed by the Senate April 11, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 290

[Engrossed Substitute House Bill 1109]

SEXUAL ASSAULT--KITS--TRAINING

AN ACT Relating to supporting victims of sexual assault; amending RCW 43.330.470; amending 2015 c 247 s 2 (uncodified); reenacting and amending RCW 43.84.092; adding a new section to chapter 36.28A RCW; adding new sections to chapter 43.101 RCW; and creating new sections.

Be it enacted by the Legislature of the State of Washington:

PART I - WASHINGTON SEXUAL ASSAULT KIT INITIATIVE PROJECT

NEW SECTION. **Sec. 1.** A new section is added to chapter 36.28A RCW to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the Washington association of sheriffs and police chiefs shall establish and administer the Washington sexual assault kit initiative project.

(2) The project is created for the purpose of providing funding through a competitive grant program to support multidisciplinary community response teams engaged in seeking a just resolution to sexual assault cases resulting from evidence found in previously unsubmitted sexual assault kits.

(3) In administering the project, the Washington association of sheriffs and police chiefs has the following powers and duties:

(a) Design and implement the grant project with the elements included in this section;

(b) Screen and select eligible applicants to receive grants;

(c) Award grants and disburse funds to at least two eligible applicants, at least one located in western Washington and at least one located in eastern Washington;

(d) Adopt necessary policies and procedures to implement and administer the program;

(e) Monitor use of grant funds and compliance with the grant requirements;

(f) Create and implement reporting requirements for grant recipients;

(g) Facilitate the hosting of a sexual assault kit summit in the state of Washington through a grant recipient or directly through the Washington association of sheriffs and police chiefs, subject to the availability of funds, which may include a combination of public and private dollars allocated for the particular purpose; and

(h) Report to the appropriate committees of the legislature, the joint legislative task force on sexual assault forensic examination best practices, and the governor by December 1, 2017, and each December 1st of each subsequent year the project is funded and operating, regarding the status of grant awards, the progress of the grant recipients toward the identified goals in this section, the data required by subsection (4) of this section, and any other relevant information or recommendations related to the project or sexual assault kit policies.

(4) Grant recipients must:

(a) Perform an inventory of all unsubmitted sexual assault kits in the jurisdiction's possession regardless of where they are stored and submit those sexual assault kits for forensic analysis through the Washington state patrol or another laboratory with the permission of the Washington state patrol;

(b) Establish a multidisciplinary cold case or sexual assault investigation team or teams for follow-up investigations and prosecutions resulting from evidence from the testing of previously unsubmitted sexual assault kits. Cold case or sexual assault investigative teams must: Include prosecutors, law enforcement, and victim advocates for the duration of the project; use victim-centered, trauma-informed protocols, including for victim notification; and use protocols and policies established by the Washington association of sheriffs and police chiefs. The grant funds may support personnel costs, including hiring and overtime, to allow for adequate follow-up investigations and prosecutions. Grant

awards must be prioritized for eligible applicants with a commitment to colocate assigned prosecutors, law enforcement, and victim advocates for the duration of the grant program;

(c) Require participants in the multidisciplinary cold case or sexual assault investigation team or teams to participate in and complete specialized training for victim-centered, trauma-informed investigation and prosecutions;

(d) Identify and address individual level, organizational level, and systemic factors that lead to unsubmitted sexual assault kits in the jurisdiction and development of a comprehensive strategy to address the issues, including effecting changes in practice, protocol, and organizational culture, and implementing evidence-based, victim-centered, trauma-informed practices and protocols;

(e) Appoint an informed representative to attend meetings of and provide information and assistance to the joint legislative task force on sexual assault forensic examination best practices;

(f) Identify and maintain consistent, experienced, and committed leadership of their sexual assault kit initiative; and

(g) Track and report the following data to the Washington association of sheriffs and police chiefs, in addition to any data required by the Washington association of sheriffs and police chiefs: The number of kits inventoried; the dates collected and submitted for testing; the number of kits tested; the number of kits with information eligible for entry into the combined DNA index system; the number of combined DNA index system hits; the number of identified suspects; including serial perpetrators; the number of investigations conducted and cases reviewed; the number of charges filed; and the number of convictions.

(5) Subject to the availability of amounts appropriated for this specific purpose, the project may also allocate funds for grant recipients to:

(a) Create and employ training in relation to sexual assault evidence, victimization and trauma response, and other related topics to improve the quality and outcomes of sexual assault investigations and prosecutions;

(b) Enhance victim services and support for past and current victims of sexual assault; or

(c) Develop evidence collection, retention, victim notification, and other protocols needed to optimize data sharing, case investigation, prosecution, and victim support.

(6) For the purposes of this section:

(a) "Eligible applicants" include: Law enforcement agencies, units of local government, or combination of units of local government, prosecutor's offices, or a governmental nonlaw enforcement agency acting as fiscal agent for one of the previously listed types of eligible applicants. A combination of jurisdictions, including contiguous jurisdictions of multiple towns, cities, or counties, may create a task force or other entity for the purposes of applying for and receiving a grant, provided that the relevant prosecutors and law enforcement agencies are acting in partnership in complying with the grant requirements.

(b) "Project" means the Washington sexual assault kit initiative project created in this section.

(c) "Unsubmitted sexual assault kit" are sexual assault kits that have not been submitted to a forensic laboratory for testing with the combined DNA index system-eligible DNA methodologies as of the effective date of the

mandatory testing law in RCW 70.125.090. Unsubmitted sexual assault kits includes partially tested sexual assault kits, which are sexual assault kits that have only been subjected to serological testing, or that have previously been tested only with noncombined DNA index system-eligible DNA methodologies. The project does not include untested sexual assault kits that have been submitted to forensic labs for testing with combined DNA index system-eligible DNA methodologies but are delayed for testing as a result of a backlog of work in the laboratory.

Sec. 2. 2015 c 247 s 2 (uncodified) is amended to read as follows:

(1)(a) ~~((A))~~ The joint legislative task force on sexual assault forensic examination best practices is established ~~((to review))~~ for the purpose of reviewing best practice models for managing all aspects of sexual assault examinations and for reducing the number of untested sexual assault examination kits in Washington state that were collected prior to the effective date of this section.

(i) The caucus leaders from the senate shall appoint one member from each of the two largest caucuses of the senate.

(ii) The caucus leaders from the house of representatives shall appoint one member from each of the two largest caucuses of the house of representatives.

(iii) The president of the senate and the speaker of the house of representatives shall jointly appoint:

(A) One member representing each of the following:

(I) The Washington state patrol;

(II) The Washington association of sheriffs and police chiefs;

(III) The Washington association of prosecuting attorneys;

(IV) The Washington defender association or the Washington association of criminal defense lawyers;

(V) The Washington association of cities;

(VI) The Washington association of county officials;

(VII) The Washington coalition of sexual assault programs;

(VIII) The office of crime victims advocacy;

(IX) The Washington state hospital association;

(X) The Washington state forensic investigations council;

(XI) A public institution of higher education as defined in RCW 28B.10.016; ~~((and))~~

(XII) A private higher education institution as defined in RCW 28B.07.020; and

(XIII) The office of the attorney general; and

(B) Two members representing survivors of sexual assault.

(b) The task force shall choose two cochairs from among its legislative membership. The legislative membership shall convene the initial meeting of the task force.

(2) The duties of the task force include, but are not limited to:

(a) Researching and determining the number of untested sexual assault examination kits in Washington state;

(b) Researching the locations where the untested sexual assault examination kits are stored;

(c) Researching, reviewing, and making recommendations regarding legislative policy options for reducing the number of untested sexual assault examination kits;

(d) Researching the best practice models both in state and from other states for collaborative responses to victims of sexual assault from the point the sexual assault examination kit is collected to the conclusion of the investigation and providing recommendations regarding any existing gaps in Washington and resources that may be necessary to address those gaps; and

(e) Researching, identifying, and making recommendations for securing nonstate funding for testing the sexual assault examination kits, and reporting on progress made toward securing such funding.

(3) Staff support for the task force must be provided by the senate committee services and the house of representatives office of program research.

(4) Legislative members of the task force must be reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members, except those representing an employer or organization, are entitled to be reimbursed for travel expenses in accordance with RCW 43.03.050 and 43.03.060.

(5) The expenses of the task force must be paid jointly by the senate and the house of representatives. Task force meetings and expenditures are subject to approval by the senate facilities and operations committee and the house of representatives executive rules committee, or their successor committees.

(6) The first meeting of the task force must occur prior to October 1, 2015. The task force shall submit a preliminary report regarding its initial findings and recommendations to the appropriate committees of the legislature and the governor no later than December 1, 2015.

(7) The task force must meet no less than twice annually.

(8) The task force shall report its findings and recommendations to the appropriate committees of the legislature and the governor by September 30, 2016, and by ~~((September 30th))~~ December 1st of ~~((each subsequent))~~ the following year.

(9) This section expires June 30, 2018.

PART II - TRAINING

NEW SECTION. Sec. 3. A new section is added to chapter 43.101 RCW to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the commission shall provide ongoing specialized, intensive, and integrative training for persons responsible for investigating sexual assault cases involving adult victims. The training must be based on a victim-centered, trauma-informed approach to responding to sexual assault. Among other subjects, the training must include content on the neurobiology of trauma and trauma-informed interviewing, counseling, and investigative techniques.

(2) The training must: Be based on research-based practices and standards; offer participants an opportunity to practice interview skills and receive feedback from instructors; minimize the trauma of all persons who are interviewed during abuse investigations; provide methods of reducing the number of investigative interviews necessary whenever possible; assure, to the extent possible, that investigative interviews are thorough, objective, and complete; recognize needs of special populations; recognize the nature and consequences of victimization; require investigative interviews to be conducted

in a manner most likely to permit the interviewed persons the maximum emotional comfort under the circumstances; address record retention and retrieval; and address documentation of investigative interviews.

(3) In developing the training, the commission shall seek advice from the Washington association of sheriffs and police chiefs, the Washington coalition of sexual assault programs, and experts on sexual assault and the neurobiology of trauma. The commission shall consult with the Washington association of prosecuting attorneys in an effort to design training containing consistent elements for all professionals engaged in interviewing and interacting with sexual assault victims in the criminal justice system.

(4) The commission shall develop the training and begin offering it by July 1, 2018. Officers assigned to regularly investigate sexual assault involving adult victims shall complete the training within one year of being assigned or by July 1, 2020, whichever is later.

NEW SECTION. Sec. 4. A new section is added to chapter 43.101 RCW to read as follows:

Subject to the availability of amounts appropriated for this specific purpose, the commission shall incorporate victim-centered, trauma-informed approaches to policing in the basic law enforcement training curriculum. In modifying the curriculum, the commission shall seek advice from the Washington coalition of sexual assault programs and other experts on sexual assault and the neurobiology of trauma.

NEW SECTION. Sec. 5. A new section is added to chapter 43.101 RCW to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the commission shall develop training on a victim-centered, trauma-informed approach to interacting with victims and responding to sexual assault calls. The curriculum must: Be designed for commissioned patrol officers not regularly assigned to investigate sexual assault cases; be designed for deployment and use within individual law enforcement agencies; include features allowing for it to be used in different environments, which may include multimedia or video components; allow for law enforcement agencies to host it in small segments at different times over several days or weeks, including roll calls. The training must include components on available resources for victims including, but not limited to, material on and references to community-based victim advocates.

(2) In developing the training, the commission shall seek advice from the Washington association of sheriffs and police chiefs, the Washington coalition of sexual assault programs, and experts on sexual assault and the neurobiology of trauma.

(3) Beginning in 2018, all law enforcement agencies shall annually host the training for commissioned peace officers. All law enforcement agencies shall, to the extent feasible, consult with and feature local community-based victim advocates during the training.

PART III - FUNDING

NEW SECTION. Sec. 6. (1) The sexual assault prevention and response account is created in the state treasury. All legislative appropriations and transfers; gifts, grants, and other donations; and all other revenues directed to the

account must be deposited into the sexual assault prevention and response account. Moneys in the account may only be spent after appropriation.

(2) The legislature must prioritize appropriations from the account for: The Washington sexual assault kit initiative project created in section 1 of this act; the office of crime victims advocacy for the purpose of providing support and services, including educational and vocational training, to victims of sexual assault and trafficking; victim-centered, trauma-informed training for prosecutors, law enforcement, and victim advocates, including, but not limited to, the training in sections 3 through 5 of this act; the Washington state patrol for the purpose of funding the statewide sexual assault kit tracking system and funding the forensic analysis of sexual assault kits.

Sec. 7. RCW 43.330.470 and 2016 c 173 s 9 are each amended to read as follows:

(1) The Washington sexual assault kit program is created within the department for the purpose of accepting private funds (~~(conducting)~~) to fund forensic analysis of sexual assault kits in the possession of law enforcement agencies but not submitted for analysis as of July 24, 2015, and to fund other related programs aimed at improving the public's response to sexual assault. The director may accept gifts, grants, donations, or moneys from any source for deposit in the Washington sexual assault kit account created under subsection (2) of this section.

(2) The Washington sexual assault kit account is created in the custody of the state treasurer. Funds deposited in the Washington sexual assault kit account may be used for the Washington sexual assault kit program established under this section. The Washington sexual assault kit account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

(3) Except when otherwise specified, public funds deposited in the Washington sexual assault kit account must be transferred and used exclusively for the following:

(a) Eighty-five percent of the funds for the Washington state patrol bureau of forensic laboratory services for the purpose of conducting forensic analysis of sexual assault kits in the possession of law enforcement agencies but not submitted for forensic analysis as of July 24, 2015; and

(b) Fifteen percent of the funds for the office of crime victims advocacy in the department for the purpose of funding grants for sexual assault nurse examiner services and training.

(4)(a) Except as otherwise provided in (b) of this subsection, private funds donated to and deposited in the Washington sexual assault kit account must be transferred and used exclusively for the following:

(i) Thirty percent for the Washington association of sheriffs and police chiefs for the purpose of funding the Washington sexual assault kit initiative project created in section 1 of this act;

(ii) Thirty percent for the Washington state patrol bureau of forensic laboratory services for the purpose of conducting forensic analysis of sexual assault kits in the possession of law enforcement agencies but not submitted for forensic analysis as of July 24, 2015, unless the Washington state patrol bureau of forensic laboratory services deems that the funds are not necessary for this

purpose, in which case the funds shall be divided equally for the purposes outlined in (a)(i), (iii), and (iv) of this subsection;

(iii) Thirty percent for the criminal justice training commission for the training in sections 3 through 5 of this act;

(iv) Ten percent for the office of crime victims advocacy in the department for the purpose of providing services to victims of sexual assault and training for professionals interacting with and providing services to victims of sexual assault.

(b) With the consent of the department, a grantor of funds may enter into an agreement with the department for a different allocation of funds specified in (a) of this subsection, provided that the funds are distributed for the purpose of the program created in this section. Within thirty days of entering into an agreement under this subsection (4)(b), the department shall notify the sexual assault forensic examination best practices task force and the appropriate committees of the legislature.

(5) This section expires June 30, 2022.

Sec. 8. RCW 43.84.092 and 2016 c 194 s 5, 2016 c 161 s 20, and 2016 c 112 s 4 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 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.

(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:

(a) The following accounts and funds shall receive their proportionate share of earnings based upon each account's and fund's average daily balance for the period: The aeronautics account, the aircraft search and rescue account, the Alaskan Way viaduct replacement project account, the brownfield redevelopment trust fund account, the budget stabilization account, the capital

vessel replacement account, the capitol building construction account, the Cedar River channel construction and operation account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the Chehalis basin account, the cleanup settlement account, the Columbia river basin water supply development account, the Columbia river basin taxable bond water supply development account, the Columbia river basin water supply revenue recovery account, the common school construction fund, the community forest trust account, the connecting Washington account, the county arterial preservation account, the county criminal justice assistance account, the deferred compensation administrative account, the deferred compensation principal account, the department of licensing services account, the department of retirement systems expense account, the developmental disabilities community trust account, the diesel idle reduction account, the drinking water assistance account, the drinking water assistance administrative account, the drinking water assistance repayment account, the Eastern Washington University capital projects account, the Interstate 405 express toll lanes operations account, the education construction fund, the education legacy trust account, the election account, the electric vehicle charging infrastructure account, the energy freedom account, the energy recovery act account, the essential rail assistance account, The Evergreen State College capital projects account, the federal forest revolving account, the ferry bond retirement fund, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the public health services account, the high capacity transportation account, the state higher education construction account, the higher education construction account, the highway bond retirement fund, the highway infrastructure account, the highway safety fund, the high occupancy toll lanes operations account, the hospital safety net assessment fund, the industrial insurance premium refund account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the local leasehold excise tax account, the local real estate excise tax account, the local sales and use tax account, the marine resources stewardship trust account, the medical aid account, the mobile home park relocation fund, the money-purchase retirement savings administrative account, the money-purchase retirement savings principal account, the motor vehicle fund, the motorcycle safety education account, the multimodal transportation account, the multiuse roadway safety account, the municipal criminal justice assistance account, the natural resources deposit account, the oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the pollution liability insurance agency underground storage tank revolving account, the public employees' retirement system plan 1 account, the public employees' retirement system combined plan 2 and plan 3 account, the public facilities construction loan revolving account beginning July 1, 2004, the public health supplemental account, the public works assistance account, the Puget Sound capital construction account, the Puget Sound ferry operations account, the Puget Sound taxpayer accountability account, the real estate appraiser commission account, the recreational vehicle account, the regional mobility grant program account, the resource management cost account, the rural arterial trust account, the rural mobility grant program account, the rural Washington

loan fund, the sexual assault prevention and response account, the site closure account, the skilled nursing facility safety net trust fund, the small city pavement and sidewalk account, the special category C account, the special wildlife account, the state employees' insurance account, the state employees' insurance reserve account, the state investment board expense account, the state investment board commingled trust fund accounts, the state patrol highway account, the state route number 520 civil penalties account, the state route number 520 corridor account, the state wildlife account, the supplemental pension account, the Tacoma Narrows toll bridge account, the teachers' retirement system plan 1 account, the teachers' retirement system combined plan 2 and plan 3 account, the tobacco prevention and control account, the tobacco settlement account, the toll facility bond retirement account, the transportation 2003 account (nickel account), the transportation equipment fund, the transportation fund, the transportation future funding program account, the transportation improvement account, the transportation improvement board bond retirement account, the transportation infrastructure account, the transportation partnership account, the traumatic brain injury account, the tuition recovery trust fund, the University of Washington bond retirement fund, the University of Washington building account, the volunteer firefighters' and reserve officers' relief and pension principal fund, the volunteer firefighters' and reserve officers' administrative fund, the Washington judicial retirement system account, the Washington law enforcement officers' and firefighters' system plan 1 retirement account, the Washington law enforcement officers' and firefighters' system plan 2 retirement account, the Washington public safety employees' plan 2 retirement account, the Washington school employees' retirement system combined plan 2 and 3 account, the Washington state health insurance pool account, the Washington state patrol retirement account, the Washington State University building account, the Washington State University bond retirement fund, the water pollution control revolving administration account, the water pollution control revolving fund, the Western Washington University capital projects account, the Yakima integrated plan implementation account, the Yakima integrated plan implementation revenue recovery account, and the Yakima integrated plan implementation taxable bond account. Earnings derived from investing balances of the agricultural permanent fund, the normal school permanent fund, the permanent common school fund, the scientific permanent fund, the state university permanent fund, and the state reclamation revolving account shall be allocated to their respective beneficiary accounts.

(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. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2017, in the omnibus appropriations act, this act is null and void.

Passed by the House April 20, 2017.

Passed by the Senate April 20, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 291

[Second Substitute House Bill 1170]

TRUANCY--VARIOUS CHANGES

AN ACT Relating to maintaining and facilitating court-based and school-based efforts to promote attendance and reduce truancy; amending RCW 28A.225.015, 28A.225.020, 28A.225.025, 28A.225.026, 28A.225.090, 28A.225.030, 28A.225.151, and 28A.250.070; adding a new section to chapter 28A.232 RCW; creating a new section; and repealing RCW 28A.225.115.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 28A.225.015 and 1999 c 319 s 6 are each amended to read as follows:

(1) If a parent enrolls a child who is six or seven years of age in a public school, the child is required to attend and that parent has the responsibility to ensure the child attends for the full time that school is in session. An exception shall be made to this requirement for children whose parents formally remove them from enrollment if the child is less than eight years old and a petition has not been filed against the parent under subsection (3) of this section. The requirement to attend school under this subsection does not apply to a child enrolled in a public school part-time for the purpose of receiving ancillary services. A child required to attend school under this subsection may be temporarily excused upon the request of his or her parent for purposes agreed upon by the school district and parent.

(2) If a six or seven year old child is required to attend public school under subsection (1) of this section and that child has unexcused absences, the public school in which the child is enrolled shall:

(a) Inform the child's custodial parent, parents, or guardian by a notice in writing or by telephone whenever the child has failed to attend school after one unexcused absence within any month during the current school year;

(b) Request a conference or conferences with the custodial parent, parents, or guardian and child at a time reasonably convenient for all persons included for the purpose of analyzing the causes of the child's absences after ~~((two))~~ three unexcused absences within any month during the current school year. If a regularly scheduled parent-teacher conference day is to take place within thirty days of the ~~((second))~~ third unexcused absence, then the school district may schedule this conference on that day; and

(c) Take steps to eliminate or reduce the child's absences. These steps shall include, where appropriate, adjusting the child's school program or school or course assignment, providing more individualized or remedial instruction, offering assistance in enrolling the child in available alternative schools or programs, or assisting the parent or child to obtain supplementary services that may help eliminate or ameliorate the cause or causes for the absence from school.

(3) If a child required to attend public school under subsection (1) of this section has seven unexcused absences in a month or ten unexcused absences in a

school year, the school district shall file a petition for civil action as provided in RCW 28A.225.035 against the parent of the child.

(4) This section does not require a six or seven year old child to enroll in a public or private school or to receive home-based instruction. This section only applies to six or seven year old children whose parents enroll them full time in public school and do not formally remove them from enrollment as provided in subsection (1) of this section.

Sec. 2. RCW 28A.225.020 and 2016 c 205 s 4 are each amended to read as follows:

(1) If a child required to attend school under RCW 28A.225.010 fails to attend school without valid justification, the public school in which the child is enrolled shall:

(a) Inform the child's parent by a notice in writing or by telephone whenever the child has failed to attend school after one unexcused absence within any month during the current school year. School officials shall inform the parent of the potential consequences of additional unexcused absences. If the parent is not fluent in English, the school must make reasonable efforts to provide this information in a language in which the parent is fluent;

(b) Schedule a conference or conferences with the parent and child at a time reasonably convenient for all persons included for the purpose of analyzing the causes of the child's absences after ~~((two))~~ three unexcused absences within any month during the current school year. If a regularly scheduled parent-teacher conference day is to take place within thirty days of the ~~((second))~~ third unexcused absence, then the school district may schedule this conference on that day. If the child's parent does not attend the scheduled conference, the conference may be conducted with the student and school official. However the parent shall be notified of the steps to be taken to eliminate or reduce the child's absence; and

(c) At some point after the second and before the fifth unexcused absence, take data-informed steps to eliminate or reduce the child's absences.

(i) In middle school and high school, these steps ((shall)) must include application of the Washington assessment of the risks and needs of students (WARNS) or other assessment by a school district's designee under RCW 28A.225.026((-and)).

(ii) For any child with an existing individualized education plan or 504 plan, these steps must include the convening of the child's individualized education plan or 504 plan team, including a behavior specialist or mental health specialist where appropriate, to consider the reasons for the absences. If necessary, and if consent from the parent is given, a functional behavior assessment to explore the function of the absence behavior shall be conducted and a detailed behavior plan completed. Time should be allowed for the behavior plan to be initiated and data tracked to determine progress.

(iii) With respect to any child, without an existing individualized education plan or 504 plan, reasonably believed to have a mental or physical disability or impairment, these steps must include informing the child's parent of the right to obtain an appropriate evaluation at no cost to the parent to determine whether the child has a disability or impairment and needs accommodations, related services, or special education services. This includes children with suspected emotional or behavioral disabilities as defined in WAC 392-172A-01035. If the school

obtains consent to conduct an evaluation, time should be allowed for the evaluation to be completed, and if the child is found to be eligible for special education services, accommodations, or related services, a plan developed to address the child's needs.

(iv) These steps must include, where appropriate, providing an available approved best practice or research-based intervention, or both, consistent with the WARNS profile or other assessment, if an assessment was applied, adjusting the child's school program or school or course assignment, providing more individualized or remedial instruction, providing appropriate vocational courses or work experience, referring the child to a community truancy board, requiring the child to attend an alternative school or program, or assisting the parent or child to obtain supplementary services that might eliminate or ameliorate the cause or causes for the absence from school. ~~((If the child's parent does not attend the scheduled conference, the conference may be conducted with the student and school official. However, the parent shall be notified of the steps to be taken to eliminate or reduce the child's absence.))~~

(2) For purposes of this chapter, an "unexcused absence" means that a child:

(a)(i) Has failed to attend the majority of hours or periods in an average school day or has failed to comply with a more restrictive school district policy; and

~~((b))~~ (ii) Has failed to meet the school district's policy for excused absences; or

(b) Has failed to comply with alternative learning experience program attendance requirements as described by the superintendent of public instruction.

(3) If a child transfers from one school district to another during the school year, the receiving school or school district shall include the unexcused absences accumulated at the previous school or from the previous school district for purposes of this section, RCW 28A.225.030, and 28A.225.015. The sending school district shall provide this information to the receiving school, together with a copy of any previous assessment as required under subsection (1)(c) of this section, history of any best practices or researched-based intervention previously provided to the child by the child's sending school district, and a copy of the most recent truancy information including any online or written acknowledgment by the parent and child, as provided for in RCW 28A.225.005. All school districts must use the standard choice transfer form for releasing a student to a nonresident school district for the purposes of accessing an alternative learning experience program.

Sec. 3. RCW 28A.225.025 and 2016 c 205 s 5 are each amended to read as follows:

(1) For purposes of this chapter, "community truancy board" means a board established pursuant to a memorandum of understanding between a juvenile court and a school district and composed of members of the local community in which the child attends school. ~~((All members of a))~~ Community truancy boards must include members who receive training regarding the identification of barriers to school attendance, the use of the Washington assessment of the risks and needs of students (WARNS) or other assessment tools to identify the specific needs of individual children, cultural responsive interactions, trauma-informed approaches to discipline, evidence-based treatments that have been found effective in supporting at-risk youth and their families, and the specific

services and treatment available in the particular school, court, community, and elsewhere. Duties of a community truancy board shall include, but not be limited to: Identifying barriers to school attendance, recommending methods for improving attendance such as connecting students and their families with community services, culturally appropriate promising practices, and evidence-based services such as functional family therapy(~~(; multisystemic therapy, and aggression replacement training)~~), suggesting to the school district that the child enroll in another school, an alternative education program, an education center, a skill center, a dropout prevention program, or another public or private educational program, or recommending to the juvenile court that a juvenile be (~~referred to~~) offered the opportunity for placement in a HOPE center or crisis residential center, if appropriate.

(2) The legislature finds that utilization of community truancy boards is the preferred means of intervention when preliminary methods to eliminate or reduce unexcused absences as required by RCW 28A.225.020 have not been effective in securing the child's attendance at school. The legislature intends to encourage and support the development and expansion of community truancy boards. Operation of a school truancy board does not excuse a district from the obligation of filing a petition within the requirements of RCW 28A.225.015(3).

Sec. 4. RCW 28A.225.026 and 2016 c 205 s 6 are each amended to read as follows:

(1) By the beginning of the 2017-18 school year, juvenile courts must establish, through a memorandum of understanding with each school district within their respective counties, a coordinated and collaborative approach to address truancy through the establishment of a community truancy board or, with respect to certain small districts, through other means as provided in subsection (3) of this section.

(2) Except as provided in subsection (3) of this section, each school district must enter into a memorandum of understanding with the juvenile court in the county in which it is located with respect to the operation of a community truancy board. A community truancy board may be operated by a juvenile court, a school district, or a collaboration between both entities, so long as the agreement is memorialized in a memorandum of understanding. For a school district that is located in more than one county, the memorandum of understanding shall be with the juvenile court in the county that acts as the school district's treasurer.

(3) A school district with fewer than (~~two~~) three hundred students must enter into a memorandum of understanding with the juvenile court in the county in which it is located with respect to: (a) The operation of a community truancy board; or (b) addressing truancy through other coordinated means of intervention aimed at identifying barriers to school attendance, and connecting students and their families with community services, culturally appropriate promising practices, and evidence-based services such as functional family therapy(~~(; multisystemic therapy, and aggression replacement training)~~). School districts with fewer than (~~two~~) three hundred students may work cooperatively with other school districts or the school district's educational service district to ensure access to a community truancy board or to provide other coordinated means of intervention.

(4) All school districts must designate, and identify to the local juvenile court and to the office of the superintendent of public instruction, a person or persons to coordinate school district efforts to address excessive absenteeism and truancy, including tasks associated with: Outreach and conferences pursuant to RCW 28A.225.018; entering into a memorandum of understanding with the juvenile court; establishing protocols and procedures with the court; coordinating trainings; sharing evidence-based and culturally appropriate promising practices; identifying a person within every school to serve as a contact with respect to excessive absenteeism and truancy; and assisting in the recruitment of community truancy board members.

(5) As has been demonstrated by school districts and county juvenile courts around the state that have worked together and led the way with community truancy boards, success has resulted from involving the entire community and leveraging existing dollars from a variety of sources, including public and private, local and state, and court, school, and community. In emulating this coordinated and collaborative approach statewide pursuant to local memoranda of understanding, courts and school districts are encouraged to create strong community-wide partnerships and to leverage existing dollars and resources.

Sec. 5. RCW 28A.225.090 and 2016 c 205 s 9 are each amended to read as follows:

(1) A court may order a child subject to a petition under RCW 28A.225.035 to do one or more of the following:

(a) Attend the child's current school, and set forth minimum attendance requirements, which shall not consider a suspension day as an unexcused absence;

(b) If there is space available and the program can provide educational services appropriate for the child, order the child to attend another public school, an alternative education program, center, a skill center, dropout prevention program, or another public educational program;

(c) Attend a private nonsectarian school or program including an education center. Before ordering a child to attend an approved or certified private nonsectarian school or program, the court shall: (i) Consider the public and private programs available; (ii) find that placement is in the best interest of the child; and (iii) find that the private school or program is willing to accept the child and will not charge any fees in addition to those established by contract with the student's school district. If the court orders the child to enroll in a private school or program, the child's school district shall contract with the school or program to provide educational services for the child. The school district shall not be required to contract for a weekly rate that exceeds the state general apportionment dollars calculated on a weekly basis generated by the child and received by the district. A school district shall not be required to enter into a contract that is longer than the remainder of the school year. A school district shall not be required to enter into or continue a contract if the child is no longer enrolled in the district;

(d) Submit to a substance abuse assessment if the court finds on the record that such assessment is appropriate to the circumstances and behavior of the child and will facilitate the child's compliance with the mandatory attendance law and, if any assessment, including a urinalysis test ordered under this subsection indicates the use of controlled substances or alcohol, order the minor

to abstain from the unlawful consumption of controlled substances or alcohol and adhere to the recommendations of the substance abuse assessment at no expense to the school; or

(e) Submit to a mental health evaluation or other diagnostic evaluation and adhere to the recommendations of the drug assessment, at no expense to the school, if the court finds on the court records that such evaluation is appropriate to the circumstances and behavior of the child, and will facilitate the child's compliance with the mandatory attendance law(~~(or~~

~~(f) Submit to a temporary placement in a crisis residential center or a HOPE center if the court determines there is an immediate health and safety concern, or a family conflict with the need for mediation)).~~

(2)(a) If the child fails to comply with the court order, the court may impose:

(i) Community restitution;

(ii) Nonresidential programs with intensive wraparound services;

(iii) A requirement that the child meet with a mentor for a specified number of times; or

(iv) Other services and interventions that the court deems appropriate.

(b) If the child continues to fail(~~(s)~~) to comply with the court order and the court makes a finding that other measures to secure compliance have been tried but have been unsuccessful and no less restrictive alternative is available, the court may order the child to be subject to detention, as provided in RCW 7.21.030(2)(e)(~~(or may impose alternatives to detention such as community restitution)~~)). Failure by a child to comply with an order issued under this subsection shall not be subject to detention for a period greater than that permitted pursuant to a civil contempt proceeding against a child under chapter 13.32A RCW. Detention ordered under this subsection may be for no longer than seven days. Detention ordered under this subsection shall preferably be served at a secure crisis residential center close to the child's home rather than in a juvenile detention facility. A warrant of arrest for a child under this subsection may not be served on a child inside of school during school hours in a location where other students are present.

(3) Any parent violating any of the provisions of either RCW 28A.225.010, 28A.225.015, or 28A.225.080 shall be fined not more than twenty-five dollars for each day of unexcused absence from school. The court shall remit fifty percent of the fine collected under this section to the child's school district. It shall be a defense for a parent charged with violating RCW 28A.225.010 to show that he or she exercised reasonable diligence in attempting to cause a child in his or her custody to attend school or that the child's school did not perform its duties as required in RCW 28A.225.020. The court may order the parent to provide community restitution instead of imposing a fine. Any fine imposed pursuant to this section may be suspended upon the condition that a parent charged with violating RCW 28A.225.010 shall participate with the school and the child in a supervised plan for the child's attendance at school or upon condition that the parent attend a conference or conferences scheduled by a school for the purpose of analyzing the causes of a child's absence.

(4) If a child continues to be truant after entering into a court-approved order with the truancy board under RCW 28A.225.035, the juvenile court shall find the child in contempt, and the court may order the child to be subject to

detention, as provided in RCW 7.21.030(2)(e), or may impose alternatives to detention such as meaningful community restitution. Failure by a child to comply with an order issued under this subsection may not subject a child to detention for a period greater than that permitted under a civil contempt proceeding against a child under chapter 13.32A RCW.

(5) Subsections (1), (2), and (4) of this section shall not apply to a six or seven year old child required to attend public school under RCW 28A.225.015.

Sec. 6. RCW 28A.225.030 and 2016 c 205 s 7 are each amended to read as follows:

(1) If a child under the age of seventeen is required to attend school under RCW 28A.225.010 and if the actions taken by a school district under RCW 28A.225.020 are not successful in substantially reducing an enrolled student's absences from public school, not later than the seventh unexcused absence by a child within any month during the current school year or not later than the tenth unexcused absence during the current school year the school district shall file a petition and supporting affidavit for a civil action with the juvenile court alleging a violation of RCW 28A.225.010: (a) By the parent; (b) by the child; or (c) by the parent and the child. The petition must include a list of all interventions that have been attempted as set forth in RCW 28A.225.020, include a copy of any previous truancy assessment completed by the child's current school district, the history of approved best practices intervention or research-based intervention previously provided to the child by the child's current school district, and a copy of the most recent truancy information document (~~(signed by the parent and child)~~) provided to the parent, pursuant to RCW 28A.225.005. Except as provided in this subsection, no additional documents need be filed with the petition. Nothing in this subsection requires court jurisdiction to terminate when a child turns seventeen or precludes a school district from filing a petition for a child that is seventeen years of age.

(2) The district shall not later than the fifth unexcused absence in a month:

(a) Enter into an agreement with a student and parent that establishes school attendance requirements;

(b) Refer a student to a community truancy board as defined in RCW 28A.225.025. The community truancy board shall enter into an agreement with the student and parent that establishes school attendance requirements and take other appropriate actions to reduce the child's absences; or

(c) File a petition under subsection (1) of this section.

(3) The petition may be filed by a school district employee who is not an attorney.

(4) If the school district fails to file a petition under this section, the parent of a child with five or more unexcused absences in any month during the current school year or upon the tenth unexcused absence during the current school year may file a petition with the juvenile court alleging a violation of RCW 28A.225.010.

(5) Petitions filed under this section may be served by certified mail, return receipt requested. If such service is unsuccessful, or the return receipt is not signed by the addressee, personal service is required.

Sec. 7. RCW 28A.225.151 and 1996 c 134 s 5 are each amended to read as follows:

(1) As required under subsection (2) of this section, ~~((each school shall document the actions taken under RCW 28A.225.030 and report this information to the school district superintendent who shall compile the data for all the schools in the district and prepare an annual school district report for each school year and submit the report to the superintendent of public instruction. The reports shall be made upon forms furnished by the superintendent of public instruction and shall be transmitted as determined by the superintendent of public instruction))~~ the office of superintendent of public instruction shall collect and school districts shall submit student-level truancy data in order to allow a better understanding of actions taken under RCW 28A.225.030. The office shall prepare an annual report to the legislature by December 15th of each year.

(2) The reports under subsection (1) of this section shall include, disaggregated by student group:

(a) The number of enrolled students and the number of unexcused absences;

(b) ~~((Documentation of the steps taken by the school district under each subsection of RCW 28A.225.020 at the request of the superintendent of public instruction. Each year, by May 1st, the superintendent of public instruction shall select ten school districts to submit the report at the end of the following school year. The ten districts shall represent different areas of the state and be of varied sizes. In addition, the superintendent of public instruction shall require any district that fails to keep appropriate records to submit a full report to the superintendent of public instruction under this subsection. All school districts shall document steps taken under RCW 28A.225.020 in each student's record, and make those records available upon request consistent with the laws governing student records;~~

~~((c))~~ (c) The number of enrolled students with ten or more unexcused absences in a school year or five or more unexcused absences in a month during a school year;

~~((d))~~ (d) A description of any programs or schools developed to serve students who have had five or more unexcused absences in a month or ten in a year including information about the number of students in the program or school and the number of unexcused absences of students during and after participation in the program. The school district shall also describe any placements in an approved private nonsectarian school or program or certified program under a court order under RCW 28A.225.090; ~~((and~~

~~((e))~~ (e) The number of petitions filed by a school district with the juvenile court and, beginning in the 2018-19 school year, whether the petition results in:

(i) Referral to a community truancy board;

(ii) Other coordinated means of intervention;

(iii) A hearing in the juvenile court; or

(iv) Other less restrictive disposition (e.g., change of placement, home school, alternative learning experience, residential treatment); and

(e) Each instance of imposition of detention for failure to comply with a court order under RCW 28A.225.090, with a statement of the reasons for each instance of detention.

(3) A report required under this section shall not disclose the name or other identification of a child or parent.

(4) ~~((The superintendent of public instruction shall collect these reports from all school districts and prepare an annual report for each school year to be~~

~~submitted to the legislature no later than December 15th of each year.))~~ The K-12 data governance group shall develop the data protocols and guidance for school districts in the collection of data to provide a clearer understanding of actions taken under RCW 28A.225.030.

Sec. 8. RCW 28A.250.070 and 2013 2nd sp.s. c 18 s 508 are each amended to read as follows:

Nothing in this chapter is intended to diminish the rights of students to attend a nonresident school district in accordance with RCW 28A.225.220 through 28A.225.230 for the purposes of enrolling in (~~online courses or online school~~) alternative learning experience programs. The office of online learning under RCW 28A.250.030 shall develop a standard form, which must be used by all school districts, for releasing a student to a nonresident school district for the purposes of enrolling in an (~~online course or online school~~) alternative learning experience program.

NEW SECTION. **Sec. 9.** A new section is added to chapter 28A.232 RCW to read as follows:

The superintendent of public instruction may adopt rules to bring consistency and uniformity to attendance and truancy definitions in the alternative learning experience setting, establish procedures for addressing truancy in all alternative learning experience courses, leverage existing systems to facilitate truancy actions between school districts and courts when the student has transferred out of his or her resident district to enroll in an alternative learning experience course; and clarify the responsibility of school districts in the event of rescinding a student transfer.

NEW SECTION. **Sec. 10.** RCW 28A.225.115 (Educational services—Funding for children referred to community truancy board) and 1996 c 134 s 11 are each repealed.

NEW SECTION. **Sec. 11.** If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2017, in the omnibus appropriations act, this act is null and void.

Passed by the House April 17, 2017.

Passed by the Senate April 11, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 292

[Substitute House Bill 1200]

VOYEURISM IN THE SECOND DEGREE

AN ACT Relating to the crime of voyeurism; amending RCW 9A.44.115 and 13.40.070; reenacting and amending RCW 9.94A.515; and prescribing penalties.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 9A.44.115 and 2003 c 213 s 1 are each amended to read as follows:

(1) As used in this section:

(a) "Intimate areas" means any portion of a person's body or undergarments that is covered by clothing and intended to be protected from public view;

(b) "Photographs" or "films" means the making of a photograph, motion picture film, videotape, digital image, or any other recording or transmission of the image of a person;

(c) "Place where he or she would have a reasonable expectation of privacy" means:

(i) A place where a reasonable person would believe that he or she could disrobe in privacy, without being concerned that his or her undressing was being photographed or filmed by another; or

(ii) A place where one may reasonably expect to be safe from casual or hostile intrusion or surveillance;

(d) "Surveillance" means secret observation of the activities of another person for the purpose of spying upon and invading the privacy of the person;

(e) "Views" means the intentional looking upon of another person for more than a brief period of time, in other than a casual or cursory manner, with the unaided eye or with a device designed or intended to improve visual acuity.

(2)(a) A person commits the crime of voyeurism in the first degree if, for the purpose of arousing or gratifying the sexual desire of any person, he or she knowingly views, photographs, or films:

~~((a))~~ (i) Another person without that person's knowledge and consent while the person being viewed, photographed, or filmed is in a place where he or she would have a reasonable expectation of privacy; or

~~((b))~~ (ii) The intimate areas of another person without that person's knowledge and consent and under circumstances where the person has a reasonable expectation of privacy, whether in a public or private place.

~~((c))~~ (b) Voyeurism in the first degree is a class C felony.

(3)(a) A person commits the crime of voyeurism in the second degree if he or she intentionally photographs or films another person for the purpose of photographing or filming the intimate areas of that person with the intent to distribute or disseminate the photograph or film, without that person's knowledge and consent, and under circumstances where the person has a reasonable expectation of privacy, whether in a public or private place.

(b) Voyeurism in the second degree is a gross misdemeanor.

(c) Voyeurism in the second degree is not a sex offense for the purposes of sentencing or sex offender registration requirements under this chapter.

(4) This section does not apply to viewing, photographing, or filming by personnel of the department of corrections or of a local jail or correctional facility for security purposes or during investigation of alleged misconduct by a person in the custody of the department of corrections or the local jail or correctional facility.

(5) If a person is convicted of a violation of this section, the court may order the destruction of any photograph, motion picture film, digital image, videotape, or any other recording of an image that was made by the person in violation of this section.

Sec. 2. RCW 13.40.070 and 2013 c 179 s 3 are each amended to read as follows:

(1) Complaints referred to the juvenile court alleging the commission of an offense shall be referred directly to the prosecutor. The prosecutor, upon receipt of a complaint, shall screen the complaint to determine whether:

(a) The alleged facts bring the case within the jurisdiction of the court; and

(b) On a basis of available evidence there is probable cause to believe that the juvenile did commit the offense.

(2) If the identical alleged acts constitute an offense under both the law of this state and an ordinance of any city or county of this state, state law shall govern the prosecutor's screening and charging decision for both filed and diverted cases.

(3) If the requirements of subsections (1)(a) and (b) of this section are met, the prosecutor shall either file an information in juvenile court or divert the case, as set forth in subsections (5), (6), and (8) of this section. If the prosecutor finds that the requirements of subsection (1)(a) and (b) of this section are not met, the prosecutor shall maintain a record, for one year, of such decision and the reasons therefor. In lieu of filing an information or diverting an offense a prosecutor may file a motion to modify community supervision where such offense constitutes a violation of community supervision.

(4) An information shall be a plain, concise, and definite written statement of the essential facts constituting the offense charged. It shall be signed by the prosecuting attorney and conform to chapter 10.37 RCW.

(5) Except as provided in RCW 13.40.213 and subsection (7) of this section, where a case is legally sufficient, the prosecutor shall file an information with the juvenile court if:

(a) An alleged offender is accused of a class A felony, a class B felony, an attempt to commit a class B felony, a class C felony listed in RCW 9.94A.411(2) as a crime against persons or listed in RCW 9A.46.060 as a crime of harassment, or a class C felony that is a violation of RCW 9.41.080 or 9.41.040(2)(a)(~~(iii)~~) (iv); or

(b) An alleged offender is accused of a felony and has a criminal history of any felony, or at least two gross misdemeanors, or at least two misdemeanors; or

(c) An alleged offender has previously been committed to the department; or

(d) An alleged offender has been referred by a diversion unit for prosecution or desires prosecution instead of diversion; or

(e) An alleged offender has three or more diversion agreements on the alleged offender's criminal history; or

(f) A special allegation has been filed that the offender or an accomplice was armed with a firearm when the offense was committed.

(6) Where a case is legally sufficient the prosecutor shall divert the case if the alleged offense is a misdemeanor or gross misdemeanor or violation and the alleged offense is the offender's first offense or violation. If the alleged offender is charged with a related offense that must or may be filed under subsections (5) and (8) of this section, a case under this subsection may also be filed.

(7) Where a case is legally sufficient to charge an alleged offender with:

(a) Either prostitution or prostitution loitering and the alleged offense is the offender's first prostitution or prostitution loitering offense, the prosecutor shall divert the case; or

(b) Voyeurism in the second degree, the offender is under seventeen years of age, and the alleged offense is the offender's first voyeurism in the second degree offense, the prosecutor shall divert the case, unless the offender has received two diversions for any offense in the previous two years.

(8) Where a case is legally sufficient and falls into neither subsection (5) nor (6) of this section, it may be filed or diverted. In deciding whether to file or divert an offense under this section the prosecutor shall be guided only by the length, seriousness, and recency of the alleged offender's criminal history and the circumstances surrounding the commission of the alleged offense.

(9) Whenever a juvenile is placed in custody or, where not placed in custody, referred to a diversion interview, the parent or legal guardian of the juvenile shall be notified as soon as possible concerning the allegation made against the juvenile and the current status of the juvenile. Where a case involves victims of crimes against persons or victims whose property has not been recovered at the time a juvenile is referred to a diversion unit, the victim shall be notified of the referral and informed how to contact the unit.

(10) The responsibilities of the prosecutor under subsections (1) through (9) of this section may be performed by a juvenile court probation counselor for any complaint referred to the court alleging the commission of an offense which would not be a felony if committed by an adult, if the prosecutor has given sufficient written notice to the juvenile court that the prosecutor will not review such complaints.

(11) The prosecutor, juvenile court probation counselor, or diversion unit may, in exercising their authority under this section or RCW 13.40.080, refer juveniles to mediation or victim offender reconciliation programs. Such mediation or victim offender reconciliation programs shall be voluntary for victims.

Sec. 3. RCW 9.94A.515 and 2016 c 213 s 5, 2016 c 164 s 13, and 2016 c 6 s 1 are each reenacted and amended to read as follows:

TABLE 2
CRIMES INCLUDED WITHIN EACH
SERIOUSNESS LEVEL

XVI	Aggravated Murder 1 (RCW 10.95.020)
XV	Homicide by abuse (RCW 9A.32.055)
	Malicious explosion 1 (RCW 70.74.280(1))
	Murder 1 (RCW 9A.32.030)
XIV	Murder 2 (RCW 9A.32.050)
	Trafficking 1 (RCW 9A.40.100(1))
XIII	Malicious explosion 2 (RCW 70.74.280(2))
	Malicious placement of an explosive 1 (RCW 70.74.270(1))
XII	Assault 1 (RCW 9A.36.011)
	Assault of a Child 1 (RCW 9A.36.120)
	Malicious placement of an imitation device 1 (RCW 70.74.272(1)(a))

CRIMES INCLUDED WITHIN EACH
SERIOUSNESS LEVEL

- Promoting Commercial Sexual Abuse of a
Minor (RCW 9.68A.101)
- Rape 1 (RCW 9A.44.040)
- Rape of a Child 1 (RCW 9A.44.073)
- Trafficking 2 (RCW 9A.40.100(3))
- XI Manslaughter 1 (RCW 9A.32.060)
- Rape 2 (RCW 9A.44.050)
- Rape of a Child 2 (RCW 9A.44.076)
- Vehicular Homicide, by being under the
influence of intoxicating liquor or any
drug (RCW 46.61.520)
- Vehicular Homicide, by the operation of
any vehicle in a reckless manner
(RCW 46.61.520)
- X Child Molestation 1 (RCW 9A.44.083)
- Criminal Mistreatment 1 (RCW
9A.42.020)
- Indecent Liberties (with forcible
compulsion) (RCW 9A.44.100(1)(a))
- Kidnapping 1 (RCW 9A.40.020)
- Leading Organized Crime (RCW
9A.82.060(1)(a))
- Malicious explosion 3 (RCW
70.74.280(3))
- Sexually Violent Predator Escape (RCW
9A.76.115)
- IX Abandonment of Dependent Person 1
(RCW 9A.42.060)
- Assault of a Child 2 (RCW 9A.36.130)
- Explosive devices prohibited (RCW
70.74.180)
- Hit and Run—Death (RCW
46.52.020(4)(a))
- Homicide by Watercraft, by being under
the influence of intoxicating liquor or
any drug (RCW 79A.60.050)
- Inciting Criminal Profiteering (RCW
9A.82.060(1)(b))

CRIMES INCLUDED WITHIN EACH
SERIOUSNESS LEVEL

- Malicious placement of an explosive 2
(RCW 70.74.270(2))
- Robbery 1 (RCW 9A.56.200)
- Sexual Exploitation (RCW 9.68A.040)
- VIII Arson 1 (RCW 9A.48.020)
- Commercial Sexual Abuse of a Minor
(RCW 9.68A.100)
- Homicide by Watercraft, by the operation
of any vessel in a reckless manner
(RCW 79A.60.050)
- Manslaughter 2 (RCW 9A.32.070)
- Promoting Prostitution 1 (RCW
9A.88.070)
- Theft of Ammonia (RCW 69.55.010)
- VII Air bag diagnostic systems (causing
bodily injury or death) (RCW
46.37.660(2)(b))
- Air bag replacement requirements
(causing bodily injury or death)
(RCW 46.37.660(1)(b))
- Burglary 1 (RCW 9A.52.020)
- Child Molestation 2 (RCW 9A.44.086)
- Civil Disorder Training (RCW
9A.48.120)
- Dealing in depictions of minor engaged in
sexually explicit conduct 1 (RCW
9.68A.050(1))
- Drive-by Shooting (RCW 9A.36.045)
- Homicide by Watercraft, by disregard for
the safety of others (RCW
79A.60.050)
- Indecent Liberties (without forcible
compulsion) (RCW 9A.44.100(1) (b)
and (c))
- Introducing Contraband 1 (RCW
9A.76.140)
- Malicious placement of an explosive 3
(RCW 70.74.270(3))

CRIMES INCLUDED WITHIN EACH
SERIOUSNESS LEVEL

- Manufacture or import counterfeit, nonfunctional, damaged, or previously deployed air bag (causing bodily injury or death) (RCW 46.37.650(1)(b))
- Negligently Causing Death By Use of a Signal Preemption Device (RCW 46.37.675)
- Sale, install, (~~for~~) or reinstall counterfeit, nonfunctional, damaged, or previously deployed airbag (RCW 46.37.650(2)(b))
- Sending, bringing into state depictions of minor engaged in sexually explicit conduct 1 (RCW 9.68A.060(1))
- Unlawful Possession of a Firearm in the first degree (RCW 9.41.040(1))
- Use of a Machine Gun in Commission of a Felony (RCW 9.41.225)
- Vehicular Homicide, by disregard for the safety of others (RCW 46.61.520)
- VI Bail Jumping with Murder 1 (RCW 9A.76.170(3)(a))
- Bribery (RCW 9A.68.010)
- Incest 1 (RCW 9A.64.020(1))
- Intimidating a Judge (RCW 9A.72.160)
- Intimidating a Juror/Witness (RCW 9A.72.110, 9A.72.130)
- Malicious placement of an imitation device 2 (RCW 70.74.272(1)(b))
- Possession of Depictions of a Minor Engaged in Sexually Explicit Conduct 1 (RCW 9.68A.070(1))
- Rape of a Child 3 (RCW 9A.44.079)
- Theft of a Firearm (RCW 9A.56.300)
- Unlawful Storage of Ammonia (RCW 69.55.020)
- V Abandonment of Dependent Person 2 (RCW 9A.42.070)

CRIMES INCLUDED WITHIN EACH
SERIOUSNESS LEVEL

- Advancing money or property for
extortionate extension of credit
(RCW 9A.82.030)
- Air bag diagnostic systems (RCW
46.37.660(2)(c))
- Air bag replacement requirements (RCW
46.37.660(1)(c))
- Bail Jumping with class A Felony (RCW
9A.76.170(3)(b))
- Child Molestation 3 (RCW 9A.44.089)
- Criminal Mistreatment 2 (RCW
9A.42.030)
- Custodial Sexual Misconduct 1 (RCW
9A.44.160)
- Dealing in Depictions of Minor Engaged
in Sexually Explicit Conduct 2 (RCW
9.68A.050(2))
- Domestic Violence Court Order Violation
(RCW 10.99.040, 10.99.050,
26.09.300, 26.10.220, 26.26.138,
26.50.110, 26.52.070, or 74.34.145)
- Driving While Under the Influence (RCW
46.61.502(6))
- Extortion 1 (RCW 9A.56.120)
- Extortionate Extension of Credit (RCW
9A.82.020)
- Extortionate Means to Collect Extensions
of Credit (RCW 9A.82.040)
- Incest 2 (RCW 9A.64.020(2))
- Kidnapping 2 (RCW 9A.40.030)
- Manufacture or import counterfeit,
nonfunctional, damaged, or
previously deployed air bag (RCW
46.37.650(1)(c))
- Perjury 1 (RCW 9A.72.020)
- Persistent prison misbehavior (RCW
9.94.070)

CRIMES INCLUDED WITHIN EACH
SERIOUSNESS LEVEL

- Physical Control of a Vehicle While Under the Influence (RCW 46.61.504(6))
- Possession of a Stolen Firearm (RCW 9A.56.310)
- Rape 3 (RCW 9A.44.060)
- Rendering Criminal Assistance 1 (RCW 9A.76.070)
- Sale, install, (~~to~~) or reinstall counterfeit, nonfunctional, damaged, or previously deployed airbag (RCW 46.37.650(2)(c))
- Sending, Bringing into State Depictions of Minor Engaged in Sexually Explicit Conduct 2 (RCW 9.68A.060(2))
- Sexual Misconduct with a Minor 1 (RCW 9A.44.093)
- Sexually Violating Human Remains (RCW 9A.44.105)
- Stalking (RCW 9A.46.110)
- Taking Motor Vehicle Without Permission 1 (RCW 9A.56.070)
- IV Arson 2 (RCW 9A.48.030)
- Assault 2 (RCW 9A.36.021)
- Assault 3 (of a Peace Officer with a Projectile Stun Gun) (RCW 9A.36.031(1)(h))
- Assault by Watercraft (RCW 79A.60.060)
- Bribing a Witness/Bribe Received by Witness (RCW 9A.72.090, 9A.72.100)
- Cheating 1 (RCW 9.46.1961)
- Commercial Bribery (RCW 9A.68.060)
- Counterfeiting (RCW 9.16.035(4))
- Endangerment with a Controlled Substance (RCW 9A.42.100)
- Escape 1 (RCW 9A.76.110)

CRIMES INCLUDED WITHIN EACH
SERIOUSNESS LEVEL

- Hit and Run—Injury (RCW
46.52.020(4)(b))
- Hit and Run with Vessel—Injury
Accident (RCW 79A.60.200(3))
- Identity Theft 1 (RCW 9.35.020(2))
- Indecent Exposure to Person Under Age
Fourteen (subsequent sex offense)
(RCW 9A.88.010)
- Influencing Outcome of Sporting Event
(RCW 9A.82.070)
- Malicious Harassment (RCW 9A.36.080)
- Possession of Depictions of a Minor
Engaged in Sexually Explicit
Conduct 2 (RCW 9.68A.070(2))
- Residential Burglary (RCW 9A.52.025)
- Robbery 2 (RCW 9A.56.210)
- Theft of Livestock 1 (RCW 9A.56.080)
- Threats to Bomb (RCW 9.61.160)
- Trafficking in Stolen Property 1 (RCW
9A.82.050)
- Unlawful factoring of a credit card or
payment card transaction (RCW
9A.56.290(4)(b))
- Unlawful transaction of health coverage
as a health care service contractor
(RCW 48.44.016(3))
- Unlawful transaction of health coverage
as a health maintenance organization
(RCW 48.46.033(3))
- Unlawful transaction of insurance
business (RCW 48.15.023(3))
- Unlicensed practice as an insurance
professional (RCW 48.17.063(2))
- Use of Proceeds of Criminal Profiteering
(RCW 9A.82.080 (1) and (2))
- Vehicle Prowling 2 (third or subsequent
offense) (RCW 9A.52.100(3))

CRIMES INCLUDED WITHIN EACH
SERIOUSNESS LEVEL

- Vehicular Assault, by being under the influence of intoxicating liquor or any drug, or by the operation or driving of a vehicle in a reckless manner (RCW 46.61.522)
- Viewing of Depictions of a Minor Engaged in Sexually Explicit Conduct 1 (RCW 9.68A.075(1))
- Willful Failure to Return from Furlough (RCW 72.66.060)
- III Animal Cruelty 1 (Sexual Conduct or Contact) (RCW 16.52.205(3))
- Assault 3 (Except Assault 3 of a Peace Officer With a Projectile Stun Gun) (RCW 9A.36.031 except subsection (1)(h))
- Assault of a Child 3 (RCW 9A.36.140)
- Bail Jumping with class B or C Felony (RCW 9A.76.170(3)(c))
- Burglary 2 (RCW 9A.52.030)
- Communication with a Minor for Immoral Purposes (RCW 9.68A.090)
- Criminal Gang Intimidation (RCW 9A.46.120)
- Custodial Assault (RCW 9A.36.100)
- Cyberstalking (subsequent conviction or threat of death) (RCW 9.61.260(3))
- Escape 2 (RCW 9A.76.120)
- Extortion 2 (RCW 9A.56.130)
- Harassment (RCW 9A.46.020)
- Intimidating a Public Servant (RCW 9A.76.180)
- Introducing Contraband 2 (RCW 9A.76.150)
- Malicious Injury to Railroad Property (RCW 81.60.070)
- Mortgage Fraud (RCW 19.144.080)

CRIMES INCLUDED WITHIN EACH
SERIOUSNESS LEVEL

- Negligently Causing Substantial Bodily Harm By Use of a Signal Preemption Device (RCW 46.37.674)
- Organized Retail Theft 1 (RCW 9A.56.350(2))
- Perjury 2 (RCW 9A.72.030)
- Possession of Incendiary Device (RCW 9.40.120)
- Possession of Machine Gun or Short-Barreled Shotgun or Rifle (RCW 9.41.190)
- Promoting Prostitution 2 (RCW 9A.88.080)
- Retail Theft with Special Circumstances 1 (RCW 9A.56.360(2))
- Securities Act violation (RCW 21.20.400)
- Tampering with a Witness (RCW 9A.72.120)
- Telephone Harassment (subsequent conviction or threat of death) (RCW 9.61.230(2))
- Theft of Livestock 2 (RCW 9A.56.083)
- Theft with the Intent to Resell 1 (RCW 9A.56.340(2))
- Trafficking in Stolen Property 2 (RCW 9A.82.055)
- Unlawful Hunting of Big Game 1 (RCW 77.15.410(3)(b))
- Unlawful Imprisonment (RCW 9A.40.040)
- Unlawful Misbranding of Food Fish or Shellfish 1 (RCW 69.04.938(3))
- Unlawful possession of firearm in the second degree (RCW 9.41.040(2))
- Unlawful Taking of Endangered Fish or Wildlife 1 (RCW 77.15.120(3)(b))
- Unlawful Trafficking in Fish, Shellfish, or Wildlife 1 (RCW 77.15.260(3)(b))

CRIMES INCLUDED WITHIN EACH
SERIOUSNESS LEVEL

- Unlawful Use of a Nondesignated Vessel
(RCW 77.15.530(4))
- Vehicular Assault, by the operation or
driving of a vehicle with disregard for
the safety of others (RCW 46.61.522)
- Willful Failure to Return from Work
Release (RCW 72.65.070)
- II Commercial Fishing Without a License 1
(RCW 77.15.500(3)(b))
- Computer Trespass 1 (RCW 9A.90.040)
- Counterfeiting (RCW 9.16.035(3))
- Electronic Data Service Interference
(RCW 9A.90.060)
- Electronic Data Tampering 1 (RCW
9A.90.080)
- Electronic Data Theft (RCW 9A.90.100)
- Engaging in Fish Dealing Activity
Unlicensed 1 (RCW 77.15.620(3))
- Escape from Community Custody (RCW
72.09.310)
- Failure to Register as a Sex Offender
(second or subsequent offense)
(RCW 9A.44.130 prior to June 10,
2010, and RCW 9A.44.132)
- Health Care False Claims (RCW
48.80.030)
- Identity Theft 2 (RCW 9.35.020(3))
- Improperly Obtaining Financial
Information (RCW 9.35.010)
- Malicious Mischief 1 (RCW 9A.48.070)
- Organized Retail Theft 2 (RCW
9A.56.350(3))
- Possession of Stolen Property 1 (RCW
9A.56.150)
- Possession of a Stolen Vehicle (RCW
9A.56.068)
- Retail Theft with Special Circumstances 2
(RCW 9A.56.360(3))

CRIMES INCLUDED WITHIN EACH
SERIOUSNESS LEVEL

- Scrap Processing, Recycling, or
Supplying Without a License (second
or subsequent offense) (RCW
19.290.100)
- Theft 1 (RCW 9A.56.030)
- Theft of a Motor Vehicle (RCW
9A.56.065)
- Theft of Rental, Leased, Lease-purchased,
or Loaned Property (valued at five
thousand dollars or more) (RCW
9A.56.096(5)(a))
- Theft with the Intent to Resell 2 (RCW
9A.56.340(3))
- Trafficking in Insurance Claims (RCW
48.30A.015)
- Unlawful factoring of a credit card or
payment card transaction (RCW
9A.56.290(4)(a))
- Unlawful Participation of Non-Indians in
Indian Fishery (RCW 77.15.570(2))
- Unlawful Practice of Law (RCW
2.48.180)
- Unlawful Purchase or Use of a License
(RCW 77.15.650(3)(b))
- Unlawful Trafficking in Fish, Shellfish, or
Wildlife 2 (RCW 77.15.260(3)(a))
- Unlicensed Practice of a Profession or
Business (RCW 18.130.190(7))
- Voyeurism 1 (RCW 9A.44.115)
- I Attempting to Elude a Pursuing Police
Vehicle (RCW 46.61.024)
- False Verification for Welfare (RCW
74.08.055)
- Forgery (RCW 9A.60.020)
- Fraudulent Creation or Revocation of a
Mental Health Advance Directive
(RCW 9A.60.060)
- Malicious Mischief 2 (RCW 9A.48.080)

CRIMES INCLUDED WITHIN EACH
SERIOUSNESS LEVEL

- Mineral Trespass (RCW 78.44.330)
- Possession of Stolen Property 2 (RCW 9A.56.160)
- Reckless Burning 1 (RCW 9A.48.040)
- Spotlighting Big Game 1 (RCW 77.15.450(3)(b))
- Suspension of Department Privileges 1 (RCW 77.15.670(3)(b))
- Taking Motor Vehicle Without Permission 2 (RCW 9A.56.075)
- Theft 2 (RCW 9A.56.040)
- Theft of Rental, Leased, Lease-purchased, or Loaned Property (valued at seven hundred fifty dollars or more but less than five thousand dollars) (RCW 9A.56.096(5)(b))
- Transaction of insurance business beyond the scope of licensure (RCW 48.17.063)
- Unlawful Fish and Shellfish Catch Accounting (RCW 77.15.630(3)(b))
- Unlawful Issuance of Checks or Drafts (RCW 9A.56.060)
- Unlawful Possession of Fictitious Identification (RCW 9A.56.320)
- Unlawful Possession of Instruments of Financial Fraud (RCW 9A.56.320)
- Unlawful Possession of Payment Instruments (RCW 9A.56.320)
- Unlawful Possession of a Personal Identification Device (RCW 9A.56.320)
- Unlawful Production of Payment Instruments (RCW 9A.56.320)
- Unlawful Releasing, Planting, Possessing, or Placing Deleterious Exotic Wildlife (RCW 77.15.250(2)(b))
- Unlawful Trafficking in Food Stamps (RCW 9.91.142)

CRIMES INCLUDED WITHIN EACH
SERIOUSNESS LEVEL

Unlawful Use of Food Stamps (RCW
9.91.144)

Unlawful Use of Net to Take Fish 1
(RCW 77.15.580(3)(b))

Unlawful Use of Prohibited Aquatic
Animal Species (RCW 77.15.253(3))

Vehicle Prowl 1 (RCW 9A.52.095)

Violating Commercial Fishing Area or
Time 1 (RCW 77.15.550(3)(b))

Passed by the House April 17, 2017.

Passed by the Senate April 12, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 293

[Substitute House Bill 1234]

CONTRACEPTIVE DRUG COVERAGE--TWELVE MONTH REFILL

AN ACT Relating to private health plan coverage of contraceptives; adding a new section to chapter 48.43 RCW; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that a significant percentage of pregnancies are unintended and could be averted with broader access to health care and effective contraception. Research suggests that moving from twenty-eight day dispensing of contraceptive drugs to twelve-month dispensing improves adherence to maintenance of the drugs and effective use of the contraceptives. It is therefore the intent of the legislature to require private health insurers to require dispensing of contraceptive drugs with up to a twelve-month supply provided at one time.

NEW SECTION. Sec. 2. A new section is added to chapter 48.43 RCW to read as follows:

(1) A health benefit plan issued or renewed on or after January 1, 2018, that includes coverage for contraceptive drugs must provide reimbursement for a twelve-month refill of contraceptive drugs obtained at one time by the enrollee, unless the enrollee requests a smaller supply or the prescribing provider instructs that the enrollee must receive a smaller supply. The health plan must allow enrollees to receive the contraceptive drugs on-site at the provider's office, if available. Any dispensing practices required by the plan must follow clinical guidelines for appropriate prescribing and dispensing to ensure the health of the patient while maximizing access to effective contraceptive drugs.

(2) Nothing in this section prohibits a health plan from limiting refills that may be obtained in the last quarter of the plan year if a twelve-month supply of the contraceptive drug has already been dispensed during the plan year.

(3) For purposes of this section, "contraceptive drugs" means all drugs approved by the United States food and drug administration that are used to prevent pregnancy, including, but not limited to, hormonal drugs administered orally, transdermally, and intravaginally.

Passed by the House March 1, 2017.

Passed by the Senate April 12, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 294

[Substitute Senate Bill 5835]

PREGNANCY--WORKPLACE ACCOMMODATIONS--DELIVERY SERVICES--ADVISORY COMMITTEE

AN ACT Relating to promoting healthy outcomes for pregnant women and infants; amending RCW 74.09.480; adding a new section to chapter 74.09 RCW; adding a new section to chapter 43.10 RCW; adding a new section to chapter 43.70 RCW; creating a new section; and providing an expiration date.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. (1) The legislature finds that the state has an interest in assuring that children are given the opportunity to have a healthy start in life. Because approximately half of all births in Washington state are funded by state resources, and over eight hundred thousand children in Washington state are enrolled in the apple health program, the state is in a unique position to make a difference in the health of children in Washington.

(2) The legislature also finds that there may be gaps in programs that could greatly benefit children. Where programs may benefit children in their early stages of development, the state must assure they receive these benefits. Where children are not receiving services because the public is unaware of the services, opportunities for outreach must be explored.

(3) The legislature additionally finds that several hospitals have begun adopting the best practices of the baby-friendly hospital initiative. The state can use its resources to encourage hospitals to adopt some of the most critical components by incorporating the standards into medicaid contracts.

(4) The legislature further finds that providing children with a healthy start also requires promoting healthy pregnancies. In one national survey, pregnant workers said they needed more frequent breaks while pregnant. Prenatal care is also critical for positive birth outcomes, and pregnant women have cited the need for flexibility in their work schedule for the purposes of attending doctor visits. Reasonable accommodations for pregnant women in the workplace can go a long way to promoting healthy pregnancies without producing an undue hardship on employers.

NEW SECTION. Sec. 2. A new section is added to chapter 74.09 RCW to read as follows:

(1) Effective January 1, 2018, the authority shall require that all health care facilities that provide newborn delivery services to medical assistance clients establish policies and procedures to provide:

(a) Skin-to-skin placement of the newborn on the mother's chest immediately following birth to promote the initiation of breastfeeding, except as otherwise indicated by authority guidelines; and

(b) Room-in practices in which a newborn and a mother share the same room for the duration of their postdelivery stay at the facility, except as otherwise indicated by authority guidelines.

(2) The authority shall provide guidelines for hospitals to use when establishing policies and procedures for services under subsection (1) of this section, including circumstances in which providing the services is not appropriate.

(3) The authority shall require managed care organizations to report on the frequency with which each facility they contract with is able to adhere to the policies and procedures and the most common reasons for nonadherence. The authority shall include a summary of this information in the biennial report required under RCW 74.09.480(3).

NEW SECTION. Sec. 3. A new section is added to chapter 43.10 RCW to read as follows:

(1) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Employer" has the same meaning as and shall be interpreted consistent with how that term is defined in RCW 49.60.040, except that for the purposes of this section only the threshold of employees must be fifteen or more.

(b) "Pregnancy" includes the employee's pregnancy and pregnancy-related health conditions.

(c) "Reasonable accommodation" means:

(i) Providing more frequent, longer, or flexible restroom breaks;

(ii) Modifying a no food or drink policy;

(iii) Job restructuring, part-time or modified work schedules, reassignment to a vacant position, or acquiring or modifying equipment, devices, or an employee's work station;

(iv) Providing seating or allowing the employee to sit more frequently if her job requires her to stand;

(v) Providing for a temporary transfer to a less strenuous or less hazardous position;

(vi) Providing assistance with manual labor and limits on lifting;

(vii) Scheduling flexibility for prenatal visits; and

(viii) Any further pregnancy accommodation an employee may request, and to which an employer must give reasonable consideration in consultation with information provided on pregnancy accommodation by the department of labor and industries or the attending health care provider of the employee.

(d) "Undue hardship" means an action requiring significant difficulty or expense. An employer may not claim undue hardship for the accommodations under (c)(i), (ii), and (iv) of this subsection, or for limits on lifting over seventeen pounds.

(2) It is an unfair practice for any employer to:

(a) Fail or refuse to make reasonable accommodation for an employee for pregnancy, unless the employer can demonstrate that doing so would impose an undue hardship on the employer's program, enterprise, or business;

(b) Take adverse action against an employee who requests, declines, or uses an accommodation under this section that affects the terms, conditions, or privileges of employment;

(c) Deny employment opportunities to an otherwise qualified employee if such denial is based on the employer's need to make reasonable accommodation required by this section;

(d) Require an employee to take leave if another reasonable accommodation can be provided for the employee's pregnancy.

(3) An employer may request that the employee provide written certification from her treating health care professional regarding the need for reasonable accommodation, except for accommodations listed in subsection (1)(d) of this section.

(4)(a) This section does not require an employer to create additional employment that the employer would not otherwise have created, unless the employer does so or would do so for other classes of employees who need accommodation.

(b) This section does not require an employer to discharge any employee, transfer any employee with more seniority, or promote any employee who is not qualified to perform the job, unless the employer does so or would do so to accommodate other classes of employees who need accommodation.

(5) The department of labor and industries must provide online education materials explaining the respective rights and responsibilities of employers and employees who have a health condition related to pregnancy or childbirth. The online education materials must be prominently displayed on the department's web site.

(6) The attorney general shall investigate complaints and enforce this section, including by conference and conciliation. In addition to the complaint process with the attorney general, any person believed to be injured by a violation of this section has a civil cause of action in court to enjoin further violations, or to recover the actual damages sustained by the person, or both, together with the cost of suit and reasonable attorneys' fees or any other appropriate remedy authorized by state or federal law.

(7) This section does not preempt, limit, diminish, or otherwise affect any other provision of law relating to sex discrimination or pregnancy, or in any way diminish or limit legal protections or coverage for pregnancy, childbirth, or a pregnancy-related health condition.

Sec. 4. RCW 74.09.480 and 2011 1st sp.s. c 15 s 22 are each amended to read as follows:

(1) The authority, in collaboration with the department of health, department of social and health services, health carriers, local public health jurisdictions, children's health care providers including pediatricians, family practitioners, advanced registered nurse practitioners, certified nurse midwives, and pediatric subspecialists, community and migrant health centers, parents, and other purchasers, shall establish a concise set of explicit performance measures that can indicate whether children enrolled in the program are receiving health care through an established and effective medical home, and whether the overall health of enrolled children is improving. Such indicators may include, but are not limited to:

(a) Childhood immunization rates;

(b) Well child care utilization rates, including the use of behavioral and oral health screening, and validated, structured developmental screens using tools, that are consistent with nationally accepted pediatric guidelines and recommended administration schedule, once funding is specifically appropriated for this purpose;

(c) Care management for children with chronic illnesses;

(d) Emergency room utilization;

(e) Visual acuity and eye health;

(f) Preventive oral health service utilization; and

(g) Children's mental health status. In defining these measures the authority shall be guided by the measures provided in RCW 71.36.025.

Performance measures and targets for each performance measure must be established and monitored each biennium, with a goal of achieving measurable, improved health outcomes for the children of Washington state each biennium.

(2) Beginning in calendar year 2009, targeted provider rate increases shall be linked to quality improvement measures established under this section. The authority, in conjunction with those groups identified in subsection (1) of this section, shall develop parameters for determining criteria for increased payment, alternative payment methodologies, or other incentives for those practices and health plans that incorporate evidence-based practice and improve and achieve sustained improvement with respect to the measures.

(3) The department shall provide a report to the governor and the legislature related to provider performance on these measures, as well as the information collected under section 2 of this act, beginning in September 2010 for 2007 through 2009 and the authority shall provide the report biennially thereafter.

NEW SECTION. Sec. 5. A new section is added to chapter 43.70 RCW to read as follows:

(1) The healthy pregnancy advisory committee is established to develop a strategy for improving maternal and infant health outcomes. The advisory committee shall conduct its activities in consultation with the maternal mortality review panel established in RCW 70.54.450 and an initiative related to improving maternal and infant outcomes that is established by the largest association representing hospitals in Washington. Administration of the advisory committee by the department must be done within existing resources.

(2) The secretary shall appoint up to twenty members to the advisory committee including experts in maternal and child health, pediatric primary care providers, public health experts, hospitals that provide birthing services, health care providers involved in the care of pregnant women and infants, and representatives of low-income women, women of color, and immigrant communities. In addition, the secretary shall designate a representative from the department of health and invite participation from the health care authority, the department of social and health services, and the department of early learning. The secretary's designee shall serve as the chair of the advisory committee and shall convene the work group.

(3) The advisory committee shall meet quarterly and develop a strategy to promote maternal and child health outcomes. The strategy shall consider best practices that agencies may integrate into their programs to improve birth outcomes, reduce maternal mortality and morbidity, and reduce infant mortality. The strategy shall include elements to promote breastfeeding, incentivize the

adoption of the baby-friendly designation by hospitals, and reduce barriers to accessing prenatal care. The advisory committee shall consider where there may be gaps in the availability of services that may benefit pregnant women and infants, such as coverage for lactation consulting, the availability of smoking cessation programs for persons who are codomiciled with the pregnant woman or infant, access to fresh fruits and vegetables, and improved access to dental care for pregnant women.

(4) The advisory committee shall submit the strategy to the legislature and the governor's council for the healthiest next generation by October 15, 2018.

(5) This section expires July 1, 2019.

Passed by the Senate March 8, 2017.

Passed by the House April 10, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 295

[Substitute House Bill 1258]

PERSONS WITH DISABILITIES--PRESENCE AT EMERGENCY SCENES--REVIEW-- TRAINING

AN ACT Relating to persons with a disability present at the scene of an accident; adding a new section to chapter 43.70 RCW; adding a new section to chapter 38.52 RCW; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. **Sec. 1.** This act may be known and cited as the Travis alert act.

NEW SECTION. **Sec. 2.** A new section is added to chapter 43.70 RCW to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the department, in collaboration with the department of social and health services, the state fire marshal's office, the superintendent of public instruction, and the Washington state council of firefighters, must review existing local training programs and training programs being used in other states and design a statewide training program that will familiarize fire department and emergency medical service personnel with the techniques, procedures, and protocols for best handling situations in which persons with disabilities are present at the scene of an emergency in order to maximize the safety of persons with disabilities, minimize the likelihood of injury to persons with disabilities, and promote the safety of all persons present. The program must include a checklist of disabilities, symptoms of such disabilities, and things to do and not to do relevant to a particular disability so fire department and emergency medical services personnel can easily and quickly determine the specific scenario into which they are entering. The department must make the training program available on the department's web site for use by all fire departments and emergency medical service agencies in the state. The department must include on its web site a list of public and private nonprofit disability-related agencies and organizations and the contact information of each agency and organization. Fire departments and emergency medical service agencies must

ensure their employees are adequately trained in and familiarized with techniques, procedures, and protocols for best handling situations in which persons with particular disabilities are present at the scene of an emergency.

(2) Subject to the availability of amounts appropriated for this specific purpose, the criminal justice training commission, in consultation with the Washington state patrol and other stakeholders, must examine existing training programs and curricula related to law enforcement officers responding to an emergency where a person with a disability may be present, to ensure that those programs and curricula are consistent with best practices.

(3) For purposes of this section:

(a) Both "accident" and "emergency" mean an unforeseen combination of circumstances or a resulting situation that results in a need for assistance or relief and calls for immediate action; and

(b) "Persons with disabilities" means individuals who have been diagnosed medically to have a physical, mental, emotional, intellectual, behavioral, developmental, or sensory disability.

NEW SECTION. **Sec. 3.** A new section is added to chapter 38.52 RCW to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the director, through the state enhanced 911 coordinator, and in collaboration with the department of health, the department of social and health services, the Washington state patrol, the Washington association of sheriffs and police chiefs, the Washington council of police and sheriffs, the state fire marshal's office, a representative of a first responder organization with experience in addressing the needs of a person with a disability, and other individuals and entities at the discretion of the director, must assess, and report back to the appropriate committees of the legislature by December 1, 2018, regarding:

(a) The resources, capabilities, techniques, protocols, and procedures available or required in order to include as part of the enhanced 911 emergency service the ability to allow an immediate display on the screen indicating that a person with a disability may be present at the scene of an emergency, the caller's identification, location, phone number, address, and if made available, additional information on the person with a disability that would assist the first responder in the emergency response;

(b) How best to acquire, implement, and safeguard a secure web site and the information in the system provided by a person with a disability, or a parent, guardian, or caretaker of a person with a disability in order to make such information directly available to first responders at the scene of an emergency or on the way to the scene of an emergency;

(c) What information provided by a person must remain confidential under state or federal law, or otherwise should remain confidential without written permission to release it for purposes of this act or the information is otherwise releasable or available under other provisions of law; and

(d) The need to provide various agencies and employees that are first responders and emergency personnel immunity from civil liability for acts or omissions in the performance of their duties, and what standard should apply, such as if the act or omission is the result of simple negligence, gross negligence, or willful misconduct.

(2) For purposes of this section:

(a) Both "accident" and "emergency" mean an unforeseen combination of circumstances or a resulting situation that results in a need for assistance or relief and calls for immediate action; and

(b) "Person with a disability" means an individual who has been diagnosed medically to have a physical, mental, emotional, intellectual, behavioral, developmental, or sensory disability.

Passed by the House March 1, 2017.

Passed by the Senate April 10, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 296

[Substitute House Bill 1344]

THURSTON COUNTY--BOND LEVIES--LEVY LID LIFT DURATION

AN ACT Relating to extending the period for which a bond levy may be increased; amending RCW 84.55.050; and creating new sections.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds government owned property is exempt from both property taxes and leasehold excise tax. The legislature further finds property tax exemptions lower the taxable assessed value within a district. The legislature further finds most of the state-owned buildings in Washington, including the state capitol, are located in Thurston county. The legislature further finds this imposes a disproportional burden on taxpayers and Thurston county. It is the legislature's objective to mitigate this burden by providing Thurston county the ability to increase a bond levy for a longer period of time with a voter approved lid lift.

Sec. 2. RCW 84.55.050 and 2009 c 551 s 3 are each amended to read as follows:

(1) Subject to any otherwise applicable statutory dollar rate limitations, regular property taxes may be levied by or for a taxing district in an amount exceeding the limitations provided for in this chapter if such levy is authorized by a proposition approved by a majority of the voters of the taxing district voting on the proposition at a general election held within the district or at a special election within the taxing district called by the district for the purpose of submitting such proposition to the voters. Any election held pursuant to this section shall be held not more than twelve months prior to the date on which the proposed levy is to be made, except as provided in subsection (2) of this section. The ballot of the proposition shall state the dollar rate proposed and shall clearly state the conditions, if any, which are applicable under subsection (4) of this section.

(2)(a) Subject to statutory dollar limitations, a proposition placed before the voters under this section may authorize annual increases in levies for multiple consecutive years, up to six consecutive years, during which period each year's authorized maximum legal levy shall be used as the base upon which an increased levy limit for the succeeding year is computed, but the ballot proposition must state the dollar rate proposed only for the first year of the

consecutive years and must state the limit factor, or a specified index to be used for determining a limit factor, such as the consumer price index, which need not be the same for all years, by which the regular tax levy for the district may be increased in each of the subsequent consecutive years. Elections for this purpose must be held at a primary or general election. The title of each ballot measure must state the limited purposes for which the proposed annual increases during the specified period of up to six consecutive years shall be used.

(b)(i) Except as otherwise provided in this subsection (2)(b), funds raised by a levy under this subsection may not supplant existing funds used for the limited purpose specified in the ballot title. For purposes of this subsection, existing funds means the actual operating expenditures for the calendar year in which the ballot measure is approved by voters. Actual operating expenditures excludes lost federal funds, lost or expired state grants or loans, extraordinary events not likely to reoccur, changes in contract provisions beyond the control of the taxing district receiving the services, and major nonrecurring capital expenditures.

(ii) The supplanting limitations in (b)(i) of this subsection do not apply to levies approved by the voters in calendar years 2009, 2010, and 2011, in any county with a population of one million five hundred thousand or more. This subsection (2)(b)(ii) only applies to levies approved by the voters after July 26, 2009.

(iii) The supplanting limitations in (b)(i) of this subsection do not apply to levies approved by the voters in calendar year 2009 and thereafter in any county with a population less than one million five hundred thousand. This subsection (2)(b)(iii) only applies to levies approved by the voters after July 26, 2009.

(3) After a levy authorized pursuant to this section is made, the dollar amount of such levy may not be used for the purpose of computing the limitations for subsequent levies provided for in this chapter, unless the ballot proposition expressly states that the levy made under this section will be used for this purpose.

(4) If expressly stated, a proposition placed before the voters under subsection (1) or (2) of this section may:

(a) Use the dollar amount of a levy under subsection (1) of this section, or the dollar amount of the final levy under subsection (2) of this section, for the purpose of computing the limitations for subsequent levies provided for in this chapter;

(b) Limit the period for which the increased levy is to be made under (a) of this subsection;

(c) Limit the purpose for which the increased levy is to be made under (a) of this subsection, but if the limited purpose includes making redemption payments on bonds;

(i) For the county in which the state capitol is located, the period for which the increased levies are made may not exceed twenty-five years; and

(ii) For districts other than a district under (c)(i) of this subsection, the period for which the increased levies are made (~~shall~~) may not exceed nine years;

(d) Set the levy or levies at a rate less than the maximum rate allowed for the district; or

(e) Include any combination of the conditions in this subsection.

(5) Except as otherwise expressly stated in an approved ballot measure under this section, subsequent levies shall be computed as if:

(a) The proposition under this section had not been approved; and

(b) The taxing district had made levies at the maximum rates which would otherwise have been allowed under this chapter during the years levies were made under the proposition.

NEW SECTION. Sec. 3. This act applies to taxes levied for collection in 2018 and thereafter.

Passed by the House February 27, 2017.

Passed by the Senate April 6, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 297

[Engrossed Substitute House Bill 1427]

OPIOIDS--PRESCRIBING--MONITORING--TREATMENT

AN ACT Relating to opioid treatment programs; amending RCW 70.225.040, 71.24.560, 71.24.585, 71.24.590, 71.24.590, 71.24.595, and 71.24.595; adding a new section to chapter 18.22 RCW; adding a new section to chapter 18.32 RCW; adding a new section to chapter 18.57 RCW; adding a new section to chapter 18.57A RCW; adding a new section to chapter 18.71 RCW; adding a new section to chapter 18.71A RCW; adding a new section to chapter 18.79 RCW; adding a new section to chapter 70.225 RCW; adding a new section to chapter 71.24 RCW; creating a new section; and providing contingent effective dates.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that in 2015 an average of two Washington residents died per day in this state from opioid overdose and that opioid overdose deaths have more than doubled between 2010 and 2015.

The legislature further finds that medically prescribed opioids intended to treat pain have contributed to the opioid epidemic and although Washington has done much to address the prescribing and tracking of opioid prescriptions, more needs to be done to ensure proper prescribing and use of opioids and access to treatment. This includes allowing local health officers to access the prescription monitoring program in order to provide patient follow-up and care coordination, including directing care to opioid treatment programs in the area as appropriate to the patient following an overdose event.

The legislature intends to streamline its already comprehensive system of tracking and treating opioid abuse by: Reducing barriers to the siting of opioid treatment programs; ensuring ease of access for prescribers, including those prescribers who provide services in opioid treatment programs, to the prescription monitoring program; allowing facilities and practitioners to use the information received under the prescription monitoring program for the purpose of providing individual prescriber quality improvement feedback; and requiring the boards and commissions of the health care professions with prescriptive authority to adopt rules establishing requirements for prescribing opioid drugs with the goal of reducing the number of people who inadvertently become addicted to opioids and, consequently, reducing the burden on opioid treatment programs.

NEW SECTION. Sec. 2. A new section is added to chapter 18.22 RCW to read as follows:

(1) By January 1, 2019, the board must adopt rules establishing requirements for prescribing opioid drugs. The rules may contain exemptions based on education, training, amount of opioids prescribed, patient panel, and practice environment.

(2) In developing the rules, the board must consider the agency medical directors' group and centers for disease control guidelines, and may consult with the department of health, the University of Washington, and the largest professional association of podiatric physicians and surgeons in the state.

NEW SECTION. Sec. 3. A new section is added to chapter 18.32 RCW to read as follows:

(1) By January 1, 2019, the commission must adopt rules establishing requirements for prescribing opioid drugs. The rules may contain exemptions based on education, training, amount of opioids prescribed, patient panel, and practice environment.

(2) In developing the rules, the commission must consider the agency medical directors' group and centers for disease control guidelines, and may consult with the department of health, the University of Washington, and the largest professional association of dentists in the state.

NEW SECTION. Sec. 4. A new section is added to chapter 18.57 RCW to read as follows:

(1) By January 1, 2019, the board must adopt rules establishing requirements for prescribing opioid drugs. The rules may contain exemptions based on education, training, amount of opioids prescribed, patient panel, and practice environment.

(2) In developing the rules, the board must consider the agency medical directors' group and centers for disease control guidelines, and may consult with the department of health, the University of Washington, and the largest professional association of osteopathic physicians and surgeons in the state.

NEW SECTION. Sec. 5. A new section is added to chapter 18.57A RCW to read as follows:

(1) By January 1, 2019, the board must adopt rules establishing requirements for prescribing opioid drugs. The rules may contain exemptions based on education, training, amount of opioids prescribed, patient panel, and practice environment.

(2) In developing the rules, the board must consider the agency medical directors' group and centers for disease control guidelines, and may consult with the department of health, the University of Washington, and the largest professional association of osteopathic physician assistants in the state.

NEW SECTION. Sec. 6. A new section is added to chapter 18.71 RCW to read as follows:

(1) By January 1, 2019, the commission must adopt rules establishing requirements for prescribing opioid drugs. The rules may contain exemptions based on education, training, amount of opioids prescribed, patient panel, and practice environment.

(2) In developing the rules, the commission must consider the agency medical directors' group and centers for disease control guidelines, and may

consult with the department of health, the University of Washington, and the largest professional association of physicians in the state.

NEW SECTION. Sec. 7. A new section is added to chapter 18.71A RCW to read as follows:

(1) By January 1, 2019, the commission must adopt rules establishing requirements for prescribing opioid drugs. The rules may contain exemptions based on education, training, amount of opioids prescribed, patient panel, and practice environment.

(2) In developing the rules, the commission must consider the agency medical directors' group and centers for disease control guidelines, and may consult with the department of health, the University of Washington, and the largest professional association of physician assistants in the state.

NEW SECTION. Sec. 8. A new section is added to chapter 18.79 RCW to read as follows:

(1) By January 1, 2019, the commission must adopt rules establishing requirements for prescribing opioid drugs. The rules may contain exemptions based on education, training, amount of opioids prescribed, patient panel, and practice environment.

(2) In developing the rules, the commission must consider the agency medical directors' group and centers for disease control guidelines, and may consult with the department of health, the University of Washington, and the largest professional associations for advanced registered nurse practitioners and certified registered nurse anesthetists in the state.

Sec. 9. RCW 70.225.040 and 2016 c 104 s 1 are each amended to read as follows:

(1) Prescription information submitted to the department must be confidential, in compliance with chapter 70.02 RCW and federal health care information privacy requirements and not subject to disclosure, except as provided in subsections (3) ~~((and))~~, (4), and (5) of this section.

(2) The department must maintain procedures to ensure that the privacy and confidentiality of patients and patient information collected, recorded, transmitted, and maintained is not disclosed to persons except as in subsections (3) ~~((and))~~, (4), and (5) of this section.

(3) The department may provide data in the prescription monitoring program to the following persons:

(a) Persons authorized to prescribe or dispense controlled substances or legend drugs, for the purpose of providing medical or pharmaceutical care for their patients;

(b) An individual who requests the individual's own prescription monitoring information;

(c) Health professional licensing, certification, or regulatory agency or entity;

(d) Appropriate law enforcement or prosecutorial officials, including local, state, and federal officials and officials of federally recognized tribes, who are engaged in a bona fide specific investigation involving a designated person;

(e) Authorized practitioners of the department of social and health services and the health care authority regarding medicaid program recipients;

(f) The director or the director's designee within the health care authority regarding medicaid clients for the purposes of quality improvement, patient safety, and care coordination. The information may not be used for contracting or value-based purchasing decisions;

(g) The director or director's designee within the department of labor and industries regarding workers' compensation claimants;

~~((g))~~ (h) The director or the director's designee within the department of corrections regarding offenders committed to the department of corrections;

~~((h))~~ (i) Other entities under grand jury subpoena or court order;

~~((i))~~ (j) Personnel of the department for purposes of:

(i) Assessing prescribing practices, including controlled substances related to mortality and morbidity;

(ii) Providing quality improvement feedback to providers, including comparison of their respective data to aggregate data for providers with the same type of license and same specialty; and

(iii) Administration and enforcement of this chapter or chapter 69.50 RCW;

~~((j))~~ (k) Personnel of a test site that meet the standards under RCW 70.225.070 pursuant to an agreement between the test site and a person identified in (a) of this subsection to provide assistance in determining which medications are being used by an identified patient who is under the care of that person;

~~((k))~~ (l) A health care facility or entity for the purpose of providing medical or pharmaceutical care to the patients of the facility or entity, or for quality improvement purposes if:

(i) The facility or entity is licensed by the department or is operated by the federal government or a federally recognized Indian tribe; and

(ii) The facility or entity is a trading partner with the state's health information exchange; ~~(and~~

~~((l))~~ (m) A health care provider group of five or more providers for purposes of providing medical or pharmaceutical care to the patients of the provider group, or for quality improvement purposes if:

(i) All the providers in the provider group are licensed by the department or the provider group is operated by the federal government or a federally recognized Indian tribe; and

(ii) The provider group is a trading partner with the state's health information exchange;

(n) The local health officer of a local health jurisdiction for the purposes of patient follow-up and care coordination following a controlled substance overdose event. For the purposes of this subsection "local health officer" has the same meaning as in RCW 70.05.010; and

(o) The coordinated care electronic tracking program developed in response to section 213, chapter 7, Laws of 2012 2nd sp. sess., commonly referred to as the seven best practices in emergency medicine, for the purposes of providing:

(i) Prescription monitoring program data to emergency department personnel when the patient registers in the emergency department; and

(ii) Notice to providers, appropriate care coordination staff, and prescribers listed in the patient's prescription monitoring program record that the patient has experienced a controlled substance overdose event. The department shall determine the content and format of the notice in consultation with the

Washington state hospital association, Washington state medical association, and Washington state health care authority, and the notice may be modified as necessary to reflect current needs and best practices.

(4) The department shall, on at least a quarterly basis, and pursuant to a schedule determined by the department, provide a facility or entity identified under subsection (3)(l) of this section or a provider group identified under subsection (3)(m) of this section with facility or entity and individual prescriber information if the facility, entity, or provider group:

(a) Uses the information only for internal quality improvement and individual prescriber quality improvement feedback purposes and does not use the information as the sole basis for any medical staff sanction or adverse employment action; and

(b) Provides to the department a standardized list of current prescribers of the facility, entity, or provider group. The specific facility, entity, or provider group information provided pursuant to this subsection and the requirements under this subsection must be determined by the department in consultation with the Washington state hospital association, Washington state medical association, and Washington state health care authority, and may be modified as necessary to reflect current needs and best practices.

(5)(a) The department may provide data to public or private entities for statistical, research, or educational purposes after removing information that could be used to identify individual patients, dispensers, prescribers, and persons who received prescriptions from dispensers.

(b)(i) The department may provide dispenser and prescriber data and data that includes indirect patient identifiers to the Washington state hospital association for use solely in connection with its coordinated quality improvement program maintained under RCW 43.70.510 after entering into a data use agreement as specified in RCW 43.70.052(8) with the association.

(ii) For the purposes of this subsection, "indirect patient identifiers" means data that may include: Hospital or provider identifiers, a five-digit zip code, county, state, and country of resident; dates that include month and year; age in years; and race and ethnicity; but does not include the patient's first name; middle name; last name; social security number; control or medical record number; zip code plus four digits; dates that include day, month, and year; or admission and discharge date in combination.

~~((5) A dispenser or practitioner)~~ (6) Persons authorized in subsections (3), (4), and (5) of this section to receive data in the prescription monitoring program from the department, acting in good faith ~~((is)), are~~ immune from any civil, criminal, disciplinary, or administrative liability that might otherwise be incurred or imposed for ~~((requesting, receiving, or using information from the program)) acting under this chapter.~~

NEW SECTION. Sec. 10. A new section is added to chapter 70.225 RCW to read as follows:

Beginning November 15, 2017, the department shall annually report to the governor and the appropriate committees of the legislature on the number of facilities, entities, or provider groups identified in RCW 70.225.040(3) (l) and (m) that have integrated their federally certified electronic health records with the prescription monitoring program utilizing the state health information exchange.

Sec. 11. RCW 71.24.560 and 2016 sp.s. c 29 s 506 are each amended to read as follows:

(1) All approved (~~(opiate substitution)~~) opiod treatment programs that provide services to women who are pregnant are required to disseminate up-to-date and accurate health education information to all their pregnant clients concerning the possible addiction and health risks that their (~~(opiate substitution)~~) treatment may have on their baby. All pregnant clients must also be advised of the risks to both them and their baby associated with not remaining on the (~~(opiate substitute)~~) opiod treatment program. The information must be provided to these clients both verbally and in writing. The health education information provided to the pregnant clients must include referral options for the (~~(addicted)~~) substance-exposed baby.

(2) The department shall adopt rules that require all (~~(opiate)~~) opiod treatment programs to educate all pregnant women in their program on the benefits and risks of (~~(methadone)~~) medication-assisted treatment to their fetus before they are provided these medications, as part of their (~~(addiction)~~) treatment. The department shall meet the requirements under this subsection within the appropriations provided for (~~(opiate)~~) opiod treatment programs. The department, working with treatment providers and medical experts, shall develop and disseminate the educational materials to all certified (~~(opiate)~~) opiod treatment programs.

Sec. 12. RCW 71.24.585 and 2016 sp.s. c 29 s 519 are each amended to read as follows:

The state of Washington declares that there is no fundamental right to (~~(opiate substitution)~~) medication-assisted treatment for opiod use disorder. The state of Washington further declares that while (~~(opiate substitution drugs)~~) medications used in the treatment of (~~(opiate dependency)~~) opiod use disorder are addictive substances, that they nevertheless have several legal, important, and justified uses and that one of their appropriate and legal uses is, in conjunction with other required therapeutic procedures, in the treatment of persons (~~(addicted to or habituated to opioids)~~) with opiod use disorder. The state of Washington recognizes as evidence-based for the management of opiod use disorder the medications approved by the federal food and drug administration for the treatment of opiod use disorder. ((Opiate substitution)) Medication-assisted treatment should only be used for participants who are deemed appropriate to need this level of intervention (~~(and should not be the first treatment intervention for all opiate addicts)~~). Providers must inform patients of all treatment options available. The provider and the patient shall consider alternative treatment options, like abstinence, when developing the treatment plan. If medications are prescribed, follow up must be included in the treatment plan in order to work towards the goal of abstinence.

Because (~~(opiate substitution drugs, used in the treatment of opiate dependency are addictive and are listed as a schedule II)~~) some such medications are controlled substances in chapter 69.50 RCW, the state of Washington (~~(has)~~) maintains the legal obligation and right to regulate the (~~(use of opiate substitution treatment)~~). The state of Washington declares its authority to control and regulate carefully, in consultation with counties and cities, all clinical uses of opiate substitution drugs used in the treatment of opiate addiction) clinical uses of these medications in the treatment of opiod use disorder.

Further, the state declares that the (~~(primary)~~) main goal of opiate substitution treatment is total abstinence from substance use for the individuals who participate in the treatment program, but recognizes the additional goals of reduced morbidity, and restoration of the ability to lead a productive and fulfilling life. The state recognizes that a small percentage of persons who participate in (~~(opiate substitution)~~) opioid treatment programs require treatment for an extended period of time. (~~(Opiate substitution)~~) Opioid treatment programs shall provide a comprehensive transition program to eliminate substance use, including (~~(opiate and opiate substitute addiction)~~) opioid use of program participants.

NEW SECTION, Sec. 13. A new section is added to chapter 71.24 RCW to read as follows:

The state declares that a person lawfully possessing or using lawfully prescribed medication for the treatment of opioid use disorder must be treated the same in judicial and administrative proceedings as a person lawfully possessing or using other lawfully prescribed medications.

Sec. 14. RCW 71.24.590 and 2001 c 242 s 2 are each amended to read as follows:

(1) (~~(For purposes of this section, "area" means the county in which an applicant proposes to locate a certified program and counties adjacent, or near to, the county in which the program is proposed to be located;))~~)

When making a decision on an application for certification of a program, the department shall:

(a) Consult with the county legislative authorities in the area in which an applicant proposes to locate a program and the city legislative authority in any city in which an applicant proposes to locate a program;

(b) Certify only programs that will be sited in accordance with the appropriate county or city land use ordinances. Counties and cities may require conditional (~~(or special)~~) use permits with reasonable conditions for the siting of programs. Pursuant to RCW 36.70A.200, no local comprehensive plan or development regulation may preclude the siting of essential public facilities;

(c) Not discriminate in its certification decision on the basis of the corporate structure of the applicant;

(d) Consider the size of the population in need of treatment in the area in which the program would be located and certify only applicants whose programs meet the necessary treatment needs of that population;

(~~(e) ((Demonstrate a need in the community for opiate substitution treatment and not certify more program slots than justified by the need in that community. No program shall exceed three hundred fifty participants unless specifically authorized by the county in which the program is certified;))~~)

(~~(f))~~) Consider the availability of other certified opioid treatment programs near the area in which the applicant proposes to locate the program;

(~~(g))~~) (f) Consider the transportation systems that would provide service to the program and whether the systems will provide reasonable opportunities to access the program for persons in need of treatment;

(~~(h))~~) (g) Consider whether the applicant has, or has demonstrated in the past, the capability to provide the appropriate services to assist the persons who utilize the program in meeting goals established by the legislature(~~(, including~~

~~abstinence from opiates and opiate substitutes, obtaining mental health treatment, improving economic independence, and reducing adverse consequences associated with illegal use of controlled substances))~~ in RCW 71.24.585. The department shall prioritize certification to applicants who have demonstrated such capability and are able to measure their success in meeting such outcomes;

~~((†))~~ (h) Hold ((at least)) one public hearing in the ((county)) community in which the facility is proposed to be located ((and one hearing in the area in which the facility is proposed to be located)). The hearing shall be held at a time and location that are most likely to permit the largest number of interested persons to attend and present testimony. The department shall notify all appropriate media outlets of the time, date, and location of the hearing at least three weeks in advance of the hearing.

(2) A county may impose a maximum capacity for a program of not less than three hundred fifty participants if necessary to address specific local conditions cited by the county.

(3) A program applying for certification from the department and a program applying for a contract from a state agency that has been denied the certification or contract shall be provided with a written notice specifying the rationale and reasons for the denial.

~~((†))~~ (4) For the purpose of this chapter, ((opiate substitution)) opioid treatment program means:

(a) Dispensing ((an opiate substitution drug)) a medication approved by the federal drug administration for the treatment of ((opiate addiction)) opioid use disorder and dispensing medication for the reversal of opioid overdose; and

(b) Providing a comprehensive range of medical and rehabilitative services.

Sec. 15. RCW 71.24.590 and 2001 c 242 s 2 are each amended to read as follows:

(1) ((For purposes of this section, "area" means the county in which an applicant proposes to locate a certified program and counties adjacent, or near to, the county in which the program is proposed to be located.))

When making a decision on an application for licensing or certification of a program, the department shall:

(a) Consult with the county legislative authorities in the area in which an applicant proposes to locate a program and the city legislative authority in any city in which an applicant proposes to locate a program;

(b) License or certify only programs that will be sited in accordance with the appropriate county or city land use ordinances. Counties and cities may require conditional ((or special)) use permits with reasonable conditions for the siting of programs. Pursuant to RCW 36.70A.200, no local comprehensive plan or development regulation may preclude the siting of essential public facilities;

(c) Not discriminate in its licensing or certification decision on the basis of the corporate structure of the applicant;

(d) Consider the size of the population in need of treatment in the area in which the program would be located and license or certify only applicants whose programs meet the necessary treatment needs of that population;

(e) ((Demonstrate a need in the community for opiate substitution treatment and not certify more program slots than justified by the need in that community.

~~No program shall exceed three hundred fifty participants unless specifically authorized by the county in which the program is certified;~~

~~(f))~~ Consider the availability of other licensed or certified opioid treatment programs near the area in which the applicant proposes to locate the program;

~~((g))~~ (f) Consider the transportation systems that would provide service to the program and whether the systems will provide reasonable opportunities to access the program for persons in need of treatment;

~~((h))~~ (g) Consider whether the applicant has, or has demonstrated in the past, the capability to provide the appropriate services to assist the persons who utilize the program in meeting goals established by the legislature ~~(, including abstinence from opiates and opiate substitutes, obtaining mental health treatment, improving economic independence, and reducing adverse consequences associated with illegal use of controlled substances))~~ in RCW 71.24.585. The department shall prioritize licensing or certification to applicants who have demonstrated such capability and are able to measure their success in meeting such outcomes;

~~((i))~~ (h) Hold ~~((at least))~~ one public hearing in the ~~((county))~~ community in which the facility is proposed to be located ~~((and one hearing in the area in which the facility is proposed to be located))~~. The hearing shall be held at a time and location that are most likely to permit the largest number of interested persons to attend and present testimony. The department shall notify all appropriate media outlets of the time, date, and location of the hearing at least three weeks in advance of the hearing.

(2) A county may impose a maximum capacity for a program of not less than three hundred fifty participants if necessary to address specific local conditions cited by the county.

(3) A program applying for licensing or certification from the department and a program applying for a contract from a state agency that has been denied the licensing or certification or contract shall be provided with a written notice specifying the rationale and reasons for the denial.

~~((3))~~ (4) For the purpose of this chapter, ~~((opiate substitution))~~ opioid treatment program means:

(a) Dispensing ~~((an opiate substitution drug))~~ a medication approved by the federal drug administration for the treatment of ~~((opiate addiction))~~ opioid use disorder and dispensing medication for the reversal of opioid overdose; and

(b) Providing a comprehensive range of medical and rehabilitative services.

Sec. 16. RCW 71.24.595 and 2003 c 207 s 6 are each amended to read as follows:

(1) The department, in consultation with ~~((opiate substitution))~~ opioid treatment program service providers and counties and cities, shall establish statewide treatment standards for certified ~~((opiate substitution))~~ opioid treatment programs. The department shall enforce these treatment standards. The treatment standards shall include, but not be limited to, reasonable provisions for all appropriate and necessary medical procedures, counseling requirements, urinalysis, and other suitable tests as needed to ensure compliance with this chapter.

(2) The department, in consultation with ~~((opiate substitution))~~ opioid treatment programs and counties, shall establish statewide operating standards for certified ~~((opiate substitution))~~ opioid treatment programs. The department

shall enforce these operating standards. The operating standards shall include, but not be limited to, reasonable provisions necessary to enable the department and counties to monitor certified and licensed (~~(opiate substitution))~~ opioid treatment programs for compliance with this chapter and the treatment standards authorized by this chapter and to minimize the impact of the (~~(opiate substitution))~~ opioid treatment programs upon the business and residential neighborhoods in which the program is located.

(3) (~~(The department shall establish criteria for evaluating the compliance of opiate substitution treatment programs with the goals and standards established under this chapter. As a condition of certification, opiate substitution programs shall submit an annual report to the department and county legislative authority, including data as specified by the department necessary for outcome analysis.)~~) The department shall analyze and evaluate the data submitted by each treatment program and take corrective action where necessary to ensure compliance with the goals and standards enumerated under this chapter. Opioid treatment programs are subject to the oversight required for other substance use disorder treatment programs, as described in this chapter.

Sec. 17. RCW 71.24.595 and 2003 c 207 s 6 are each amended to read as follows:

(1) The department, in consultation with (~~(opiate substitution))~~ opioid treatment program service providers and counties and cities, shall establish statewide treatment standards for licensed or certified (~~(opiate substitution))~~ opioid treatment programs. The department shall enforce these treatment standards. The treatment standards shall include, but not be limited to, reasonable provisions for all appropriate and necessary medical procedures, counseling requirements, urinalysis, and other suitable tests as needed to ensure compliance with this chapter.

(2) The department, in consultation with (~~(opiate substitution))~~ opioid treatment programs and counties, shall establish statewide operating standards for certified (~~(opiate substitution))~~ opioid treatment programs. The department shall enforce these operating standards. The operating standards shall include, but not be limited to, reasonable provisions necessary to enable the department and counties to monitor certified (~~(and) or~~ licensed (~~(opiate substitution))~~ opioid treatment programs for compliance with this chapter and the treatment standards authorized by this chapter and to minimize the impact of the (~~(opiate substitution))~~ opioid treatment programs upon the business and residential neighborhoods in which the program is located.

(3) (~~(The department shall establish criteria for evaluating the compliance of opiate substitution treatment programs with the goals and standards established under this chapter. As a condition of certification, opiate substitution programs shall submit an annual report to the department and county legislative authority, including data as specified by the department necessary for outcome analysis.)~~) The department shall analyze and evaluate the data submitted by each treatment program and take corrective action where necessary to ensure compliance with the goals and standards enumerated under this chapter. Opioid treatment programs are subject to the oversight required for other substance use disorder treatment programs, as described in this chapter.

NEW SECTION. Sec. 18. Sections 14 and 16 of this act take effect only if neither Substitute House Bill No. 1388 (including any later amendments or substitutes) nor Substitute Senate Bill No. 5259 (including any later amendments or substitutes) is signed into law by the governor by the effective date of this section.

NEW SECTION. Sec. 19. Sections 15 and 17 of this act take effect only if Substitute House Bill No. 1388 (including any later amendments or substitutes) or Substitute Senate Bill No. 5259 (including any later amendments or substitutes) is signed into law by the governor by the effective date of this section.

Passed by the House April 20, 2017.

Passed by the Senate April 19, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 298

[Substitute House Bill 1477]

HEALTH INFORMATION DISCLOSURE--PERSONS WITH CLOSE RELATIONSHIP-- THREATS

AN ACT Relating to disclosure of health-related information with persons with a close relationship with a patient; amending RCW 70.02.050, 70.02.200, 70.02.220, and 70.02.230; reenacting and amending RCW 70.02.230; adding a new section to chapter 70.02 RCW; providing an effective date; and providing an expiration date.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 70.02 RCW to read as follows:

(1)(a) A health care provider or health care facility may use or disclose the health care information of a patient without obtaining an authorization from the patient or the patient's personal representative if the conditions in (b) of this subsection are met and:

(i) The disclosure is to a family member, including a patient's state registered domestic partner, other relative, a close personal friend, or other person identified by the patient, and the health care information is directly relevant to the person's involvement with the patient's health care or payment related to the patient's health care; or

(ii) The use or disclosure is for the purpose of notifying, or assisting in the notification of, including identifying or locating, a family member, a personal representative of the patient, or another person responsible for the care of the patient of the patient's location, general condition, or death.

(b) A health care provider or health care facility may make the uses and disclosures described in (a) of this subsection if:

(i) The patient is not present or obtaining the patient's authorization or providing the opportunity to agree or object to the use or disclosure is not practicable due to the patient's incapacity or an emergency circumstance, the health care provider or health care facility may in the exercise of professional judgment, determine whether the use or disclosure is in the best interests of the patient and, if so, disclose only the health care information that is directly

relevant to the person's involvement with the patient's health care or payment related to the patient's health care; or

(ii) The patient is present for, or otherwise available prior to, the use or disclosure and has the capacity to make health care decisions, the health care provider or health care facility may use or disclose the information if it:

(A) Obtains the patient's agreement;

(B) Provides the patient with the opportunity to object to the use or disclosure, and the patient does not express an objection; or

(C) Reasonably infers from the circumstances, based on the exercise of professional judgment, that the patient does not object to the use or disclosure.

(2) With respect to information and records related to mental health services provided to a patient by a health care provider, the health care information disclosed under this section may include, to the extent consistent with the health care provider's professional judgment and standards of ethical conduct:

(a) The patient's diagnoses and the treatment recommendations;

(b) Issues concerning the safety of the patient, including risk factors for suicide, steps that can be taken to make the patient's home safer, and a safety plan to monitor and support the patient;

(c) Information about resources that are available in the community to help the patient, such as case management and support groups; and

(d) The process to ensure that the patient safely transitions to a higher or lower level of care, including an interim safety plan.

(3) Any use or disclosure of health care information under this section must be limited to the minimum necessary to accomplish the purpose of the use or disclosure.

(4) A health care provider or health care facility is not subject to any civil liability for making or not making a use or disclosure in accordance with this section.

Sec. 2. RCW 70.02.050 and 2014 c 220 s 6 are each amended to read as follows:

(1) A health care provider or health care facility may disclose health care information, except for information and records related to sexually transmitted diseases which are addressed in RCW 70.02.220, about a patient without the patient's authorization to the extent a recipient needs to know the information, if the disclosure is:

(a) To a person who the provider or facility reasonably believes is providing health care to the patient;

(b) To any other person who requires health care information for health care education, or to provide planning, quality assurance, peer review, or administrative, legal, financial, actuarial services to, or other health care operations for or on behalf of the health care provider or health care facility; or for assisting the health care provider or health care facility in the delivery of health care and the health care provider or health care facility reasonably believes that the person:

(i) Will not use or disclose the health care information for any other purpose; and

(ii) Will take appropriate steps to protect the health care information;

(c) To any person if the health care provider or health care facility (~~reasonably~~) believes, in good faith, that use or disclosure (~~will avoid or~~

~~minimize an imminent danger)) is necessary to prevent or lessen a serious and imminent threat to the health or safety of ((the patient or any other individual, however)) a person or the public, and the information is disclosed only to a person or persons reasonably able to prevent or lessen the threat, including the target of the threat. There is no obligation under this chapter on the part of the provider or facility to so disclose((- The fact of admission to a provider for mental health services and all information and records compiled, obtained, or maintained in the course of providing mental health services to either voluntary or involuntary recipients of services at public or private agencies is not subject to disclosure unless disclosure is permitted in RCW 70.02.230)); or~~

(d) For payment, including information necessary for a recipient to make a claim, or for a claim to be made on behalf of a recipient for aid, insurance, or medical assistance to which he or she may be entitled.

(2) A health care provider shall disclose health care information, except for information and records related to sexually transmitted diseases, unless otherwise authorized in RCW 70.02.220, about a patient without the patient's authorization if the disclosure is:

(a) To federal, state, or local public health authorities, to the extent the health care provider is required by law to report health care information; when needed to determine compliance with state or federal licensure, certification or registration rules or laws, or to investigate unprofessional conduct or ability to practice with reasonable skill and safety under chapter 18.130 RCW. Any health care information obtained under this subsection is exempt from public inspection and copying pursuant to chapter 42.56 RCW; or

(b) When needed to protect the public health.

Sec. 3. RCW 70.02.200 and 2015 c 267 s 7 are each amended to read as follows:

(1) In addition to the disclosures authorized by RCW 70.02.050 and 70.02.210, a health care provider or health care facility may disclose health care information, except for information and records related to sexually transmitted diseases and information related to mental health services which are addressed by RCW 70.02.220 through 70.02.260, about a patient without the patient's authorization, to:

(a) Any other health care provider or health care facility reasonably believed to have previously provided health care to the patient, to the extent necessary to provide health care to the patient, unless the patient has instructed the health care provider or health care facility in writing not to make the disclosure;

~~(b) ((Immediate family members of the patient, including a patient's state registered domestic partner, or any other individual with whom the patient is known to have a close personal relationship, if made in accordance with good medical or other professional practice, unless the patient has instructed the health care provider or health care facility in writing not to make the disclosure;))~~ Persons under section 1 of this act if the conditions in section 1 of this act are met.

(c) A health care provider or health care facility who is the successor in interest to the health care provider or health care facility maintaining the health care information;

(d) A person who obtains information for purposes of an audit, if that person agrees in writing to:

(i) Remove or destroy, at the earliest opportunity consistent with the purpose of the audit, information that would enable the patient to be identified; and

(ii) Not to disclose the information further, except to accomplish the audit or report unlawful or improper conduct involving fraud in payment for health care by a health care provider or patient, or other unlawful conduct by the health care provider;

(e) Provide directory information, unless the patient has instructed the health care provider or health care facility not to make the disclosure;

(f) Fire, police, sheriff, or other public authority, that brought, or caused to be brought, the patient to the health care facility or health care provider if the disclosure is limited to the patient's name, residence, sex, age, occupation, condition, diagnosis, estimated or actual discharge date, or extent and location of injuries as determined by a physician, and whether the patient was conscious when admitted;

(g) Federal, state, or local law enforcement authorities and the health care provider, health care facility, or third-party payor believes in good faith that the health care information disclosed constitutes evidence of criminal conduct that occurred on the premises of the health care provider, health care facility, or third-party payor;

(h) Another health care provider, health care facility, or third-party payor for the health care operations of the health care provider, health care facility, or third-party payor that receives the information, if each entity has or had a relationship with the patient who is the subject of the health care information being requested, the health care information pertains to such relationship, and the disclosure is for the purposes described in RCW 70.02.010(17) (a) and (b);

(i) An official of a penal or other custodial institution in which the patient is detained; and

(j) Any law enforcement officer, corrections officer, or guard supplied by a law enforcement or corrections agency who is accompanying a patient pursuant to RCW 10.110.020, only to the extent the disclosure is incidental to the fulfillment of the role of the law enforcement officer, corrections officer, or guard under RCW 10.110.020.

(2) In addition to the disclosures required by RCW 70.02.050 and 70.02.210, a health care provider shall disclose health care information, except for information related to sexually transmitted diseases and information related to mental health services which are addressed by RCW 70.02.220 through 70.02.260, about a patient without the patient's authorization if the disclosure is:

(a) To federal, state, or local law enforcement authorities to the extent the health care provider is required by law;

(b) To federal, state, or local law enforcement authorities, upon receipt of a written or oral request made to a nursing supervisor, administrator, or designated privacy official, in a case in which the patient is being treated or has been treated for a bullet wound, gunshot wound, powder burn, or other injury arising from or caused by the discharge of a firearm, or an injury caused by a knife, an ice pick, or any other sharp or pointed instrument which federal, state, or local law enforcement authorities reasonably believe to have been intentionally inflicted upon a person, or a blunt force injury that federal, state, or local law enforcement authorities reasonably believe resulted from a criminal act, the following information, if known:

- (i) The name of the patient;
- (ii) The patient's residence;
- (iii) The patient's sex;
- (iv) The patient's age;
- (v) The patient's condition;
- (vi) The patient's diagnosis, or extent and location of injuries as determined by a health care provider;
- (vii) Whether the patient was conscious when admitted;
- (viii) The name of the health care provider making the determination in (b)(v), (vi), and (vii) of this subsection;
- (ix) Whether the patient has been transferred to another facility; and
- (x) The patient's discharge time and date;
- (c) Pursuant to compulsory process in accordance with RCW 70.02.060.

Sec. 4. RCW 70.02.220 and 2013 c 200 s 6 are each amended to read as follows:

(1) No person may disclose or be compelled to disclose the identity of any person who has investigated, considered, or requested a test or treatment for a sexually transmitted disease, except as authorized by this section, RCW 70.02.210, or chapter 70.24 RCW.

(2) No person may disclose or be compelled to disclose information and records related to sexually transmitted diseases, except as authorized by this section, RCW 70.02.210, section 1 of this act, or chapter 70.24 RCW. A person may disclose information related to sexually transmitted diseases about a patient without the patient's authorization, to the extent a recipient needs to know the information, if the disclosure is to:

(a) The subject of the test or the subject's legal representative for health care decisions in accordance with RCW 7.70.065, with the exception of such a representative of a minor fourteen years of age or over and otherwise competent;

(b) The state public health officer as defined in RCW 70.24.017, a local public health officer, or the centers for disease control of the United States public health service in accordance with reporting requirements for a diagnosed case of a sexually transmitted disease;

(c) A health facility or health care provider that procures, processes, distributes, or uses: (i) A human body part, tissue, or blood from a deceased person with respect to medical information regarding that person; (ii) semen, including that was provided prior to March 23, 1988, for the purpose of artificial insemination; or (iii) blood specimens;

(d) Any state or local public health officer conducting an investigation pursuant to RCW 70.24.024, so long as the record was obtained by means of court-ordered HIV testing pursuant to RCW 70.24.340 or 70.24.024;

(e) A person allowed access to the record by a court order granted after application showing good cause therefor. In assessing good cause, the court shall weigh the public interest and the need for disclosure against the injury to the patient, to the physician-patient relationship, and to the treatment services. Upon the granting of the order, the court, in determining the extent to which any disclosure of all or any part of the record of any such test is necessary, shall impose appropriate safeguards against unauthorized disclosure. An order authorizing disclosure must: (i) Limit disclosure to those parts of the patient's record deemed essential to fulfill the objective for which the order was granted;

(ii) limit disclosure to those persons whose need for information is the basis for the order; and (iii) include any other appropriate measures to keep disclosure to a minimum for the protection of the patient, the physician-patient relationship, and the treatment services;

(f) Persons who, because of their behavioral interaction with the infected individual, have been placed at risk for acquisition of a sexually transmitted disease, as provided in RCW 70.24.022, if the health officer or authorized representative believes that the exposed person was unaware that a risk of disease exposure existed and that the disclosure of the identity of the infected person is necessary;

(g) A law enforcement officer, firefighter, health care provider, health care facility staff person, department of correction's staff person, jail staff person, or other persons as defined by the board of health in rule pursuant to RCW 70.24.340(4), who has requested a test of a person whose bodily fluids he or she has been substantially exposed to, pursuant to RCW 70.24.340(4), if a state or local public health officer performs the test;

(h) Claims management personnel employed by or associated with an insurer, health care service contractor, health maintenance organization, self-funded health plan, state administered health care claims payer, or any other payer of health care claims where such disclosure is to be used solely for the prompt and accurate evaluation and payment of medical or related claims. Information released under this subsection must be confidential and may not be released or available to persons who are not involved in handling or determining medical claims payment; and

(i) A department of social and health services worker, a child placing agency worker, or a guardian ad litem who is responsible for making or reviewing placement or case-planning decisions or recommendations to the court regarding a child, who is less than fourteen years of age, has a sexually transmitted disease, and is in the custody of the department of social and health services or a licensed child placing agency. This information may also be received by a person responsible for providing residential care for such a child when the department of social and health services or a licensed child placing agency determines that it is necessary for the provision of child care services.

(3) No person to whom the results of a test for a sexually transmitted disease have been disclosed pursuant to subsection (2) of this section may disclose the test results to another person except as authorized by that subsection.

(4) The release of sexually transmitted disease information regarding an offender or detained person, except as provided in subsection (2)(d) of this section, is governed as follows:

(a) The sexually transmitted disease status of a department of corrections offender who has had a mandatory test conducted pursuant to RCW 70.24.340(1), 70.24.360, or 70.24.370 must be made available by department of corrections health care providers and local public health officers to the department of corrections health care administrator or infection control coordinator of the facility in which the offender is housed. The information made available to the health care administrator or the infection control coordinator under this subsection (4)(a) may be used only for disease prevention or control and for protection of the safety and security of the staff, offenders, and the public. The information may be submitted to transporting officers and

receiving facilities, including facilities that are not under the department of corrections' jurisdiction according to the provisions of (d) and (e) of this subsection.

(b) The sexually transmitted disease status of a person detained in a jail who has had a mandatory test conducted pursuant to RCW 70.24.340(1), 70.24.360, or 70.24.370 must be made available by the local public health officer to a jail health care administrator or infection control coordinator. The information made available to a health care administrator under this subsection (4)(b) may be used only for disease prevention or control and for protection of the safety and security of the staff, offenders, detainees, and the public. The information may be submitted to transporting officers and receiving facilities according to the provisions of (d) and (e) of this subsection.

(c) Information regarding the sexually transmitted disease status of an offender or detained person is confidential and may be disclosed by a correctional health care administrator or infection control coordinator or local jail health care administrator or infection control coordinator only as necessary for disease prevention or control and for protection of the safety and security of the staff, offenders, and the public. Unauthorized disclosure of this information to any person may result in disciplinary action, in addition to the penalties prescribed in RCW 70.24.080 or any other penalties as may be prescribed by law.

(d) Notwithstanding the limitations on disclosure contained in (a), (b), and (c) of this subsection, whenever any member of a jail staff or department of corrections staff has been substantially exposed to the bodily fluids of an offender or detained person, then the results of any tests conducted pursuant to RCW 70.24.340(1), 70.24.360, or 70.24.370, must be immediately disclosed to the staff person in accordance with the Washington Administrative Code rules governing employees' occupational exposure to blood-borne pathogens. Disclosure must be accompanied by appropriate counseling for the staff member, including information regarding follow-up testing and treatment. Disclosure must also include notice that subsequent disclosure of the information in violation of this chapter or use of the information to harass or discriminate against the offender or detainee may result in disciplinary action, in addition to the penalties prescribed in RCW 70.24.080, and imposition of other penalties prescribed by law.

(e) The staff member must also be informed whether the offender or detained person had any other communicable disease, as defined in RCW 72.09.251(3), when the staff person was substantially exposed to the offender's or detainee's bodily fluids.

(f) The test results of voluntary and anonymous HIV testing or HIV-related condition, as defined in RCW 70.24.017, may not be disclosed to a staff person except as provided in this section and RCW 70.02.050(1)((e)) (d) and 70.24.340(4). A health care administrator or infection control coordinator may provide the staff member with information about how to obtain the offender's or detainee's test results under this section and RCW 70.02.050(1)((e)) (d) and 70.24.340(4).

(5) The requirements of this section do not apply to the customary methods utilized for the exchange of medical information among health care providers in order to provide health care services to the patient, nor do they apply within

health care facilities where there is a need for access to confidential medical information to fulfill professional duties.

(6) Upon request of the victim, disclosure of test results under this section to victims of sexual offenses under chapter 9A.44 RCW must be made if the result is negative or positive. The county prosecuting attorney shall notify the victim of the right to such disclosure. The disclosure must be accompanied by appropriate counseling, including information regarding follow-up testing.

(7) A person, including a health care facility or health care provider, shall disclose the identity of any person who has investigated, considered, or requested a test or treatment for a sexually transmitted disease and information and records related to sexually transmitted diseases to federal, state, or local public health authorities, to the extent the health care provider is required by law to report health care information; when needed to determine compliance with state or federal certification or registration rules or laws; or when needed to protect the public health. Any health care information obtained under this subsection is exempt from public inspection and copying pursuant to chapter 42.56 RCW.

Sec. 5. RCW 70.02.230 and 2014 c 225 s 71 and 2014 c 220 s 9 are each reenacted and amended to read as follows:

(1) Except as provided in this section, RCW 70.02.050, 71.05.445, ~~((70.96A.150,))~~ 74.09.295, 70.02.210, 70.02.240, 70.02.250, and 70.02.260, or pursuant to a valid authorization under RCW 70.02.030, the fact of admission to a provider for mental health services and all information and records compiled, obtained, or maintained in the course of providing mental health services to either voluntary or involuntary recipients of services at public or private agencies must be confidential.

(2) Information and records related to mental health services, other than those obtained through treatment under chapter 71.34 RCW, may be disclosed only:

(a) In communications between qualified professional persons to meet the requirements of chapter 71.05 RCW, in the provision of services or appropriate referrals, or in the course of guardianship proceedings if provided to a professional person:

(i) Employed by the facility;

(ii) Who has medical responsibility for the patient's care;

(iii) Who is a designated mental health professional;

(iv) Who is providing services under chapter 71.24 RCW;

(v) Who is employed by a state or local correctional facility where the person is confined or supervised; or

(vi) Who is providing evaluation, treatment, or follow-up services under chapter 10.77 RCW;

(b) When the communications regard the special needs of a patient and the necessary circumstances giving rise to such needs and the disclosure is made by a facility providing services to the operator of a facility in which the patient resides or will reside;

(c)(i) When the person receiving services, or his or her guardian, designates persons to whom information or records may be released, or if the person is a minor, when his or her parents make such a designation;

(ii) A public or private agency shall release to a person's next of kin, attorney, personal representative, guardian, or conservator, if any:

(A) The information that the person is presently a patient in the facility or that the person is seriously physically ill;

(B) A statement evaluating the mental and physical condition of the patient, and a statement of the probable duration of the patient's confinement, if such information is requested by the next of kin, attorney, personal representative, guardian, or conservator; and

(iii) Other information requested by the next of kin or attorney as may be necessary to decide whether or not proceedings should be instituted to appoint a guardian or conservator;

(d)(i) To the courts as necessary to the administration of chapter 71.05 RCW or to a court ordering an evaluation or treatment under chapter 10.77 RCW solely for the purpose of preventing the entry of any evaluation or treatment order that is inconsistent with any order entered under chapter 71.05 RCW.

(ii) To a court or its designee in which a motion under chapter 10.77 RCW has been made for involuntary medication of a defendant for the purpose of competency restoration.

(iii) Disclosure under this subsection is mandatory for the purpose of the federal health insurance portability and accountability act;

(e)(i) When a mental health professional is requested by a representative of a law enforcement or corrections agency, including a police officer, sheriff, community corrections officer, a municipal attorney, or prosecuting attorney to undertake an investigation or provide treatment under RCW 71.05.150, 10.31.110, or 71.05.153, the mental health professional shall, if requested to do so, advise the representative in writing of the results of the investigation including a statement of reasons for the decision to detain or release the person investigated. The written report must be submitted within seventy-two hours of the completion of the investigation or the request from the law enforcement or corrections representative, whichever occurs later.

(ii) Disclosure under this subsection is mandatory for the purposes of the federal health insurance portability and accountability act;

(f) To the attorney of the detained person;

(g) To the prosecuting attorney as necessary to carry out the responsibilities of the office under RCW 71.05.330(2), 71.05.340(1)(b), and 71.05.335. The prosecutor must be provided access to records regarding the committed person's treatment and prognosis, medication, behavior problems, and other records relevant to the issue of whether treatment less restrictive than inpatient treatment is in the best interest of the committed person or others. Information must be disclosed only after giving notice to the committed person and the person's counsel;

(h)(i) To appropriate law enforcement agencies and to a person, when the identity of the person is known to the public or private agency, whose health and safety has been threatened, or who is known to have been repeatedly harassed, by the patient. The person may designate a representative to receive the disclosure. The disclosure must be made by the professional person in charge of the public or private agency or his or her designee and must include the dates of commitment, admission, discharge, or release, authorized or unauthorized absence from the agency's facility, and only any other information that is

pertinent to the threat or harassment. The agency or its employees are not civilly liable for the decision to disclose or not, so long as the decision was reached in good faith and without gross negligence.

(ii) Disclosure under this subsection is mandatory for the purposes of the federal health insurance portability and accountability act;

(i)(i) To appropriate corrections and law enforcement agencies all necessary and relevant information in the event of a crisis or emergent situation that poses a significant and imminent risk to the public. The mental health service agency or its employees are not civilly liable for the decision to disclose or not so long as the decision was reached in good faith and without gross negligence.

(ii) Disclosure under this subsection is mandatory for the purposes of the health insurance portability and accountability act;

(j) To the persons designated in RCW 71.05.425 for the purposes described in those sections;

(k) Upon the death of a person. The person's next of kin, personal representative, guardian, or conservator, if any, must be notified. Next of kin who are of legal age and competent must be notified under this section in the following order: Spouse, parents, children, brothers and sisters, and other relatives according to the degree of relation. Access to all records and information compiled, obtained, or maintained in the course of providing services to a deceased patient are governed by RCW 70.02.140;

(l) To mark headstones or otherwise memorialize patients interred at state hospital cemeteries. The department of social and health services shall make available the name, date of birth, and date of death of patients buried in state hospital cemeteries fifty years after the death of a patient;

(m) To law enforcement officers and to prosecuting attorneys as are necessary to enforce RCW 9.41.040(2)(a)((~~iii~~)) (iii). The extent of information that may be released is limited as follows:

(i) Only the fact, place, and date of involuntary commitment, an official copy of any order or orders of commitment, and an official copy of any written or oral notice of ineligibility to possess a firearm that was provided to the person pursuant to RCW 9.41.047(1), must be disclosed upon request;

(ii) The law enforcement and prosecuting attorneys may only release the information obtained to the person's attorney as required by court rule and to a jury or judge, if a jury is waived, that presides over any trial at which the person is charged with violating RCW 9.41.040(2)(a)((~~iii~~)) (iii);

(iii) Disclosure under this subsection is mandatory for the purposes of the federal health insurance portability and accountability act;

(n) When a patient would otherwise be subject to the provisions of this section and disclosure is necessary for the protection of the patient or others due to his or her unauthorized disappearance from the facility, and his or her whereabouts is unknown, notice of the disappearance, along with relevant information, may be made to relatives, the department of corrections when the person is under the supervision of the department, and governmental law enforcement agencies designated by the physician or psychiatric advanced registered nurse practitioner in charge of the patient or the professional person in charge of the facility, or his or her professional designee;

(o) Pursuant to lawful order of a court;

(p) To qualified staff members of the department, to the director of behavioral health organizations, to resource management services responsible for serving a patient, or to service providers designated by resource management services as necessary to determine the progress and adequacy of treatment and to determine whether the person should be transferred to a less restrictive or more appropriate treatment modality or facility;

(q) Within the mental health service agency where the patient is receiving treatment, confidential information may be disclosed to persons employed, serving in bona fide training programs, or participating in supervised volunteer programs, at the facility when it is necessary to perform their duties;

(r) Within the department as necessary to coordinate treatment for mental illness, developmental disabilities, alcoholism, or drug abuse of persons who are under the supervision of the department;

(s) To a licensed physician or psychiatric advanced registered nurse practitioner who has determined that the life or health of the person is in danger and that treatment without the information and records related to mental health services could be injurious to the patient's health. Disclosure must be limited to the portions of the records necessary to meet the medical emergency;

(t) Consistent with the requirements of the federal health information portability and accountability act, to a licensed mental health professional or a health care professional licensed under chapter 18.71, 18.71A, 18.57, 18.57A, 18.79, or 18.36A RCW who is providing care to a person, or to whom a person has been referred for evaluation or treatment, to assure coordinated care and treatment of that person. Psychotherapy notes may not be released without authorization of the person who is the subject of the request for release of information;

(u) To administrative and office support staff designated to obtain medical records for those licensed professionals listed in (t) of this subsection;

(v) To a facility that is to receive a person who is involuntarily committed under chapter 71.05 RCW, or upon transfer of the person from one evaluation and treatment facility to another. The release of records under this subsection is limited to the information and records related to mental health services required by law, a record or summary of all somatic treatments, and a discharge summary. The discharge summary may include a statement of the patient's problem, the treatment goals, the type of treatment which has been provided, and recommendation for future treatment, but may not include the patient's complete treatment record;

(w) To the person's counsel or guardian ad litem, without modification, at any time in order to prepare for involuntary commitment or recommitment proceedings, reexaminations, appeals, or other actions relating to detention, admission, commitment, or patient's rights under chapter 71.05 RCW;

(x) To staff members of the protection and advocacy agency or to staff members of a private, nonprofit corporation for the purpose of protecting and advocating the rights of persons with mental disorders or developmental disabilities. Resource management services may limit the release of information to the name, birthdate, and county of residence of the patient, information regarding whether the patient was voluntarily admitted, or involuntarily committed, the date and place of admission, placement, or commitment, the name and address of a guardian of the patient, and the date and place of the

guardian's appointment. Any staff member who wishes to obtain additional information must notify the patient's resource management services in writing of the request and of the resource management services' right to object. The staff member shall send the notice by mail to the guardian's address. If the guardian does not object in writing within fifteen days after the notice is mailed, the staff member may obtain the additional information. If the guardian objects in writing within fifteen days after the notice is mailed, the staff member may not obtain the additional information;

(y) To all current treating providers of the patient with prescriptive authority who have written a prescription for the patient within the last twelve months. For purposes of coordinating health care, the department may release without written authorization of the patient, information acquired for billing and collection purposes as described in RCW 70.02.050(1)(d). The department shall notify the patient that billing and collection information has been released to named providers, and provide the substance of the information released and the dates of such release. The department may not release counseling, inpatient psychiatric hospitalization, or drug and alcohol treatment information without a signed written release from the client;

(z)(i) To the secretary of social and health services for either program evaluation or research, or both so long as the secretary adopts rules for the conduct of the evaluation or research, or both. Such rules must include, but need not be limited to, the requirement that all evaluators and researchers sign an oath of confidentiality substantially as follows:

"As a condition of conducting evaluation or research concerning persons who have received services from (fill in the facility, agency, or person) I,, agree not to divulge, publish, or otherwise make known to unauthorized persons or the public any information obtained in the course of such evaluation or research regarding persons who have received services such that the person who received such services is identifiable.

I recognize that unauthorized release of confidential information may subject me to civil liability under the provisions of state law.

/s/"

(ii) Nothing in this chapter may be construed to prohibit the compilation and publication of statistical data for use by government or researchers under standards, including standards to assure maintenance of confidentiality, set forth by the secretary;

(aa) To any person if the conditions in section 1 of this act are met.

(3) Whenever federal law or federal regulations restrict the release of information contained in the information and records related to mental health services of any patient who receives treatment for chemical dependency, the department may restrict the release of the information as necessary to comply with federal law and regulations.

(4) Civil liability and immunity for the release of information about a particular person who is committed to the department of social and health services under RCW 71.05.280(3) and 71.05.320(~~((3))~~) (4)(c) after dismissal of a sex offense as defined in RCW 9.94A.030, is governed by RCW 4.24.550.

(5) The fact of admission to a provider of mental health services, as well as all records, files, evidence, findings, or orders made, prepared, collected, or

maintained pursuant to chapter 71.05 RCW are not admissible as evidence in any legal proceeding outside that chapter without the written authorization of the person who was the subject of the proceeding except as provided in RCW 70.02.260, in a subsequent criminal prosecution of a person committed pursuant to RCW 71.05.280(3) or 71.05.320(~~(3))~~ (4)(c) on charges that were dismissed pursuant to chapter 10.77 RCW due to incompetency to stand trial, in a civil commitment proceeding pursuant to chapter 71.09 RCW, or, in the case of a minor, a guardianship or dependency proceeding. The records and files maintained in any court proceeding pursuant to chapter 71.05 RCW must be confidential and available subsequent to such proceedings only to the person who was the subject of the proceeding or his or her attorney. In addition, the court may order the subsequent release or use of such records or files only upon good cause shown if the court finds that appropriate safeguards for strict confidentiality are and will be maintained.

(6)(a) Except as provided in RCW 4.24.550, any person may bring an action against an individual who has willfully released confidential information or records concerning him or her in violation of the provisions of this section, for the greater of the following amounts:

(i) One thousand dollars; or

(ii) Three times the amount of actual damages sustained, if any.

(b) It is not a prerequisite to recovery under this subsection that the plaintiff suffered or was threatened with special, as contrasted with general, damages.

(c) Any person may bring an action to enjoin the release of confidential information or records concerning him or her or his or her ward, in violation of the provisions of this section, and may in the same action seek damages as provided in this subsection.

(d) The court may award to the plaintiff, should he or she prevail in any action authorized by this subsection, reasonable attorney fees in addition to those otherwise provided by law.

(e) If an action is brought under this subsection, no action may be brought under RCW 70.02.170.

Sec. 6. RCW 70.02.230 and 2016 sp.s. c 29 s 417 are each amended to read as follows:

(1) Except as provided in this section, RCW 70.02.050, 71.05.445, 74.09.295, 70.02.210, 70.02.240, 70.02.250, and 70.02.260, or pursuant to a valid authorization under RCW 70.02.030, the fact of admission to a provider for mental health services and all information and records compiled, obtained, or maintained in the course of providing mental health services to either voluntary or involuntary recipients of services at public or private agencies must be confidential.

(2) Information and records related to mental health services, other than those obtained through treatment under chapter 71.34 RCW, may be disclosed only:

(a) In communications between qualified professional persons to meet the requirements of chapter 71.05 RCW, in the provision of services or appropriate referrals, or in the course of guardianship proceedings if provided to a professional person:

(i) Employed by the facility;

(ii) Who has medical responsibility for the patient's care;

- (iii) Who is a designated crisis responder;
 - (iv) Who is providing services under chapter 71.24 RCW;
 - (v) Who is employed by a state or local correctional facility where the person is confined or supervised; or
 - (vi) Who is providing evaluation, treatment, or follow-up services under chapter 10.77 RCW;
- (b) When the communications regard the special needs of a patient and the necessary circumstances giving rise to such needs and the disclosure is made by a facility providing services to the operator of a facility in which the patient resides or will reside;
- (c)(i) When the person receiving services, or his or her guardian, designates persons to whom information or records may be released, or if the person is a minor, when his or her parents make such a designation;
- (ii) A public or private agency shall release to a person's next of kin, attorney, personal representative, guardian, or conservator, if any:
- (A) The information that the person is presently a patient in the facility or that the person is seriously physically ill;
- (B) A statement evaluating the mental and physical condition of the patient, and a statement of the probable duration of the patient's confinement, if such information is requested by the next of kin, attorney, personal representative, guardian, or conservator; and
- (iii) Other information requested by the next of kin or attorney as may be necessary to decide whether or not proceedings should be instituted to appoint a guardian or conservator;
- (d)(i) To the courts as necessary to the administration of chapter 71.05 RCW or to a court ordering an evaluation or treatment under chapter 10.77 RCW solely for the purpose of preventing the entry of any evaluation or treatment order that is inconsistent with any order entered under chapter 71.05 RCW.
- (ii) To a court or its designee in which a motion under chapter 10.77 RCW has been made for involuntary medication of a defendant for the purpose of competency restoration.
- (iii) Disclosure under this subsection is mandatory for the purpose of the federal health insurance portability and accountability act;
- (e)(i) When a mental health professional or designated crisis responder is requested by a representative of a law enforcement or corrections agency, including a police officer, sheriff, community corrections officer, a municipal attorney, or prosecuting attorney to undertake an investigation or provide treatment under RCW 71.05.150, 10.31.110, or 71.05.153, the mental health professional or designated crisis responder shall, if requested to do so, advise the representative in writing of the results of the investigation including a statement of reasons for the decision to detain or release the person investigated. The written report must be submitted within seventy-two hours of the completion of the investigation or the request from the law enforcement or corrections representative, whichever occurs later.
- (ii) Disclosure under this subsection is mandatory for the purposes of the federal health insurance portability and accountability act;
- (f) To the attorney of the detained person;
- (g) To the prosecuting attorney as necessary to carry out the responsibilities of the office under RCW 71.05.330(2), 71.05.340(1)(b), and 71.05.335. The

prosecutor must be provided access to records regarding the committed person's treatment and prognosis, medication, behavior problems, and other records relevant to the issue of whether treatment less restrictive than inpatient treatment is in the best interest of the committed person or others. Information must be disclosed only after giving notice to the committed person and the person's counsel;

(h)(i) To appropriate law enforcement agencies and to a person, when the identity of the person is known to the public or private agency, whose health and safety has been threatened, or who is known to have been repeatedly harassed, by the patient. The person may designate a representative to receive the disclosure. The disclosure must be made by the professional person in charge of the public or private agency or his or her designee and must include the dates of commitment, admission, discharge, or release, authorized or unauthorized absence from the agency's facility, and only any other information that is pertinent to the threat or harassment. The agency or its employees are not civilly liable for the decision to disclose or not, so long as the decision was reached in good faith and without gross negligence.

(ii) Disclosure under this subsection is mandatory for the purposes of the federal health insurance portability and accountability act;

(i)(i) To appropriate corrections and law enforcement agencies all necessary and relevant information in the event of a crisis or emergent situation that poses a significant and imminent risk to the public. The mental health service agency or its employees are not civilly liable for the decision to disclose or not so long as the decision was reached in good faith and without gross negligence.

(ii) Disclosure under this subsection is mandatory for the purposes of the health insurance portability and accountability act;

(j) To the persons designated in RCW 71.05.425 for the purposes described in those sections;

(k) Upon the death of a person. The person's next of kin, personal representative, guardian, or conservator, if any, must be notified. Next of kin who are of legal age and competent must be notified under this section in the following order: Spouse, parents, children, brothers and sisters, and other relatives according to the degree of relation. Access to all records and information compiled, obtained, or maintained in the course of providing services to a deceased patient are governed by RCW 70.02.140;

(l) To mark headstones or otherwise memorialize patients interred at state hospital cemeteries. The department of social and health services shall make available the name, date of birth, and date of death of patients buried in state hospital cemeteries fifty years after the death of a patient;

(m) To law enforcement officers and to prosecuting attorneys as are necessary to enforce RCW 9.41.040(2)(a)(iii). The extent of information that may be released is limited as follows:

(i) Only the fact, place, and date of involuntary commitment, an official copy of any order or orders of commitment, and an official copy of any written or oral notice of ineligibility to possess a firearm that was provided to the person pursuant to RCW 9.41.047(1), must be disclosed upon request;

(ii) The law enforcement and prosecuting attorneys may only release the information obtained to the person's attorney as required by court rule and to a

jury or judge, if a jury is waived, that presides over any trial at which the person is charged with violating RCW 9.41.040(2)(a)(iii);

(iii) Disclosure under this subsection is mandatory for the purposes of the federal health insurance portability and accountability act;

(n) When a patient would otherwise be subject to the provisions of this section and disclosure is necessary for the protection of the patient or others due to his or her unauthorized disappearance from the facility, and his or her whereabouts is unknown, notice of the disappearance, along with relevant information, may be made to relatives, the department of corrections when the person is under the supervision of the department, and governmental law enforcement agencies designated by the physician or psychiatric advanced registered nurse practitioner in charge of the patient or the professional person in charge of the facility, or his or her professional designee;

(o) Pursuant to lawful order of a court;

(p) To qualified staff members of the department, to the director of behavioral health organizations, to resource management services responsible for serving a patient, or to service providers designated by resource management services as necessary to determine the progress and adequacy of treatment and to determine whether the person should be transferred to a less restrictive or more appropriate treatment modality or facility;

(q) Within the mental health service agency where the patient is receiving treatment, confidential information may be disclosed to persons employed, serving in bona fide training programs, or participating in supervised volunteer programs, at the facility when it is necessary to perform their duties;

(r) Within the department as necessary to coordinate treatment for mental illness, developmental disabilities, alcoholism, or drug abuse of persons who are under the supervision of the department;

(s) To a licensed physician or psychiatric advanced registered nurse practitioner who has determined that the life or health of the person is in danger and that treatment without the information and records related to mental health services could be injurious to the patient's health. Disclosure must be limited to the portions of the records necessary to meet the medical emergency;

(t) Consistent with the requirements of the federal health information portability and accountability act, to a licensed mental health professional or a health care professional licensed under chapter 18.71, 18.71A, 18.57, 18.57A, 18.79, or 18.36A RCW who is providing care to a person, or to whom a person has been referred for evaluation or treatment, to assure coordinated care and treatment of that person. Psychotherapy notes may not be released without authorization of the person who is the subject of the request for release of information;

(u) To administrative and office support staff designated to obtain medical records for those licensed professionals listed in (t) of this subsection;

(v) To a facility that is to receive a person who is involuntarily committed under chapter 71.05 RCW, or upon transfer of the person from one evaluation and treatment facility to another. The release of records under this subsection is limited to the information and records related to mental health services required by law, a record or summary of all somatic treatments, and a discharge summary. The discharge summary may include a statement of the patient's problem, the treatment goals, the type of treatment which has been provided, and

recommendation for future treatment, but may not include the patient's complete treatment record;

(w) To the person's counsel or guardian ad litem, without modification, at any time in order to prepare for involuntary commitment or recommitment proceedings, reexaminations, appeals, or other actions relating to detention, admission, commitment, or patient's rights under chapter 71.05 RCW;

(x) To staff members of the protection and advocacy agency or to staff members of a private, nonprofit corporation for the purpose of protecting and advocating the rights of persons with mental disorders or developmental disabilities. Resource management services may limit the release of information to the name, birthdate, and county of residence of the patient, information regarding whether the patient was voluntarily admitted, or involuntarily committed, the date and place of admission, placement, or commitment, the name and address of a guardian of the patient, and the date and place of the guardian's appointment. Any staff member who wishes to obtain additional information must notify the patient's resource management services in writing of the request and of the resource management services' right to object. The staff member shall send the notice by mail to the guardian's address. If the guardian does not object in writing within fifteen days after the notice is mailed, the staff member may obtain the additional information. If the guardian objects in writing within fifteen days after the notice is mailed, the staff member may not obtain the additional information;

(y) To all current treating providers of the patient with prescriptive authority who have written a prescription for the patient within the last twelve months. For purposes of coordinating health care, the department may release without written authorization of the patient, information acquired for billing and collection purposes as described in RCW 70.02.050(1)(d). The department shall notify the patient that billing and collection information has been released to named providers, and provide the substance of the information released and the dates of such release. The department may not release counseling, inpatient psychiatric hospitalization, or drug and alcohol treatment information without a signed written release from the client;

(z)(i) To the secretary of social and health services for either program evaluation or research, or both so long as the secretary adopts rules for the conduct of the evaluation or research, or both. Such rules must include, but need not be limited to, the requirement that all evaluators and researchers sign an oath of confidentiality substantially as follows:

"As a condition of conducting evaluation or research concerning persons who have received services from (fill in the facility, agency, or person) I,, agree not to divulge, publish, or otherwise make known to unauthorized persons or the public any information obtained in the course of such evaluation or research regarding persons who have received services such that the person who received such services is identifiable.

I recognize that unauthorized release of confidential information may subject me to civil liability under the provisions of state law.

/s/"

(ii) Nothing in this chapter may be construed to prohibit the compilation and publication of statistical data for use by government or researchers under

standards, including standards to assure maintenance of confidentiality, set forth by the secretary;

(aa) To any person if the conditions in section 1 of this act are met.

(3) Whenever federal law or federal regulations restrict the release of information contained in the information and records related to mental health services of any patient who receives treatment for chemical dependency, the department may restrict the release of the information as necessary to comply with federal law and regulations.

(4) Civil liability and immunity for the release of information about a particular person who is committed to the department of social and health services under RCW 71.05.280(3) and 71.05.320(4)(c) after dismissal of a sex offense as defined in RCW 9.94A.030, is governed by RCW 4.24.550.

(5) The fact of admission to a provider of mental health services, as well as all records, files, evidence, findings, or orders made, prepared, collected, or maintained pursuant to chapter 71.05 RCW are not admissible as evidence in any legal proceeding outside that chapter without the written authorization of the person who was the subject of the proceeding except as provided in RCW 70.02.260, in a subsequent criminal prosecution of a person committed pursuant to RCW 71.05.280(3) or 71.05.320(4)(c) on charges that were dismissed pursuant to chapter 10.77 RCW due to incompetency to stand trial, in a civil commitment proceeding pursuant to chapter 71.09 RCW, or, in the case of a minor, a guardianship or dependency proceeding. The records and files maintained in any court proceeding pursuant to chapter 71.05 RCW must be confidential and available subsequent to such proceedings only to the person who was the subject of the proceeding or his or her attorney. In addition, the court may order the subsequent release or use of such records or files only upon good cause shown if the court finds that appropriate safeguards for strict confidentiality are and will be maintained.

(6)(a) Except as provided in RCW 4.24.550, any person may bring an action against an individual who has willfully released confidential information or records concerning him or her in violation of the provisions of this section, for the greater of the following amounts:

(i) One thousand dollars; or

(ii) Three times the amount of actual damages sustained, if any.

(b) It is not a prerequisite to recovery under this subsection that the plaintiff suffered or was threatened with special, as contrasted with general, damages.

(c) Any person may bring an action to enjoin the release of confidential information or records concerning him or her or his or her ward, in violation of the provisions of this section, and may in the same action seek damages as provided in this subsection.

(d) The court may award to the plaintiff, should he or she prevail in any action authorized by this subsection, reasonable attorney fees in addition to those otherwise provided by law.

(e) If an action is brought under this subsection, no action may be brought under RCW 70.02.170.

NEW SECTION. Sec. 7. Section 6 of this act takes effect April 1, 2018.

NEW SECTION. Sec. 8. Section 5 of this act expires April 1, 2018.

Passed by the House April 20, 2017.

Passed by the Senate April 19, 2017.
Approved by the Governor May 16, 2017.
Filed in Office of Secretary of State May 16, 2017.

CHAPTER 299

[Engrossed Substitute House Bill 1493]

BIOMETRIC IDENTIFIERS

AN ACT Relating to biometric identifiers; and adding a new chapter to Title 19 RCW.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that citizens of Washington are increasingly asked to disclose sensitive biological information that uniquely identifies them for commerce, security, and convenience. The collection and marketing of biometric information about individuals, without consent or knowledge of the individual whose data is collected, is of increasing concern. The legislature intends to require a business that collects and can attribute biometric data to a specific uniquely identified individual to disclose how it uses that biometric data, and provide notice to and obtain consent from an individual before enrolling or changing the use of that individual's biometric identifiers in a database.

NEW SECTION. Sec. 2. (1) A person may not enroll a biometric identifier in a database for a commercial purpose, without first providing notice, obtaining consent, or providing a mechanism to prevent the subsequent use of a biometric identifier for a commercial purpose.

(2) Notice is a disclosure, that is not considered affirmative consent, that is given through a procedure reasonably designed to be readily available to affected individuals. The exact notice and type of consent required to achieve compliance with subsection (1) of this section is context-dependent.

(3) Unless consent has been obtained from the individual, a person who has enrolled an individual's biometric identifier may not sell, lease, or otherwise disclose the biometric identifier to another person for a commercial purpose unless the disclosure:

- (a) Is consistent with subsections (1), (2), and (4) of this section;
- (b) Is necessary to provide a product or service subscribed to, requested, or expressly authorized by the individual;
- (c) Is necessary to effect, administer, enforce, or complete a financial transaction that the individual requested, initiated, or authorized, and the third party to whom the biometric identifier is disclosed maintains confidentiality of the biometric identifier and does not further disclose the biometric identifier except as otherwise permitted under this subsection (3);
- (d) Is required or expressly authorized by a federal or state statute, or court order;
- (e) Is made to a third party who contractually promises that the biometric identifier will not be further disclosed and will not be enrolled in a database for a commercial purpose inconsistent with the notice and consent described in this subsection (3) and subsections (1) and (2) of this section; or
- (f) Is made to prepare for litigation or to respond to or participate in judicial process.

(4) A person who knowingly possesses a biometric identifier of an individual that has been enrolled for a commercial purpose:

(a) Must take reasonable care to guard against unauthorized access to and acquisition of biometric identifiers that are in the possession or under the control of the person; and

(b) May retain the biometric identifier no longer than is reasonably necessary to:

(i) Comply with a court order, statute, or public records retention schedule specified under federal, state, or local law;

(ii) Protect against or prevent actual or potential fraud, criminal activity, claims, security threats, or liability; and

(iii) Provide the services for which the biometric identifier was enrolled.

(5) A person who enrolls a biometric identifier of an individual for a commercial purpose or obtains a biometric identifier of an individual from a third party for a commercial purpose pursuant to this section may not use or disclose it in a manner that is materially inconsistent with the terms under which the biometric identifier was originally provided without obtaining consent for the new terms of use or disclosure.

(6) The limitations on disclosure and retention of biometric identifiers provided in this section do not apply to disclosure or retention of biometric identifiers that have been unenrolled.

(7) Nothing in this section requires an entity to provide notice and obtain consent to collect, capture, or enroll a biometric identifier and store it in a biometric system, or otherwise, in furtherance of a security purpose.

NEW SECTION. Sec. 3. The definitions in this section apply throughout this chapter, unless the context clearly requires otherwise.

(1) "Biometric identifier" means data generated by automatic measurements of an individual's biological characteristics, such as a fingerprint, voiceprint, eye retinas, irises, or other unique biological patterns or characteristics that is used to identify a specific individual. "Biometric identifier" does not include a physical or digital photograph, video or audio recording or data generated therefrom, or information collected, used, or stored for health care treatment, payment, or operations under the federal health insurance portability and accountability act of 1996.

(2) "Biometric system" means an automated identification system capable of capturing, processing, and storing a biometric identifier, comparing the biometric identifier to one or more references, and matching the biometric identifier to a specific individual.

(3) "Capture" means the process of collecting a biometric identifier from an individual.

(4) "Commercial purpose" means a purpose in furtherance of the sale or disclosure to a third party of a biometric identifier for the purpose of marketing of goods or services when such goods or services are unrelated to the initial transaction in which a person first gains possession of an individual's biometric identifier. "Commercial purpose" does not include a security or law enforcement purpose.

(5) "Enroll" means to capture a biometric identifier of an individual, convert it into a reference template that cannot be reconstructed into the original output

image, and store it in a database that matches the biometric identifier to a specific individual.

(6) "Law enforcement officer" means a law enforcement officer as defined in RCW 9.41.010 or a federal peace officer as defined in RCW 10.93.020.

(7) "Person" means an individual, partnership, corporation, limited liability company, organization, association, or any other legal or commercial entity, but does not include a government agency.

(8) "Security purpose" means the purpose of preventing shoplifting, fraud, or any other misappropriation or theft of a thing of value, including tangible and intangible goods, services, and other purposes in furtherance of protecting the security or integrity of software, accounts, applications, online services, or any person.

NEW SECTION. Sec. 4. (1) The legislature finds that the practices covered by this chapter are matters vitally affecting the public interest for the purpose of applying the consumer protection act, chapter 19.86 RCW. A violation of this chapter is not reasonable in relation to the development and preservation of business and is an unfair or deceptive act in trade or commerce and an unfair method of competition for the purpose of applying the consumer protection act, chapter 19.86 RCW.

(2) This chapter may be enforced solely by the attorney general under the consumer protection act, chapter 19.86 RCW.

NEW SECTION. Sec. 5. (1) Nothing in this act applies in any manner to a financial institution or an affiliate of a financial institution that is subject to Title V of the federal Gramm-Leach-Bliley act of 1999 and the rules promulgated thereunder.

(2) Nothing in this act applies to activities subject to Title V of the federal health insurance privacy and portability act of 1996 and the rules promulgated thereunder.

(3) Nothing in this act expands or limits the authority of a law enforcement officer acting within the scope of his or her authority including, but not limited to, the authority of a state law enforcement officer in executing lawful searches and seizures.

NEW SECTION. Sec. 6. Sections 2 through 5 of this act constitute a new chapter in Title 19 RCW.

Passed by the House March 2, 2017.

Passed by the Senate April 11, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 300

[Engrossed House Bill 1507]

ELECTION RECONCILIATION REPORTS--INFORMATION CONTAINED--ANALYSIS

AN ACT Relating to enhancing election reconciliation reports; and amending RCW 29A.60.235.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 29A.60.235 and 2011 c 10 s 62 are each amended to read as follows:

~~(1) The county auditor shall prepare~~~~(, make publicly available at the auditor's office or on the auditor's web site, and submit)~~ at the time of certification an election reconciliation report that discloses the following information:

~~((1))~~ (a) The number of registered voters;

~~((2))~~ (b) The number of ballots issued;

~~((3))~~ (c) The number of ballots received;

~~((4))~~ (d) The number of ballots counted;

~~((5))~~ (e) The number of ballots rejected;

~~((6))~~ (f) The number of provisional ballots issued;

~~((7))~~ (g) The number of provisional ballots received;

~~((8))~~ (h) The number of provisional ballots counted;

~~((9))~~ (i) The number of provisional ballots rejected;

~~((10))~~ (j) The number of federal write-in ballots received;

~~((11))~~ (k) The number of federal write-in ballots counted;

~~((12))~~ (l) The number of federal write-in ballots rejected;

~~((13))~~ (m) The number of overseas and service ballots issued by mail, email, web site link, or facsimile;

~~((14))~~ (n) The number of overseas and service ballots received by mail, email, or facsimile;

~~((15))~~ (o) The number of overseas and service ballots counted by mail, email, or facsimile;

~~((16))~~ (p) The number of overseas and service ballots rejected by mail, email, or facsimile;

~~((17))~~ (q) The number of nonoverseas and nonservice ballots sent by email, web site link, or facsimile;

(r) The number of nonoverseas and nonservice ballots received by email or facsimile;

(s) The number of nonoverseas and nonservice ballots that were rejected for:

(i) Failing to send an original or hard copy of the ballot by the certification deadline; or

(ii) Any other reason, including the reason for rejection;

(t) The number of voters credited with voting; and

~~((18))~~ (u) Any other information the auditor or secretary of state deems necessary to reconcile the number of ballots counted with the number of voters credited with voting.

(2) The county auditor must make the report available to the public at the auditor's office and must publish the report on the auditor's web site at the time of certification. The county auditor must submit the report to the secretary of state at the time of certification in any form determined by the secretary of state.

(3)(a) The secretary of state must collect the reconciliation reports from each county auditor and prepare a statewide reconciliation report for each state primary and general election. The report may be produced in a form determined by the secretary that includes the information as described in this subsection (3). The report must be prepared and published on the secretary of state's web site within two months after the last county's election results have been certified.

(b) The state report must include a comparison among counties on rates of votes received, counted, and rejected, including provisional, write-in, overseas ballots, and ballots transmitted electronically. The comparison information may be in the form of rankings, percentages, or other relevant quantifiable data that can be used to measure performance and trends.

(c) The state report must also include an analysis of the data that can be used to develop a better understanding of election administration and policy. The analysis must combine data, as available, over multiple years to provide broader comparisons and trends regarding voter registration and turnout and ballot counting. The analysis must incorporate national election statistics to the extent such information is available.

Passed by the House February 28, 2017.

Passed by the Senate April 12, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 301

[Substitute House Bill 1526]

MULTIPURPOSE SENIOR CITIZEN CENTERS--PROPERTY TAX EXEMPTION

AN ACT Relating to exempting multipurpose senior citizen centers from property taxation; adding a new section to chapter 84.36 RCW; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. (1) This section is the tax preference performance statement for the tax preference contained in chapter . . . , Laws of 2017 (section 2 of this act). This preference statement is only intended to be used for subsequent evaluation of the tax preference. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes this tax preference as one intended to provide tax relief as indicated in RCW 82.32.808(2)(e), to provide tax relief to senior citizen centers that do not qualify for a property tax exemption under current law.

(3) The joint legislative audit and review committee will review the number of senior citizen centers that received the tax preference provided in this act that would not have qualified for a property tax exemption prior to the enactment of this preference. In order to obtain the data necessary to perform the review, the joint legislative audit and review committee may refer to data sources including county assessor property records and property tax information from the department of revenue.

NEW SECTION. Sec. 2. A new section is added to chapter 84.36 RCW to read as follows:

(1) One or more contiguous real property parcels and personal property owned by a senior citizen organization are exempt from taxation, if the property is used for the actual operation of a multipurpose senior citizen center.

(2) The exemption in this section is not nullified by the use of the exempt property as provided in this subsection.

(a) The exempt property may be loaned or rented, if the rent and donations received for the use of the multipurpose senior citizen center are reasonable and do not exceed the maintenance and operation expenses attributable to the portion of the property loaned or rented.

(b) The exempt property may be used for fund-raising events and activities, including the operation of a farmers market or a thrift store, with the purpose of providing financial support for the multipurpose senior citizen center or providing services and activities for senior citizens. If the exempt property is loaned or rented to conduct a fund-raising event for other purposes:

(i) Such event or activities must be conducted by a nonprofit organization eligible for exemption under this chapter; and

(ii) The requirements of (a) of this subsection (2) apply.

(c) An inadvertent use of the exempt property in a manner inconsistent with the purposes of the exemption granted under this section does not nullify the exemption, if the inadvertent use is not part of a pattern of use. A pattern of use is presumed when an inadvertent use is repeated in the same assessment year or in two or more successive years.

(3) Multipurpose senior citizen centers must be available to all regardless of race, color, religion, creed, gender, gender expression, national origin, ancestry, the presence of any sensory, mental, or physical disability, marital status, sexual orientation, or honorably discharged veteran or military status.

(4) The use of the exempt property, other than as specifically authorized by this section, nullifies the exemption from taxation otherwise available for the property for the assessment year.

(5) This section is not subject to the provisions of RCW 84.36.805.

(6) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Farmers market" means a regular assembly of vendors at a location for the main purpose of promoting the sale of agricultural products grown, raised, or produced in this state directly to the consumer.

(b) "Multipurpose senior citizen center" means a community facility that provides for a broad spectrum of services to senior citizens, whether provided directly by the nonprofit senior citizen organization that owns the facility or by another person. Such services may include the provision of health, social, nutritional, educational services and the provision of facilities for recreational activities for senior citizens.

(c) "Senior citizen" means a person age sixty or older.

(d) "Senior citizen organization" means a private organization that:

(i) Has a mission, in whole or in part, to support senior citizens;

(ii) Is exempt from federal income tax under section 501(c)(3) of the internal revenue code; and

(iii) Operates a multipurpose senior citizen center.

(e) "Thrift store" means a retail establishment that:

(i) Is operated by a senior citizen organization;

(ii) Is located on the same parcel of real property as the senior citizen organization's multipurpose senior citizen center, or on a contiguous parcel of real property;

(iii) Sells goods, including but not limited to donated goods, as part of the senior citizen organization's fund-raising efforts for the operation of its

multipurpose senior citizen center and the provision of services and activities for senior citizens; and

(iv) If the establishment sells nondonated goods, its gross annual sales of nondonated goods does not exceed ten percent of its total combined gross annual sales of all goods.

Passed by the House February 28, 2017.

Passed by the Senate April 12, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 302

[Engrossed Substitute House Bill 1538]

SUBCONTRACTORS--RETAINAGE--PRIME CONTRACTOR BOND

AN ACT Relating to requiring prime contractors to bond the subcontractor's portion of retainage upon request; and amending RCW 60.28.011.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 60.28.011 and 2015 c 280 s 1 are each amended to read as follows:

(1)(a) Except as provided in (b) of this subsection, public improvement contracts must provide, and public bodies must reserve, a contract retainage not to exceed five percent of the moneys earned by the contractor as a trust fund for the protection and payment of: (i) The claims of any person arising under the contract; and (ii) the state with respect to taxes, increases, and penalties imposed pursuant to Titles 50, 51, and 82 RCW which may be due from such contractor.

(b) Public improvement contracts funded in whole or in part by federal transportation funds must rely upon the contract bond as referred to in chapter 39.08 RCW for the protection and payment of: (i) The claims of any person or persons arising under the contract to the extent such claims are provided for in RCW 39.08.010; and (ii) the state with respect to taxes, increases, and penalties incurred on the public improvement project under Titles 50, 51, and 82 RCW which may be due. The contract bond must remain in full force and effect until, at a minimum, all claims filed in compliance with chapter 39.08 RCW are resolved.

(2) Every person performing labor or furnishing supplies toward the completion of a public improvement contract has a lien upon moneys reserved by a public body under the provisions of a public improvement contract. However, the notice of the lien of the claimant must be given within forty-five days of completion of the contract work, and in the manner provided in RCW 39.08.030.

(3) The contractor at any time may request the contract retainage be reduced to one hundred percent of the value of the work remaining on the project.

(a) After completion of all contract work other than landscaping, the contractor may request that the public body release and pay in full the amounts retained during the performance of the contract, and sixty days thereafter the public body must release and pay in full the amounts retained (other than continuing retention of five percent of the moneys earned for landscaping)

subject to the provisions of chapter((s)) 39.12 (~~and 60.28~~) RCW and this chapter.

(b) Sixty days after completion of all contract work the public body must release and pay in full the amounts retained during the performance of the contract subject to the provisions of chapter((s)) 39.12 (~~and 60.28~~) RCW and this chapter.

(4) The moneys reserved by a public body under the provisions of a public improvement contract, at the option of the contractor, must be:

(a) Retained in a fund by the public body;

(b) Deposited by the public body in an interest bearing account in a bank, mutual savings bank, or savings and loan association. Interest on moneys reserved by a public body under the provision of a public improvement contract must be paid to the contractor;

(c) Placed in escrow with a bank or trust company by the public body. When the moneys reserved are placed in escrow, the public body must issue a check representing the sum of the moneys reserved payable to the bank or trust company and the contractor jointly. This check must be converted into bonds and securities chosen by the contractor and approved by the public body and the bonds and securities must be held in escrow. Interest on the bonds and securities must be paid to the contractor as the interest accrues.

(5) The contractor or subcontractor may withhold payment of not more than five percent from the moneys earned by any subcontractor or sub-subcontractor or supplier contracted with by the contractor to provide labor, materials, or equipment to the public project. Whenever the contractor or subcontractor reserves funds earned by a subcontractor or sub-subcontractor or supplier, the contractor or subcontractor must pay interest to the subcontractor or sub-subcontractor or supplier at a rate equal to that received by the contractor or subcontractor from reserved funds.

(6) A contractor may submit a bond for all or any portion of the contract retainage in a form acceptable to the public body and from an authorized surety insurer. The public body may require that the authorized surety have a minimum A.M. Best financial strength rating so long as that minimum rating does not exceed A-. The public body must comply with the provisions of RCW 48.28.010. ((This)) At any time prior to final formal acceptance of the project, a subcontractor may request the contractor to submit a bond to the public owner for that portion of the contractor's retainage pertaining to the subcontractor in a form acceptable to the public body and from a bonding company meeting standards established by the public body. The contractor may withhold the subcontractor's portion of the bond premium. Within thirty days of receipt of the request, the contractor shall provide and the public body shall accept a bond meeting these requirements unless the public body can demonstrate good cause for refusing to accept it, the bond is not commercially available, or the subcontractor refuses to pay the subcontractor's portion of the bond premium and to provide the contractor with a like bond. The contractor's bond and any proceeds therefrom are subject to all claims and liens and in the same manner and priority as set forth for retained percentages in this chapter. The public body must release the bonded portion of the retained funds to the contractor within thirty days of accepting the bond from the contractor. Whenever a public body accepts a bond in lieu of retained funds from a contractor, the contractor must

accept like bonds from any subcontractors or suppliers from which the contractor has retained funds. The contractor must then release the funds retained from the subcontractor or supplier to the subcontractor or supplier within thirty days of accepting the bond from the subcontractor or supplier.

(7) If the public body administering a contract, after a substantial portion of the work has been completed, finds that an unreasonable delay will occur in the completion of the remaining portion of the contract for any reason not the result of a breach thereof, it may, if the contractor agrees, delete from the contract the remaining work and accept as final the improvement at the stage of completion then attained and make payment in proportion to the amount of the work accomplished and in this case any amounts retained and accumulated under this section must be held for a period of sixty days following the completion. In the event that the work is terminated before final completion as provided in this section, the public body may thereafter enter into a new contract with the same contractor to perform the remaining work or improvement for an amount equal to or less than the cost of the remaining work as was provided for in the original contract without advertisement or bid. The provisions of this chapter are exclusive and supersede all provisions and regulations in conflict herewith.

(8) Whenever the department of transportation has contracted for the construction of two or more ferry vessels, sixty days after completion of all contract work on each ferry vessel, the department must release and pay in full the amounts retained in connection with the construction of the vessel subject to the provisions of RCW 60.28.021 and chapter 39.12 RCW. However, the department of transportation may at its discretion condition the release of funds retained in connection with the completed ferry upon the contractor delivering a good and sufficient bond with two or more sureties, or with a surety company, in the amount of the retained funds to be released to the contractor, conditioned that no taxes may be certified or claims filed for work on the ferry after a period of sixty days following completion of the ferry; and if taxes are certified or claims filed, recovery may be had on the bond by the department of revenue, the employment security department, the department of labor and industries, and the material suppliers and laborers filing claims.

(9) Except as provided in subsection (1) of this section, reservation by a public body for any purpose from the moneys earned by a contractor by fulfilling its responsibilities under public improvement contracts is prohibited.

(10) Contracts on projects funded in whole or in part by farmers home administration and subject to farmers home administration regulations are not subject to subsections (1) through (9) of this section.

(11) This subsection applies only to a public body that has contracted for the construction of a facility using the general contractor/construction manager procedure, as defined under RCW 39.10.210. If the work performed by a subcontractor on the project has been completed within the first half of the time provided in the general contractor/construction manager contract for completing the work, the public body may accept the completion of the subcontract. The public body must give public notice of this acceptance. After a forty-five day period for giving notice of liens, and compliance with the retainage release procedures in RCW 60.28.021, the public body may release that portion of the retained funds associated with the subcontract. Claims against the retained funds after the forty-five day period are not valid.

(12) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Contract retainage" means an amount reserved by a public body from the moneys earned by a person under a public improvement contract.

(b) "Person" means a person or persons, mechanic, subcontractor, or materialperson who performs labor or provides materials for a public improvement contract, and any other person who supplies the person with provisions or supplies for the carrying on of a public improvement contract.

(c) "Public body" means the state, or a county, city, town, district, board, or other public body.

(d) "Public improvement contract" means a contract for public improvements or work, other than for professional services, or a work order as defined in RCW 39.10.210.

Passed by the House March 7, 2017.

Passed by the Senate April 12, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 303

[Engrossed Substitute House Bill 1594]

PUBLIC RECORDS--REQUESTS--ARCHIVING--GRANTS--STUDY

AN ACT Relating to improving public records administration; amending RCW 42.56.010, 42.56.152, 42.56.520, 42.56.570, 40.14.024, and 36.22.175; adding a new section to chapter 40.14 RCW; creating new sections; and providing expiration dates.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 42.56.010 and 2010 c 204 s 1005 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Agency" includes all state agencies and all local agencies. "State agency" includes every state office, department, division, bureau, board, commission, or other state agency. "Local agency" includes every county, city, town, municipal corporation, quasi-municipal corporation, or special purpose district, or any office, department, division, bureau, board, commission, or agency thereof, or other local public agency.

(2) "Person in interest" means the person who is the subject of a record or any representative designated by that person, except that if that person is under a legal disability, "person in interest" means and includes the parent or duly appointed legal representative.

(3) "Public record" includes any writing containing information relating to the conduct of government or the performance of any governmental or proprietary function prepared, owned, used, or retained by any state or local agency regardless of physical form or characteristics. For the office of the secretary of the senate and the office of the chief clerk of the house of representatives, public records means legislative records as defined in RCW 40.14.100 and also means the following: All budget and financial records; personnel leave, travel, and payroll records; records of legislative sessions;

reports submitted to the legislature; and any other record designated a public record by any official action of the senate or the house of representatives. This definition does not include records that are not otherwise required to be retained by the agency and are held by volunteers who:

(a) Do not serve in an administrative capacity;

(b) Have not been appointed by the agency to an agency board, commission, or internship; and

(c) Do not have a supervisory role or delegated agency authority.

(4) "Writing" means handwriting, typewriting, printing, photostating, photographing, and every other means of recording any form of communication or representation including, but not limited to, letters, words, pictures, sounds, or symbols, or combination thereof, and all papers, maps, magnetic or paper tapes, photographic films and prints, motion picture, film and video recordings, magnetic or punched cards, discs, drums, diskettes, sound recordings, and other documents including existing data compilations from which information may be obtained or translated.

Sec. 2. RCW 42.56.152 and 2014 c 66 s 4 are each amended to read as follows:

(1) Public records officers designated under RCW 42.56.580 and records officers designated under RCW 40.14.040 must complete a training course regarding the provisions of this chapter, and also chapter 40.14 RCW for records retention.

(2) Public records officers must:

(a) Complete training no later than ninety days after assuming responsibilities as a public records officer or records manager; and

(b) Complete refresher training at intervals of no more than four years as long as they maintain the designation.

(3) Training must be consistent with the attorney general's model rules for compliance with the public records act.

(4) Training may be completed remotely with technology including but not limited to internet-based training.

(5) Training must address particular issues related to the retention, production, and disclosure of electronic documents, including updating and improving technology information services.

Sec. 3. RCW 42.56.520 and 2010 c 69 s 2 are each amended to read as follows:

(1) Responses to requests for public records shall be made promptly by agencies, the office of the secretary of the senate, and the office of the chief clerk of the house of representatives. Within five business days of receiving a public record request, an agency, the office of the secretary of the senate, or the office of the chief clerk of the house of representatives must respond ~~((by either))~~ in one of the ways provided in this subsection (1):

(a) Providing the record;

~~((2))~~ (b) Providing an internet address and link on the agency's web site to the specific records requested, except that if the requester notifies the agency that he or she cannot access the records through the internet, then the agency must provide copies of the record or allow the requester to view copies using an agency computer;

~~((3))~~ (c) Acknowledging that the agency, the office of the secretary of the senate, or the office of the chief clerk of the house of representatives has received the request and providing a reasonable estimate of the time the agency, the office of the secretary of the senate, or the office of the chief clerk of the house of representatives will require to respond to the request;

(d) Acknowledging that the agency, the office of the secretary of the senate, or the office of the chief clerk of the house of representatives has received the request and asking the requestor to provide clarification for a request that is unclear, and providing, to the greatest extent possible, a reasonable estimate of the time the agency, the office of the secretary of the senate, or the office of the chief clerk of the house of representatives will require to respond to the request if it is not clarified; or

~~((4))~~ (e) Denying the public record request.

(2) Additional time required to respond to a request may be based upon the need to clarify the intent of the request, to locate and assemble the information requested, to notify third persons or agencies affected by the request, or to determine whether any of the information requested is exempt and that a denial should be made as to all or part of the request.

(3)(a) In acknowledging receipt of a public record request that is unclear, an agency, the office of the secretary of the senate, or the office of the chief clerk of the house of representatives may ask the requestor to clarify what information the requestor is seeking.

(b) If the requestor fails to respond to an agency request to clarify the request, and the entire request is unclear, the agency, the office of the secretary of the senate, or the office of the chief clerk of the house of representatives need not respond to it. Otherwise, the agency must respond, pursuant to this section, to those portions of the request that are clear.

(4) Denials of requests must be accompanied by a written statement of the specific reasons therefor. Agencies, the office of the secretary of the senate, and the office of the chief clerk of the house of representatives shall establish mechanisms for the most prompt possible review of decisions denying inspection, and such review shall be deemed completed at the end of the second business day following the denial of inspection and shall constitute final agency action or final action by the office of the secretary of the senate or the office of the chief clerk of the house of representatives for the purposes of judicial review.

Sec. 4. RCW 42.56.570 and 2007 c 197 s 8 are each amended to read as follows:

(1) The attorney general's office shall publish, and update when appropriate, a pamphlet, written in plain language, explaining this chapter.

(2) The attorney general, by February 1, 2006, shall adopt by rule ~~((a))~~ advisory model rules for state and local agencies, as defined in RCW 42.56.010, addressing the following subjects:

- (a) Providing fullest assistance to requestors;
- (b) Fulfilling large requests in the most efficient manner;
- (c) Fulfilling requests for electronic records; and

(d) Any other issues pertaining to public disclosure as determined by the attorney general.

(3) The attorney general, in his or her discretion, may from time to time revise the model rule.

(4) Local agencies should consult the advisory model rules when establishing local ordinances for compliance with the requirements and responsibilities of this chapter.

(5) Until June 30, 2020, the attorney general must establish a consultation program to provide information for developing best practices for local agencies requesting assistance in compliance with this chapter including, but not limited to: Responding to records requests, seeking additional public and private resources for developing and updating technology information services, and mitigating liability and costs of compliance. The attorney general may develop the program in conjunction with the advisory model rule and may collaborate with the chief information officer, the state archivist, and other relevant agencies and organizations in developing and managing the program. The program in this subsection ceases to exist June 30, 2020.

(6) Until June 30, 2020, the state archivist must offer and provide consultation and training services for local agencies on improving record retention practices.

Sec. 5. RCW 40.14.024 and 2008 c 328 s 6005 are each amended to read as follows:

The local government archives account is created in the state treasury. All receipts collected by the county auditors under RCW 40.14.027 and 36.22.175 for local government services, such as providing records (~~(scheduling)~~) schedule compliance, security microfilm inspection and storage, archival preservation, cataloging, and indexing for local government records and digital data and access to those records and data through the regional branch archives of the division of archives and records management, must be deposited into the account, and expenditures from the account may be used only for these purposes. (~~During the 2007-2009 biennium, the legislature may transfer from the local government archives account to the Washington state heritage center account such amounts as reflect the excess fund balance in the account.~~) Any amounts deposited in the account in accordance with RCW 36.22.175(4) may only be expended for the purposes authorized under that provision as follows: No more than fifty percent of funding may be used for the attorney general's consultation program and the state archivist's training services, and the remainder is to be used for the competitive grant program.

NEW SECTION. Sec. 6. A new section is added to chapter 40.14 RCW to read as follows:

(1) The division of archives and records management in the office of the secretary of state must establish and administer a competitive grant program for local agencies to improve technology information systems for public record retention, management, and disclosure, and any related training. The division of archives and records management may use up to six percent of amounts appropriated for the program for administration of the grant program. The program in this subsection ceases to exist June 30, 2020.

(2) Any local agency may apply to the grant program. The division of archives and records management in the office of the secretary of state must award grants annually. The division of archives and records management must consult with the chief information officer to develop the criteria for grant recipient selection with a preference given to small local governmental agencies

based on the applicant agency's need and ability to improve its information technology systems for public record retention, management, and disclosure. The division of archives and records management may award grants for specific hardware, software, equipment, technology services management and training needs, indexing for local records and digital data, and other resources for improving information technology systems. To the extent possible, information technology systems, processes, training, and other resources for improving information technology systems for records retention and distribution may be replicated and shared with other governmental entities. Grants are provided for one-time investments and are not an ongoing source of revenue for operation or management costs. A grantee may not supplant local funding with grant funding provided by the office of the secretary of state. The program in this subsection ceases to exist June 30, 2020.

(3) The joint legislative audit and review committee must conduct a review of the attorney general's consultation program and the state archivist's training services created under section 4, chapter . . . , Laws of 2017 (section 4 of this act), and the local government competitive grant program created under this section. The review must include:

(a)(i) Information on the number of local governments served, the types of consultation and training provided, and the implementation of any practices adopted from the attorney general's consultation program and the state archivist's training services; and

(ii) The effectiveness of the consultation program and the training services in providing assistance for local governments; and

(b)(i) Information on the number of local governments that applied for and participated in the competitive grant program under this section, the amount of funding awarded through the grant program, and how such funding was used; and

(ii) The effectiveness of the grant program in improving local government technology information systems for public records retention, management, disclosure, and training.

(4) Each agency shall maintain a log of public records requests submitted to and processed by the agency, which shall include but not be limited to the following information for each request: The identity of the requestor if provided by the requestor, the date the request was received, the text of the original request, a description of the records produced in response to the request, a description of the records redacted or withheld and the reasons therefor, and the date of the final disposition of the request. The log must be retained by the agency in accordance with the relevant record retention schedule established under this chapter, and shall be a public record subject to disclosure under chapter 42.56 RCW.

(5) To improve best practices for dissemination of public records, each agency with actual staff and legal costs associated with fulfilling public records requests of at least one hundred thousand dollars during the prior fiscal year must, and each agency with such estimated costs of less than one hundred thousand dollars during the prior fiscal year may, report to the joint legislative audit and review committee by July 1st of each subsequent year the following metrics, measured over the preceding year:

(a) An identification of leading practices and processes for records management and retention, including technological upgrades, and what percentage of those leading practices and processes were implemented by the agency;

(b) The average length of time taken to acknowledge receipt of a public records request;

(c) The proportion of requests where the agency provided the requested records within five days of receipt of the request compared to the proportion of requests where the agency provided an estimate of an anticipated response time beyond five days of receipt of the request;

(d) A comparison of the agency's average initial estimate provided for full disclosure of responsive records with the actual time when all responsive records were fully disclosed, including whether the agency sent subsequent estimates of an anticipated response time;

(e) The number of requests where the agency formally sought additional clarification from the requestor;

(f) The number of requests denied and the most common reasons for denying requests;

(g) The number of requests abandoned by requestors;

(h) To the extent the information is known by the agency, requests by type of requestor, including individuals, law firms, organizations, insurers, governments, incarcerated persons, the media, anonymous requestors, current or former employees, and others;

(i) Which portion of requests were fulfilled electronically compared to requests fulfilled by physical records;

(j) The number of requests where the agency was required to scan physical records electronically to fulfill disclosure;

(k) The estimated agency staff time spent on each individual request;

(l) The estimated costs incurred by the agency in fulfilling records requests, including costs for staff compensation and legal review, and a measure of the average cost per request;

(m) The number of claims filed alleging a violation of chapter 42.56 RCW or other public records statutes in the past year involving the agency, categorized by type and exemption at issue, if applicable;

(n) The costs incurred by the agency litigating claims alleging a violation of chapter 42.56 RCW or other public records statutes in the past year, including any penalties imposed on the agency;

(o) The costs incurred by the agency with managing and retaining records, including staff compensation and purchases of equipment, hardware, software, and services to manage and retain public records or otherwise assist in the fulfillment of public records requests;

(p) Expenses recovered by the agency from requestors for fulfilling public records requests, including any customized service charges; and

(q) Measures of requestor satisfaction with agency responses, communication, and processes relating to the fulfillment of public records requests.

(6) The joint legislative audit and review committee must consult with state and local agencies to develop a reporting method and clearly define standardized metrics in accordance with this section.

(7) By December 1, 2019, the joint legislative audit and review committee must report to the legislature on its findings from the review, including recommendations on whether the competitive grant program, the attorney general's consultation program, and the state archivist's training services should continue or be allowed to expire.

Sec. 7. RCW 36.22.175 and 2011 1st sp.s. c 50 s 931 are each amended to read as follows:

(1)(a) In addition to any other charge authorized by law, the county auditor shall charge a surcharge of one dollar per instrument for each document recorded. Revenue generated through this surcharge shall be transmitted monthly to the state treasurer for deposit in the local government archives account under RCW 40.14.024. These funds shall be used solely for providing records (~~scheduling~~) schedule compliance, security microfilm inspection and storage, archival preservation, cataloging, and indexing for local government records and digital data and access to those records and data through the regional branch archives of the division of archives and records management.

(b) The division of archives and records management within the office of the secretary of state shall provide records management training for local governments and shall establish a competitive grant program to solicit and prioritize project proposals from local governments for potential funding to be paid for by funds from the auditor surcharge and tax warrant surcharge revenues. Application for specific projects may be made by local government agencies only. The state archivist in consultation with the advisory committee established under RCW 40.14.027 shall adopt rules governing project eligibility, evaluation, awarding of grants, and other criteria including requirements for records management training for grant recipients.

(2) The advisory committee established under RCW 40.14.027 shall review grant proposals and establish a prioritized list of projects to be considered for funding by January 1st of each even-numbered year, beginning in 2002. The evaluation of proposals and development of the prioritized list must be developed through open public meetings. Funding for projects shall be granted according to the ranking of each application on the prioritized list and projects will be funded only to the extent that funds are available. A grant award may have an effective date other than the date the project is placed on the prioritized list.

(3)(a) In addition to any other surcharge authorized by law, the county auditor shall charge a surcharge of one dollar per instrument for every document recorded after January 1, 2002. Revenue generated through this surcharge shall be transmitted to the state treasurer monthly for deposit in the local government archives account under RCW 40.14.024 to be used exclusively for: (i) The construction and improvement of a specialized regional facility located in eastern Washington designed to serve the archives, records management, and digital data management needs of local government; and (ii) payment of the certificate of participation issued for the Washington state heritage center to the extent there is an excess fund balance in the account and fees generated under RCW 36.18.010 and 43.07.128 are insufficient to meet debt service payments on the certificate of participation.

(b) To the extent the facilities are used for the storage and retrieval of state agency records and digital data, that portion of the construction of such facilities

used for state government records and data shall be supported by other charges and fees paid by state agencies and shall not be supported by the surcharge authorized in this subsection, except that to the extent there is an excess fund balance in the account and fees generated under RCW 36.18.010 and 43.07.128 are insufficient to meet debt service payments for the Washington state heritage center, the local government archives account under RCW 40.14.024 may be used for the Washington state heritage center.

(c) At such time that all debt service from construction of the specialized regional archive facility located in eastern Washington has been paid, fifty percent of the surcharge authorized by this subsection shall be reverted to the centennial document preservation and modernization account as prescribed in RCW 36.22.170 and fifty percent of the surcharge authorized by this section shall be reverted to the state treasurer for deposit in the public records efficiency, preservation, and access account to serve the archives, records management, and digital data management needs of local government, except that the state treasurer shall not revert funds to the centennial document preservation and modernization account and to the public records efficiency, preservation, and access account if fees generated under RCW 36.18.010 and 43.07.128 are insufficient to meet debt service payments on the Washington state heritage center.

(4) In addition to any other surcharge authorized by law, the county auditor shall charge a surcharge of one dollar per instrument for every document recorded. Revenue generated through this surcharge shall be transmitted to the state treasurer monthly for deposit in the local government archives account under RCW 40.14.024 to be used exclusively for the competitive grant program in section 6 of this act, and for the attorney general's consultation program and state archivist's training services authorized in RCW 42.56.570.

NEW SECTION. Sec. 8. (1) Subject to the availability of amounts appropriated for this specific purpose, the division of archives and records management in the office of the secretary of state must conduct a study to assess the feasibility of implementing a statewide open records portal through which a user can request and receive a response through a single internet web site relating to public records information.

(2) The division of archives and records management must hire a consultant to conduct the study.

(3) At a minimum, the report must include:

(a) The feasibility of Washington creating a central site from which a user can submit a records request and receive a timely response to such request;

(b) An examination of the experience in other states, including but not limited to the state of Utah, that have implemented an electronic open records portal;

(c) Whether the open records portals in other states serve as central repositories and archives for the purpose of all public records on behalf of local and state agencies;

(d) Whether other states' open records portals track and provide a timeline where each request is being responded to in the process;

(e) The cost of creating the open records portal in other states and the amount of funds local and state agencies or any other entities contributed to the start-up and ongoing costs to operate the open records portal;

(f) The length of time it took for other states to develop an open records portal from its initial start-up to its current full operation;

(g) The length of time it would take for Washington to develop and implement an open records portal from start-up to full operation that is similar to the portals located in other states;

(h) The length of time it would take for Washington to develop and implement an open records portal from start-up to full operation that would include: (i) The portal collecting, archiving, and holding all public records from local and state governmental agencies in Washington; (ii) the portal being capable of allowing users to submit a public records request through a central site; and (iii) the records portal operating as a central site for answering and providing requested public records to a user;

(i) The estimated cost to develop and implement an open records portal that is: (i) Similar to the open records portals located in other states referenced and reviewed in (g) of this subsection; and (ii) a full open records portal pursuant to (h) of this subsection. In both instances, the costs must include costs associated with local and state governmental agencies in Washington participating in the portal and any needed supporting infrastructure, staffing, and training requirements;

(j) How much is charged and how fees are collected from a user requesting a public record through other states' open records portals;

(k) The feasibility of whether an open records portal created in Washington would be able to track all public records requests, when such requests for public records are made through the open records portal, and provide a timeline where each request is being responded to in the process;

(l) The feasibility of whether an open records portal created in Washington would be able to directly respond to answering a user's public records request and, if not, the feasibility of the portal tracking when a local or state agency responds to such a request and providing a timeline where each request is being responded to in the process;

(m) The feasibility of creating an open records portal in Washington that notifies a requestor that the request has been received and either immediately provides the requestor with a copy of the requested record, notifies the requestor that the record is not available, or notifies the requestor that because of the extraordinary request the record will be available on a date certain;

(n) The feasibility of creating an open records portal through which a requestor can make a request and receive a response through a single internet web site relating to public records information, and the feasibility of agencies managing internet web sites to make public access easier and reduce the number of requests related to the same topic through best practices by offering to post different categories of requested records on the web site in a manner that is responsive to records requests; and

(o) The allocation of liability between the agency operating an open records portal and any agency that provides records through the portal or accepts requests for public records through the portal in the event of litigation regarding denial of access to records or unreasonable estimate of time to produce records in response to a request.

(4) A report must be completed with findings and recommendations on the experience of the electronic open records portal created in other states and the

feasibility of creating a central statewide open records portal in Washington, as well as recommendations and best management practices for agencies to post records that are responsive to records requests on an agency internet web site and take into consideration various categories of records and agency capacities in order to provide broader public access to records of public interest and to reduce the number of requests relating to the same topic. The report must be submitted to the governor, the appropriate committees of the legislature, and members of the stakeholder group in section 9 of this act, by September 1, 2018.

(5) This section expires December 31, 2018.

NEW SECTION. Sec. 9. (1) The division of archives and records management in the office of the secretary of state must convene a stakeholder group by September 1, 2017, to develop the initial scope and direction of the study in section 8 of this act.

(2) The stakeholder group must include seven members as provided in this subsection.

(a) The majority leader and the minority leader of the senate shall appoint one member from each of the two largest caucuses of the senate.

(b) The majority leader and the minority leader of the house of representatives shall appoint one member from each of the two largest caucuses of the house of representatives.

(c) The president of the senate and the speaker of the house of representatives, in consultation with the division of archives and records management, jointly shall appoint the remaining three members. The remaining three members must be representatives of the community who have experience in the retention and disclosure of public records.

(3) This section expires September 30, 2018.

NEW SECTION. Sec. 10. Section 7 of this act expires June 30, 2020.

Passed by the House April 17, 2017.

Passed by the Senate April 10, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 304

[Engrossed House Bill 1595]

PUBLIC RECORDS REQUESTS--FEES--IDENTIFIABLE RECORDS--BOT REQUESTS

AN ACT Relating to costs associated with responding to public records requests; and amending RCW 42.56.070, 42.56.080, 42.56.120, 42.56.130, and 42.56.550.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 42.56.070 and 2005 c 274 s 284 are each amended to read as follows:

(1) Each agency, in accordance with published rules, shall make available for public inspection and copying all public records, unless the record falls within the specific exemptions of subsection ~~((6))~~ (8) of this section, this chapter, or other statute which exempts or prohibits disclosure of specific information or records. To the extent required to prevent an unreasonable invasion of personal privacy interests protected by this chapter, an agency shall delete identifying details in a manner consistent with this chapter when it makes

available or publishes any public record; however, in each case, the justification for the deletion shall be explained fully in writing.

(2) For informational purposes, each agency shall publish and maintain a current list containing every law, other than those listed in this chapter, that the agency believes exempts or prohibits disclosure of specific information or records of the agency. An agency's failure to list an exemption shall not affect the efficacy of any exemption.

(3) Each local agency shall maintain and make available for public inspection and copying a current index providing identifying information as to the following records issued, adopted, or promulgated after January 1, 1973:

(a) Final opinions, including concurring and dissenting opinions, as well as orders, made in the adjudication of cases;

(b) Those statements of policy and interpretations of policy, statute, and the Constitution which have been adopted by the agency;

(c) Administrative staff manuals and instructions to staff that affect a member of the public;

(d) Planning policies and goals, and interim and final planning decisions;

(e) Factual staff reports and studies, factual consultant's reports and studies, scientific reports and studies, and any other factual information derived from tests, studies, reports, or surveys, whether conducted by public employees or others; and

(f) Correspondence, and materials referred to therein, by and with the agency relating to any regulatory, supervisory, or enforcement responsibilities of the agency, whereby the agency determines, or opines upon, or is asked to determine or opine upon, the rights of the state, the public, a subdivision of state government, or of any private party.

(4) A local agency need not maintain such an index, if to do so would be unduly burdensome, but it shall in that event:

(a) Issue and publish a formal order specifying the reasons why and the extent to which compliance would unduly burden or interfere with agency operations; and

(b) Make available for public inspection and copying all indexes maintained for agency use.

(5) Each state agency shall, by rule, establish and implement a system of indexing for the identification and location of the following records:

(a) All records issued before July 1, 1990, for which the agency has maintained an index;

(b) Final orders entered after June 30, 1990, that are issued in adjudicative proceedings as defined in RCW 34.05.010 and that contain an analysis or decision of substantial importance to the agency in carrying out its duties;

(c) Declaratory orders entered after June 30, 1990, that are issued pursuant to RCW 34.05.240 and that contain an analysis or decision of substantial importance to the agency in carrying out its duties;

(d) Interpretive statements as defined in RCW 34.05.010 that were entered after June 30, 1990; and

(e) Policy statements as defined in RCW 34.05.010 that were entered after June 30, 1990.

Rules establishing systems of indexing shall include, but not be limited to, requirements for the form and content of the index, its location and availability

to the public, and the schedule for revising or updating the index. State agencies that have maintained indexes for records issued before July 1, 1990, shall continue to make such indexes available for public inspection and copying. Information in such indexes may be incorporated into indexes prepared pursuant to this subsection. State agencies may satisfy the requirements of this subsection by making available to the public indexes prepared by other parties but actually used by the agency in its operations. State agencies shall make indexes available for public inspection and copying. State agencies may charge a fee to cover the actual costs of providing individual mailed copies of indexes.

(6) A public record may be relied on, used, or cited as precedent by an agency against a party other than an agency and it may be invoked by the agency for any other purpose only if:

(a) It has been indexed in an index available to the public; or

(b) Parties affected have timely notice (actual or constructive) of the terms thereof.

(7) Each agency (~~shall~~) may establish, maintain, and make available for public inspection and copying a statement of the actual (~~(per page cost or other costs, if any,)~~) costs that it charges for providing photocopies or electronically produced copies, of public records and a statement of the factors and manner used to determine the actual (~~(per page cost or other costs, if any)~~) costs. Any statement of costs may be adopted by an agency only after providing notice and public hearing.

(a)(i) In determining the actual (~~(per page)~~) cost for providing (~~(photocopies)~~) copies of public records, an agency may include all costs directly incident to copying such public records including:

(A) The actual cost of the paper and the per page cost for use of agency copying equipment; and

(B) The actual cost of the electronic production or file transfer of the record and the use of any cloud-based data storage and processing service.

(ii) In determining other actual costs for providing (~~(photocopies)~~) copies of public records, an agency may include all costs directly incident to:

(A) Shipping such public records, including the cost of postage or delivery charges and the cost of any container or envelope used; and

(B) Transmitting such records in an electronic format, including the cost of any transmission charge and use of any physical media device provided by the agency.

(b) In determining the actual (~~(per page cost or other)~~) costs for providing copies of public records, an agency may not include staff salaries, benefits, or other general administrative or overhead charges, unless those costs are directly related to the actual cost of copying the public records. Staff time to copy and (~~(mail)~~) send the requested public records may be included in an agency's costs.

(8) (~~(An agency need not calculate the actual per page cost or other costs it charges for providing photocopies of public records if to do so would be unduly burdensome, but in that event: The agency may not charge in excess of fifteen cents per page for photocopies of public records or for the use of agency equipment to photocopy public records and the actual postage or delivery charge and the cost of any container or envelope used to mail the public records to the requestor.~~)

~~(9))~~) This chapter shall not be construed as giving authority to any agency, the office of the secretary of the senate, or the office of the chief clerk of the house of representatives to give, sell or provide access to lists of individuals requested for commercial purposes, and agencies, the office of the secretary of the senate, and the office of the chief clerk of the house of representatives shall not do so unless specifically authorized or directed by law: PROVIDED, HOWEVER, That lists of applicants for professional licenses and of professional licensees shall be made available to those professional associations or educational organizations recognized by their professional licensing or examination board, upon payment of a reasonable charge therefor: PROVIDED FURTHER, That such recognition may be refused only for a good cause pursuant to a hearing under the provisions of chapter 34.05 RCW, the administrative procedure act.

Sec. 2. RCW 42.56.080 and 2016 c 163 s 3 are each amended to read as follows:

(1) A public records request must be for identifiable records. A request for all or substantially all records prepared, owned, used, or retained by an agency is not a valid request for identifiable records under this chapter, provided that a request for all records regarding a particular topic or containing a particular keyword or name shall not be considered a request for all of an agency's records.

(2) Public records shall be available for inspection and copying, and agencies shall, upon request for identifiable public records, make them promptly available to any person including, if applicable, on a partial or installment basis as records that are part of a larger set of requested records are assembled or made ready for inspection or disclosure. Agencies shall not deny a request for identifiable public records solely on the basis that the request is overbroad. Agencies shall not distinguish among persons requesting records, and such persons shall not be required to provide information as to the purpose for the request except to establish whether inspection and copying would violate RCW 42.56.070(~~(9))~~) (8) or 42.56.240(14), or other statute which exempts or prohibits disclosure of specific information or records to certain persons. Agency facilities shall be made available to any person for the copying of public records except when and to the extent that this would unreasonably disrupt the operations of the agency. Agencies shall honor requests received in person during an agency's normal office hours, or by mail or email, for identifiable public records unless exempted by provisions of this chapter. No official format is required for making a records request; however, agencies may recommend that requestors submit requests using an agency provided form or web page.

(3) An agency may deny a bot request that is one of multiple requests from the requestor to the agency within a twenty-four hour period, if the agency establishes that responding to the multiple requests would cause excessive interference with other essential functions of the agency. For purposes of this subsection, "bot request" means a request for public records that an agency reasonably believes was automatically generated by a computer program or script.

Sec. 3. RCW 42.56.120 and 2016 c 163 s 4 are each amended to read as follows:

(1) No fee shall be charged for the inspection of public records or locating public documents and making them available for copying, except as provided in RCW 42.56.240(14) and subsection (3) of this section. A reasonable charge may be imposed for providing copies of public records and for the use by any person of agency equipment or equipment of the office of the secretary of the senate or the office of the chief clerk of the house of representatives to copy public records, which charges shall not exceed the amount necessary to reimburse the agency, the office of the secretary of the senate, or the office of the chief clerk of the house of representatives for its actual costs directly incident to such copying. When calculating any fees authorized under this section, an agency shall use the most reasonable cost-efficient method available to the agency as part of its normal operations. If any agency translates a record into an alternative electronic format at the request of a requestor, the copy created does not constitute a new public record for purposes of this chapter. Scanning paper records to make electronic copies of such records is a method of copying paper records and does not amount to the creation of a new public record.

(2)(a) Agency charges for (~~(photocopies shall)~~) actual costs may only be imposed in accordance with the (~~(actual per page cost or other)~~) costs established and published by the agency pursuant to RCW 42.56.070(7), and in accordance with the statement of factors and manner used to determine the actual costs. In no event may an agency charge a per page cost greater than the actual (~~(per page)~~) cost as established and published by the agency.

(b) An agency need not calculate the actual costs it charges for providing public records if it has rules or regulations declaring the reasons doing so would be unduly burdensome. To the extent the agency has not determined the actual (~~(per page cost for photocopies of)~~) costs of copying public records, the agency may not charge in excess of:

(i) Fifteen cents per page for photocopies of public records, printed copies of electronic public records when requested by the person requesting records, or for the use of agency equipment to photocopy public records;

(ii) Ten cents per page for public records scanned into an electronic format or for the use of agency equipment to scan the records;

(iii) Five cents per each four electronic files or attachment uploaded to email, cloud-based data storage service, or other means of electronic delivery; and

(iv) Ten cents per gigabyte for the transmission of public records in an electronic format or for the use of agency equipment to send the records electronically. The agency shall take reasonable steps to provide the records in the most efficient manner available to the agency in its normal operations; and

(v) The actual cost of any digital storage media or device provided by the agency, the actual cost of any container or envelope used to mail the copies to the requestor, and the actual postage or delivery charge.

(c) The charges in (b) of this subsection may be combined to the extent that more than one type of charge applies to copies produced in response to a particular request.

(d) An agency may charge a flat fee of up to two dollars for any request as an alternative to fees authorized under (a) or (b) of this subsection when the agency reasonably estimates and documents that the costs allowed under this subsection are clearly equal to or more than two dollars. An additional flat fee

shall not be charged for any installment after the first installment of a request produced in installments. An agency that has elected to charge the flat fee in this subsection for an initial installment may not charge the fees authorized under (a) or (b) of this subsection on subsequent installments.

(e) An agency shall not impose copying charges under this section for access to or downloading of records that the agency routinely posts on its public internet web site prior to receipt of a request unless the requestor has specifically requested that the agency provide copies of such records through other means.

(f) A requestor may ask an agency to provide, and if requested an agency shall provide, a summary of the applicable charges before any copies are made and the requestor may revise the request to reduce the number of copies to be made and reduce the applicable charges.

(3)(a)(i) In addition to the charge imposed for providing copies of public records and for the use by any person of agency equipment copying costs, an agency may include a customized service charge. A customized service charge may only be imposed if the agency estimates that the request would require the use of information technology expertise to prepare data compilations, or provide customized electronic access services when such compilations and customized access services are not used by the agency for other agency purposes.

(ii) The customized service charge may reimburse the agency up to the actual cost of providing the services in this subsection.

(b) An agency may not assess a customized service charge unless the agency has notified the requestor of the customized service charge to be applied to the request, including an explanation of why the customized service charge applies, a description of the specific expertise, and a reasonable estimate cost of the charge. The notice also must provide the requestor the opportunity to amend his or her request in order to avoid or reduce the cost of a customized service charge.

(4) An agency may require a deposit in an amount not to exceed ten percent of the estimated cost of providing copies for a request, including a customized service charge. If an agency makes a request available on a partial or installment basis, the agency may charge for each part of the request as it is provided. If an installment of a records request is not claimed or reviewed, the agency is not obligated to fulfill the balance of the request. An agency may waive any charge assessed for a request pursuant to agency rules and regulations. An agency may enter into any contract, memorandum of understanding, or other agreement with a requestor that provides an alternative fee arrangement to the charges authorized in this section, or in response to a voluminous or frequently occurring request.

Sec. 4. RCW 42.56.130 and 2005 c 274 s 286 are each amended to read as follows:

The provisions of RCW 42.56.070(7) and (8) and 42.56.120 that establish or allow agencies to establish the costs charged for photocopies or electronically produced copies of public records do not supersede other statutory provisions, other than in this chapter, authorizing or governing fees for copying public records.

Sec. 5. RCW 42.56.550 and 2011 c 273 s 1 are each amended to read as follows:

(1) Upon the motion of any person having been denied an opportunity to inspect or copy a public record by an agency, the superior court in the county in which a record is maintained may require the responsible agency to show cause why it has refused to allow inspection or copying of a specific public record or class of records. The burden of proof shall be on the agency to establish that refusal to permit public inspection and copying is in accordance with a statute that exempts or prohibits disclosure in whole or in part of specific information or records.

(2) Upon the motion of any person who believes that an agency has not made a reasonable estimate of the time that the agency requires to respond to a public record request or a reasonable estimate of the charges to produce copies of public records, the superior court in the county in which a record is maintained may require the responsible agency to show that the estimate it provided is reasonable. The burden of proof shall be on the agency to show that the estimate it provided is reasonable.

(3) Judicial review of all agency actions taken or challenged under RCW 42.56.030 through 42.56.520 shall be de novo. Courts shall take into account the policy of this chapter that free and open examination of public records is in the public interest, even though such examination may cause inconvenience or embarrassment to public officials or others. Courts may examine any record in camera in any proceeding brought under this section. The court may conduct a hearing based solely on affidavits.

(4) Any person who prevails against an agency in any action in the courts seeking the right to inspect or copy any public record or the right to receive a response to a public record request within a reasonable amount of time shall be awarded all costs, including reasonable attorney fees, incurred in connection with such legal action. In addition, it shall be within the discretion of the court to award such person an amount not to exceed one hundred dollars for each day that he or she was denied the right to inspect or copy said public record.

(5) For actions under this section against counties, the venue provisions of RCW 36.01.050 apply.

(6) Actions under this section must be filed within one year of the agency's claim of exemption or the last production of a record on a partial or installment basis.

Passed by the House April 17, 2017.

Passed by the Senate April 7, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 305

[Substitute House Bill 1683]

SEWER SERVICE--URBAN GROWTH AREAS--EXCEPTIONS

AN ACT Relating to sewer service within urban growth areas; and amending RCW 36.70A.110.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 36.70A.110 and 2010 c 211 s 1 are each amended to read as follows:

(1) Each county that is required or chooses to plan under RCW 36.70A.040 shall designate an urban growth area or areas within which urban growth shall be encouraged and outside of which growth can occur only if it is not urban in nature. Each city that is located in such a county shall be included within an urban growth area. An urban growth area may include more than a single city. An urban growth area may include territory that is located outside of a city only if such territory already is characterized by urban growth whether or not the urban growth area includes a city, or is adjacent to territory already characterized by urban growth, or is a designated new fully contained community as defined by RCW 36.70A.350.

(2) Based upon the growth management population projection made for the county by the office of financial management, the county and each city within the county shall include areas and densities sufficient to permit the urban growth that is projected to occur in the county or city for the succeeding twenty-year period, except for those urban growth areas contained totally within a national historical reserve. As part of this planning process, each city within the county must include areas sufficient to accommodate the broad range of needs and uses that will accompany the projected urban growth including, as appropriate, medical, governmental, institutional, commercial, service, retail, and other nonresidential uses.

Each urban growth area shall permit urban densities and shall include greenbelt and open space areas. In the case of urban growth areas contained totally within a national historical reserve, the city may restrict densities, intensities, and forms of urban growth as determined to be necessary and appropriate to protect the physical, cultural, or historic integrity of the reserve. An urban growth area determination may include a reasonable land market supply factor and shall permit a range of urban densities and uses. In determining this market factor, cities and counties may consider local circumstances. Cities and counties have discretion in their comprehensive plans to make many choices about accommodating growth.

Within one year of July 1, 1990, each county that as of June 1, 1991, was required or chose to plan under RCW 36.70A.040, shall begin consulting with each city located within its boundaries and each city shall propose the location of an urban growth area. Within sixty days of the date the county legislative authority of a county adopts its resolution of intention or of certification by the office of financial management, all other counties that are required or choose to plan under RCW 36.70A.040 shall begin this consultation with each city located within its boundaries. The county shall attempt to reach agreement with each city on the location of an urban growth area within which the city is located. If such an agreement is not reached with each city located within the urban growth area, the county shall justify in writing why it so designated the area an urban growth area. A city may object formally with the department over the designation of the urban growth area within which it is located. Where appropriate, the department shall attempt to resolve the conflicts, including the use of mediation services.

(3) Urban growth should be located first in areas already characterized by urban growth that have adequate existing public facility and service capacities to serve such development, second in areas already characterized by urban growth that will be served adequately by a combination of both existing public facilities

and services and any additional needed public facilities and services that are provided by either public or private sources, and third in the remaining portions of the urban growth areas. Urban growth may also be located in designated new fully contained communities as defined by RCW 36.70A.350.

(4) In general, cities are the units of local government most appropriate to provide urban governmental services. In general, it is not appropriate that urban governmental services be extended to or expanded in rural areas except in those limited circumstances shown to be necessary to protect basic public health and safety and the environment and when such services are financially supportable at rural densities and do not permit urban development.

(5) On or before October 1, 1993, each county that was initially required to plan under RCW 36.70A.040(1) shall adopt development regulations designating interim urban growth areas under this chapter. Within three years and three months of the date the county legislative authority of a county adopts its resolution of intention or of certification by the office of financial management, all other counties that are required or choose to plan under RCW 36.70A.040 shall adopt development regulations designating interim urban growth areas under this chapter. Adoption of the interim urban growth areas may only occur after public notice; public hearing; and compliance with the state environmental policy act, chapter 43.21C RCW, and under this section. Such action may be appealed to the growth management hearings board under RCW 36.70A.280. Final urban growth areas shall be adopted at the time of comprehensive plan adoption under this chapter.

(6) Each county shall include designations of urban growth areas in its comprehensive plan.

(7) An urban growth area designated in accordance with this section may include within its boundaries urban service areas or potential annexation areas designated for specific cities or towns within the county.

(8)(a) Except as provided in (b) of this subsection, the expansion of an urban growth area is prohibited into the one hundred year floodplain of any river or river segment that: (i) Is located west of the crest of the Cascade mountains; and (ii) has a mean annual flow of one thousand or more cubic feet per second as determined by the department of ecology.

(b) Subsection (8)(a) of this section does not apply to:

(i) Urban growth areas that are fully contained within a floodplain and lack adjacent buildable areas outside the floodplain;

(ii) Urban growth areas where expansions are precluded outside floodplains because:

(A) Urban governmental services cannot be physically provided to serve areas outside the floodplain; or

(B) Expansions outside the floodplain would require a river or estuary crossing to access the expansion; or

(iii) Urban growth area expansions where:

(A) Public facilities already exist within the floodplain and the expansion of an existing public facility is only possible on the land to be included in the urban growth area and located within the floodplain; or

(B) Urban development already exists within a floodplain as of July 26, 2009, and is adjacent to, but outside of, the urban growth area, and the expansion

of the urban growth area is necessary to include such urban development within the urban growth area; or

(C) The land is owned by a jurisdiction planning under this chapter or the rights to the development of the land have been permanently extinguished, and the following criteria are met:

(I) The permissible use of the land is limited to one of the following: Outdoor recreation; environmentally beneficial projects, including but not limited to habitat enhancement or environmental restoration; storm water facilities; flood control facilities; or underground conveyances; and

(II) The development and use of such facilities or projects will not decrease flood storage, increase storm water runoff, discharge pollutants to fresh or salt waters during normal operations or floods, or increase hazards to people and property.

(c) For the purposes of this subsection (8), "one hundred year floodplain" means the same as "special flood hazard area" as set forth in WAC 173-158-040 as it exists on July 26, 2009.

(9) If a county, city, or utility has adopted a capital facility plan or utilities element to provide sewer service within the urban growth areas during the twenty-year planning period, nothing in this chapter obligates counties, cities, or utilities to install sanitary sewer systems to properties within urban growth areas designated under subsection (2) of this section by the end of the twenty-year planning period when those properties:

(a)(i) Have existing, functioning, nonpolluting on-site sewage systems;

(ii) Have a periodic inspection program by a public agency to verify the on-site sewage systems function properly and do not pollute surface or groundwater; and

(iii) Have no redevelopment capacity; or

(b) Do not require sewer service because development densities are limited due to wetlands, flood plains, fish and wildlife habitats, or geological hazards.

Passed by the House March 3, 2017.

Passed by the Senate April 10, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 306

[Substitute House Bill 1717]

BIOMETRIC IDENTIFIERS--STATE AGENCIES

AN ACT Relating to state agency collection, use, and retention of biometric identifiers; and adding a new chapter to Title 40 RCW.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that the collection and use of personal information has been a practice of virtually all state agencies and programs. Advances in technology have given rise to new forms of data, such as email and internet protocol (IP) addresses, which can be easily collected and stored along with traditional types of data such as names and dates of birth. One new form of personally identifiable information is biometric identifiers. The

unique nature of this new type of personal data calls for additional guidance regarding its use by state agencies.

NEW SECTION. Sec. 2. (1) An agency may not collect, capture, purchase, or otherwise obtain a biometric identifier without first providing notice and obtaining the individual's consent, as follows:

(a) The notice provided must clearly specify the purpose and use of the biometric identifier; and

(b) The consent obtained must be specific to the terms of the notice, and must be recorded and maintained by the agency for the duration of the retention of the biometric identifier.

(2) Any biometric identifier obtained by an agency:

(a) May not be sold;

(b) May only be used consistent with the terms of the notice and consent obtained under subsection (1) of this section; and

(c) May be shared, including with other state agencies or local governments, only:

(i) As needed to execute the purposes of the collection, consistent with the notice and consent obtained under subsection (1) of this section; or

(ii) If such sharing is specified within the original consent.

(3) An agency that collects, purchases, or otherwise obtains biometric identifiers must:

(a) Establish security policies that ensure the integrity and appropriate confidentiality of the biometric identifiers;

(b) Address biometric identifiers in the agency's privacy policies;

(c) Only retain biometric identifiers necessary to fulfill the original purpose and use, as specified in the notice and consent obtained under subsection (1) of this section;

(d) Set record retention schedules tailored to the original purpose of the collection of biometric identifiers;

(e) Otherwise minimize the review and retention of the biometric identifiers, consistent with state record retention requirements; and

(f) Design a biometric policy to ensure that the agency is minimizing the collection of biometric identifiers to the fewest number necessary to accomplish the agency mission.

(4) The use and storage of biometric identifiers obtained by an agency must comply with all other applicable state and federal laws and regulations, including the health insurance portability and accountability act (HIPAA), the family educational rights and privacy act (FERPA), regulations regarding data breach notifications and individual privacy protections, and any policies or standards published by the office of the chief information officer.

(5) Biometric identifiers used or retained by an agency or a general authority Washington law enforcement agency may not be disclosed under the public records act, chapter 42.56 RCW.

(6) Agency policies, regulations, guidance, and retention schedules regarding biometric identifiers must be reviewed annually to incorporate any new technology, as appropriate, and respond to citizen complaints.

(7) The following definitions apply for purposes of this section:

(a) "Agency" means every state office, department, division, bureau, board, commission, or other state agency, except that it does not include a general authority Washington law enforcement agency.

(b) "Biometric identifier" means any information, regardless of how it is captured, converted, stored, or shared, based on an individual's retina or iris scan, fingerprint, voiceprint, or scan of hand or face geometry, except when such information is derived from:

(i) Writing samples, written signatures, photographs, human biological samples used for valid scientific testing or screening, demographic data, tattoo descriptions, or physical descriptions such as height, weight, hair color, or eye color;

(ii) Donated organ tissues or parts, or blood or serum stored on behalf of recipients or potential recipients of living or cadaveric transplants and obtained or stored by a federally designated organ procurement agency;

(iii) Information captured from a patient in a health care setting or information collected, used, or stored for health care treatment, payment, or operations under the federal health insurance portability and accountability act of 1996; or

(iv) X-ray, roentgen process, computed tomography, magnetic resonance imaging (MRI), positron emission tomography (PET) scan, mammography, or other image or film of the human anatomy used to diagnose, prognose, or treat an illness or other medical condition or to further validate scientific testing or screening.

(c) "General authority Washington law enforcement agency" has the definition given in RCW 10.93.020.

NEW SECTION. Sec. 3. Sections 1 and 2 of this act constitute a new chapter in Title 40 RCW.

Passed by the House March 2, 2017.

Passed by the Senate April 11, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 307

[Substitute House Bill 1845]

ELECTRONIC INSURANCE NOTICES AND DOCUMENTS--DIGITAL SIGNATURE

AN ACT Relating to the delivery of insurance notices and documents by electronic means; and amending RCW 48.185.005.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 48.185.005 and 2015 c 263 s 1 are each amended to read as follows:

The definitions in this subsection apply throughout this chapter unless the context clearly requires otherwise.

(1)(a)(i) "Delivered by electronic means" includes:

(A) Delivery to an electronic mail address at which a party has consented to receive notices or documents; or

(B) Posting on an electronic network or site accessible via the internet, mobile application, computer, mobile device, tablet, or any other electronic

device, together with separate notice of the posting which shall be provided by electronic mail to the address at which the party has consented to receive notice or by any other delivery method that has been consented to by the party.

(i) "Delivered by electronic means" does not include any communication between an insurer and an insurance producer relating to RCW 48.17.591 and 48.17.595.

(b) "Party" means any recipient of any notice or document required as part of an insurance transaction, including but not limited to an applicant, an insured, a policyholder, or an annuity contract holder.

(2) Subject to the requirements of this section, any notice to a party or any other document required under applicable law in an insurance transaction or that is to serve as evidence of insurance coverage may be delivered, stored, and presented by electronic means so long as it meets the requirements of the Washington electronic authentication act (chapter 19.34 RCW). An electronic signature is the equivalent of a digital signature, as those terms are defined in chapter 19.34 RCW, for the purposes of satisfying the requirements of chapter 19.34 RCW under this chapter.

(3) Delivery of a notice or document in accordance with this section is the equivalent to any delivery method required under applicable law, including delivery by first-class mail; first-class mail, postage prepaid; certified mail; or registered mail.

(4) A notice or document may be delivered by an insurer to a party by electronic means under this section only if:

(a) The party has affirmatively consented to that method of delivery and has not withdrawn the consent;

(b) The party, before giving consent, has been provided with a clear and conspicuous statement informing the party of:

(i) The right the party has to withdraw consent to have a notice or document delivered by electronic means at any time, and any conditions or consequences imposed in the event consent is withdrawn;

(ii) The types of notices and documents to which the party's consent would apply;

(iii) The right of a party to have a notice or document in paper form; and

(iv) The procedures a party must follow to withdraw consent to have a notice or document delivered by electronic means and to update the party's electronic mail address;

(c) The party:

(i) Before giving consent, has been provided with a statement of the hardware and software requirements for access to and retention of notices or documents delivered by electronic means; and

(ii) Consents electronically, or confirms consent electronically, in a manner that reasonably demonstrates that the party can access information in the electronic form that will be used for notices or documents delivered by electronic means as to which the party has given consent; and

(d) After consent of the party is given, the insurer, in the event a change in the hardware or software requirements needed to access or retain a notice or document delivered by electronic means creates a material risk that the party will not be able to access or retain a subsequent notice or document to which the consent applies:

(i) Shall provide the party with a statement that describes:

(A) The revised hardware and software requirements for access to and retention of a notice or document delivered by electronic means; and

(B) The right of the party to withdraw consent without the imposition of any fee, condition, or consequence that was not disclosed at the time of initial consent; and

(ii) Complies with (b) of this subsection.

(5) This section does not affect requirements related to content or timing of any notice or document required under applicable law.

(6) If this title or applicable law requiring a notice or document to be provided to a party expressly requires verification or acknowledgment of receipt of the notice or document, the notice or document may be delivered by electronic means only if the method used provides for verification or acknowledgment of receipt.

(7) The legal effectiveness, validity, or enforceability of any contract or policy of insurance executed by a party may not be denied solely because of the failure to obtain electronic consent or confirmation of consent of the party in accordance with subsection (4)(c)(ii) of this section.

(8)(a) A withdrawal of consent by a party does not affect the legal effectiveness, validity, or enforceability of a notice or document delivered by electronic means to the party before the withdrawal of consent is effective.

(b) A withdrawal of consent by a party is effective within a reasonable period of time, not to exceed thirty days, after receipt of the withdrawal by the insurer.

(c) Failure by an insurer to comply with subsections (4)(d) and (10) of this section may be treated, at the election of the party, as a withdrawal of consent for purposes of this section.

(9) This section does not apply to a notice or document delivered by an insurer in an electronic form before July 24, 2015, to a party who, before that date, has consented to receive a notice or document in an electronic form otherwise allowed by law.

(10) If the consent of a party to receive certain notices or documents in an electronic form is on file with an insurer before July 24, 2015, and pursuant to this section, an insurer intends to deliver additional notices or documents to such party in an electronic form, then prior to delivering such additional notices or documents electronically, the insurer shall:

(a) Provide the party with a statement that describes:

(i) The notices or documents that shall be delivered by electronic means under this section that were not previously delivered electronically; and

(ii) The party's right to withdraw consent to have notices or documents delivered by electronic means, without the imposition of any condition or consequence that was not disclosed at the time of initial consent; and

(b) Comply with subsection (4)(b) of this section.

(11) An insurer shall deliver a notice or document by any other delivery method permitted by law other than electronic means if:

(a) The insurer attempts to deliver the notice or document by electronic means and has a reasonable basis for believing that the notice or document has not been received by the party; or

(b) The insurer becomes aware that the electronic mail address provided by the party is no longer valid.

(12) A producer shall not be subject to civil liability for any harm or injury that occurs as a result of a party's election to receive any notice or document by electronic means or by an insurer's failure to deliver a notice or document by electronic means.

(13) This section does not modify, limit, or supersede the provisions of the federal electronic signatures in global and national commerce act (E-SIGN), P.L. 106-229, as amended.

Passed by the House April 13, 2017.

Passed by the Senate April 5, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 308

[Substitute House Bill 1863]

NATIONAL FIRE INCIDENT REPORTING SYSTEM--ADMINISTRATION

AN ACT Relating to the national fire incident reporting system; amending RCW 43.44.060; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 43.44.060 and 2010 1st sp.s. c 7 s 50 are each amended to read as follows:

(1) The chief of each organized fire department, or the sheriff or other designated county official having jurisdiction over areas not within the jurisdiction of any fire department, shall report statistical information and data to the chief of the Washington state patrol, through the director of fire protection, on each fire occurring within the official's jurisdiction and, within two business days, report any death resulting from fire.

(2) Reports submitted pursuant to subsection (1) of this section shall be consistent with the national fire incident reporting system developed by the United States fire administration and rules established by the chief of the Washington state patrol, through the director of fire protection. Rules established by the chief of the Washington state patrol, through the director of fire protection, must require fire departments to report data on the age of any structure involved in a fire when that information is available through property records or other methods.

(3) Subject to availability of amounts appropriated for this specific purpose, the chief of the Washington state patrol, through the director of fire protection, shall administer the national fire incident reporting system including, but not limited to, the following responsibilities:

(a) Purchasing equipment, including software, needed for the operation of the reporting system;

(b) Establishing procedures, standards, and guidelines pertaining to the statistical information and data reported by fire departments through the reporting system;

(c) Providing training and education to fire departments pertaining to the reporting system; and

(d) Employing staff to administer the reporting system, as needed.

(4) The chief of the Washington state patrol, through the director of fire protection, and the department of natural resources shall jointly determine the statistical information to be reported on fires on land under the jurisdiction of the department of natural resources.

~~((2))~~ (5) The chief of the Washington state patrol, through the director of fire protection, shall analyze the information and data reported, compile a report, and distribute a copy annually by July 1st to each chief fire official in the state. Upon request, the chief of the Washington state patrol, through the director of fire protection, shall also furnish a copy of the report to any other interested person at cost.

(6) For purposes of this section, "national fire incident reporting system" or "reporting system" means the national fire incident reporting system or the state equivalent as selected by the chief of the Washington state patrol, through the director of fire protection.

NEW SECTION. Sec. 2. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2017, in the omnibus appropriations act, this act is null and void.

Passed by the House April 18, 2017.

Passed by the Senate April 10, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 309

[Substitute House Bill 2202]

EMERGENCY MEDICAL TECHNICIANS--LEOFF PLAN 2 MEMBERSHIP

AN ACT Relating to the eligibility of emergency medical technicians for membership in the law enforcement officers' and firefighters' retirement system plan 2; amending RCW 41.26.030; and adding new sections to chapter 41.26 RCW.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 41.26.030 and 2012 c 236 s 2 are each amended to read as follows:

As used in this chapter, unless a different meaning is plainly required by the context:

(1) "Accumulated contributions" means the employee's contributions made by a member, including any amount paid under RCW 41.50.165(2), plus accrued interest credited thereon.

(2) "Actuarial reserve" means a method of financing a pension or retirement plan wherein reserves are accumulated as the liabilities for benefit payments are incurred in order that sufficient funds will be available on the date of retirement of each member to pay the member's future benefits during the period of retirement.

(3) "Actuarial valuation" means a mathematical determination of the financial condition of a retirement plan. It includes the computation of the present monetary value of benefits payable to present members, and the present monetary value of future employer and employee contributions, giving effect to

mortality among active and retired members and also to the rates of disability, retirement, withdrawal from service, salary and interest earned on investments.

(4)(a) "Basic salary" for plan 1 members, means the basic monthly rate of salary or wages, including longevity pay but not including overtime earnings or special salary or wages, upon which pension or retirement benefits will be computed and upon which employer contributions and salary deductions will be based.

(b) "Basic salary" for plan 2 members, means salaries or wages earned by a member during a payroll period for personal services, including overtime payments, and shall include wages and salaries deferred under provisions established pursuant to sections 403(b), 414(h), and 457 of the United States Internal Revenue Code, but shall exclude lump sum payments for deferred annual sick leave, unused accumulated vacation, unused accumulated annual leave, or any form of severance pay. In any year in which a member serves in the legislature the member shall have the option of having such member's basic salary be the greater of:

(i) The basic salary the member would have received had such member not served in the legislature; or

(ii) Such member's actual basic salary received for nonlegislative public employment and legislative service combined. Any additional contributions to the retirement system required because basic salary under (b)(i) of this subsection is greater than basic salary under (b)(ii) of this subsection shall be paid by the member for both member and employer contributions.

(5)(a) "Beneficiary" for plan 1 members, means any person in receipt of a retirement allowance, disability allowance, death benefit, or any other benefit described herein.

(b) "Beneficiary" for plan 2 members, means any person in receipt of a retirement allowance or other benefit provided by this chapter resulting from service rendered to an employer by another person.

(6)(a) "Child" or "children" means an unmarried person who is under the age of eighteen or mentally or physically disabled as determined by the department, except a person who is disabled and in the full time care of a state institution, who is:

(i) A natural born child;

(ii) A stepchild where that relationship was in existence prior to the date benefits are payable under this chapter;

(iii) A posthumous child;

(iv) A child legally adopted or made a legal ward of a member prior to the date benefits are payable under this chapter; or

(v) An illegitimate child legitimized prior to the date any benefits are payable under this chapter.

(b) A person shall also be deemed to be a child up to and including the age of twenty years and eleven months while attending any high school, college, or vocational or other educational institution accredited, licensed, or approved by the state, in which it is located, including the summer vacation months and all other normal and regular vacation periods at the particular educational institution after which the child returns to school.

(7) "Department" means the department of retirement systems created in chapter 41.50 RCW.

(8) "Director" means the director of the department.

(9) "Disability board" for plan 1 members means either the county disability board or the city disability board established in RCW 41.26.110.

(10) "Disability leave" means the period of six months or any portion thereof during which a member is on leave at an allowance equal to the member's full salary prior to the commencement of disability retirement. The definition contained in this subsection shall apply only to plan 1 members.

(11) "Disability retirement" for plan 1 members, means the period following termination of a member's disability leave, during which the member is in receipt of a disability retirement allowance.

(12) "Domestic partners" means two adults who have registered as domestic partners under RCW 26.60.020.

(13) "Employee" means any law enforcement officer or firefighter as defined in subsections (16) and (18) of this section.

(14)(a) "Employer" for plan 1 members, means the legislative authority of any city, town, county, or district or the elected officials of any municipal corporation that employs any law enforcement officer and/or firefighter, any authorized association of such municipalities, and, except for the purposes of RCW 41.26.150, any labor guild, association, or organization, which represents the firefighters or law enforcement officers of at least seven cities of over 20,000 population and the membership of each local lodge or division of which is composed of at least sixty percent law enforcement officers or firefighters as defined in this chapter.

(b) "Employer" for plan 2 members, means the following entities to the extent that the entity employs any law enforcement officer and/or firefighter:

(i) The legislative authority of any city, town, county, ~~((or))~~ district, or public corporation established under RCW 35.21.730 to provide emergency medical services as defined in RCW 18.73.030;

(ii) The elected officials of any municipal corporation;

(iii) The governing body of any other general authority law enforcement agency; or

(iv) A four-year institution of higher education having a fully operational fire department as of January 1, 1996.

(c) Except as otherwise specifically provided in this chapter, "employer" does not include a government contractor. For purposes of this subsection, a "government contractor" is any entity, including a partnership, limited liability company, for-profit or nonprofit corporation, or person, that provides services pursuant to a contract with an "employer." The determination whether an employer-employee relationship has been established is not based on the relationship between a government contractor and an "employer," but is based solely on the relationship between a government contractor's employee and an "employer" under this chapter.

(15)(a) "Final average salary" for plan 1 members, means (i) for a member holding the same position or rank for a minimum of twelve months preceding the date of retirement, the basic salary attached to such same position or rank at time of retirement; (ii) for any other member, including a civil service member who has not served a minimum of twelve months in the same position or rank preceding the date of retirement, the average of the greatest basic salaries payable to such member during any consecutive twenty-four month period

within such member's last ten years of service for which service credit is allowed, computed by dividing the total basic salaries payable to such member during the selected twenty-four month period by twenty-four; (iii) in the case of disability of any member, the basic salary payable to such member at the time of disability retirement; (iv) in the case of a member who hereafter vests pursuant to RCW 41.26.090, the basic salary payable to such member at the time of vesting.

(b) "Final average salary" for plan 2 members, means the monthly average of the member's basic salary for the highest consecutive sixty service credit months of service prior to such member's retirement, termination, or death. Periods constituting authorized unpaid leaves of absence may not be used in the calculation of final average salary.

(c) In calculating final average salary under (a) or (b) of this subsection, the department of retirement systems shall include:

(i) Any compensation forgone by a member employed by a state agency or institution during the 2009-2011 fiscal biennium as a result of reduced work hours, mandatory or voluntary leave without pay, temporary reduction in pay implemented prior to December 11, 2010, or temporary layoffs if the reduced compensation is an integral part of the employer's expenditure reduction efforts, as certified by the employer; and

(ii) Any compensation forgone by a member employed by the state or a local government employer during the 2011-2013 fiscal biennium as a result of reduced work hours, mandatory leave without pay, temporary layoffs, or reductions to current pay if the reduced compensation is an integral part of the employer's expenditure reduction efforts, as certified by the employer. Reductions to current pay shall not include elimination of previously agreed upon future salary increases.

(16) "Firefighter" means:

(a) Any person who is serving on a full time, fully compensated basis as a member of a fire department of an employer and who is serving in a position which requires passing a civil service examination for firefighter, and who is actively employed as such;

(b) Anyone who is actively employed as a full time firefighter where the fire department does not have a civil service examination;

(c) Supervisory firefighter personnel;

(d) Any full time executive secretary of an association of fire protection districts authorized under RCW 52.12.031. The provisions of this subsection (16)(d) shall not apply to plan 2 members;

(e) The executive secretary of a labor guild, association or organization (which is an employer under subsection (14) of this section), if such individual has five years previous membership in a retirement system established in chapter 41.16 or 41.18 RCW. The provisions of this subsection (16)(e) shall not apply to plan 2 members;

(f) Any person who is serving on a full time, fully compensated basis for an employer, as a fire dispatcher, in a department in which, on March 1, 1970, a dispatcher was required to have passed a civil service examination for firefighter;

(g) Any person who on March 1, 1970, was employed on a full time, fully compensated basis by an employer, and who on May 21, 1971, was making

retirement contributions under the provisions of chapter 41.16 or 41.18 RCW; and

(h) Any person who is employed on a full-time, fully compensated basis by an employer as an emergency medical technician that meets the requirements of RCW 18.71.200 or 18.73.030(12), and whose duties include providing emergency medical services as defined in RCW 18.73.030.

(17) "General authority law enforcement agency" means any agency, department, or division of a municipal corporation, political subdivision, or other unit of local government of this state, and any agency, department, or division of state government, having as its primary function the detection and apprehension of persons committing infractions or violating the traffic or criminal laws in general, but not including the Washington state patrol. Such an agency, department, or division is distinguished from a limited authority law enforcement agency having as one of its functions the apprehension or detection of persons committing infractions or violating the traffic or criminal laws relating to limited subject areas, including but not limited to, the state departments of natural resources and social and health services, the state gambling commission, the state lottery commission, the state parks and recreation commission, the state utilities and transportation commission, the state liquor ~~((control))~~ and cannabis board, and the state department of corrections. A general authority law enforcement agency under this chapter does not include a government contractor.

(18) "Law enforcement officer" beginning January 1, 1994, means any person who is commissioned and employed by an employer on a full time, fully compensated basis to enforce the criminal laws of the state of Washington generally, with the following qualifications:

(a) No person who is serving in a position that is basically clerical or secretarial in nature, and who is not commissioned shall be considered a law enforcement officer;

(b) Only those deputy sheriffs, including those serving under a different title pursuant to county charter, who have successfully completed a civil service examination for deputy sheriff or the equivalent position, where a different title is used, and those persons serving in unclassified positions authorized by RCW 41.14.070 except a private secretary will be considered law enforcement officers;

(c) Only such full time commissioned law enforcement personnel as have been appointed to offices, positions, or ranks in the police department which have been specifically created or otherwise expressly provided for and designated by city charter provision or by ordinance enacted by the legislative body of the city shall be considered city police officers;

(d) The term "law enforcement officer" also includes the executive secretary of a labor guild, association or organization (which is an employer under subsection (14) of this section) if that individual has five years previous membership in the retirement system established in chapter 41.20 RCW. The provisions of this subsection (18)(d) shall not apply to plan 2 members; and

(e) The term "law enforcement officer" also includes a person employed on or after January 1, 1993, as a public safety officer or director of public safety, so long as the job duties substantially involve only either police or fire duties, or both, and no other duties in a city or town with a population of less than ten

thousand. The provisions of this subsection (18)(e) shall not apply to any public safety officer or director of public safety who is receiving a retirement allowance under this chapter as of May 12, 1993.

(19) "Medical services" for plan 1 members, shall include the following as minimum services to be provided. Reasonable charges for these services shall be paid in accordance with RCW 41.26.150.

(a) Hospital expenses: These are the charges made by a hospital, in its own behalf, for

(i) Board and room not to exceed semiprivate room rate unless private room is required by the attending physician due to the condition of the patient.

(ii) Necessary hospital services, other than board and room, furnished by the hospital.

(b) Other medical expenses: The following charges are considered "other medical expenses", provided that they have not been considered as "hospital expenses".

(i) The fees of the following:

(A) A physician or surgeon licensed under the provisions of chapter 18.71 RCW;

(B) An osteopathic physician and surgeon licensed under the provisions of chapter 18.57 RCW;

(C) A chiropractor licensed under the provisions of chapter 18.25 RCW.

(ii) The charges of a registered graduate nurse other than a nurse who ordinarily resides in the member's home, or is a member of the family of either the member or the member's spouse.

(iii) The charges for the following medical services and supplies:

(A) Drugs and medicines upon a physician's prescription;

(B) Diagnostic X-ray and laboratory examinations;

(C) X-ray, radium, and radioactive isotopes therapy;

(D) Anesthesia and oxygen;

(E) Rental of iron lung and other durable medical and surgical equipment;

(F) Artificial limbs and eyes, and casts, splints, and trusses;

(G) Professional ambulance service when used to transport the member to or from a hospital when injured by an accident or stricken by a disease;

(H) Dental charges incurred by a member who sustains an accidental injury to his or her teeth and who commences treatment by a legally licensed dentist within ninety days after the accident;

(I) Nursing home confinement or hospital extended care facility;

(J) Physical therapy by a registered physical therapist;

(K) Blood transfusions, including the cost of blood and blood plasma not replaced by voluntary donors;

(L) An optometrist licensed under the provisions of chapter 18.53 RCW.

(20) "Member" means any firefighter, law enforcement officer, or other person as would apply under subsections (16) or (18) of this section whose membership is transferred to the Washington law enforcement officers' and firefighters' retirement system on or after March 1, 1970, and every law enforcement officer and firefighter who is employed in that capacity on or after such date.

(21) "Plan 1" means the law enforcement officers' and firefighters' retirement system, plan 1 providing the benefits and funding provisions covering persons who first became members of the system prior to October 1, 1977.

(22) "Plan 2" means the law enforcement officers' and firefighters' retirement system, plan 2 providing the benefits and funding provisions covering persons who first became members of the system on and after October 1, 1977.

(23) "Position" means the employment held at any particular time, which may or may not be the same as civil service rank.

(24) "Regular interest" means such rate as the director may determine.

(25) "Retiree" for persons who establish membership in the retirement system on or after October 1, 1977, means any member in receipt of a retirement allowance or other benefit provided by this chapter resulting from service rendered to an employer by such member.

(26) "Retirement fund" means the "Washington law enforcement officers' and firefighters' retirement system fund" as provided for herein.

(27) "Retirement system" means the "Washington law enforcement officers' and firefighters' retirement system" provided herein.

(28)(a) "Service" for plan 1 members, means all periods of employment for an employer as a firefighter or law enforcement officer, for which compensation is paid, together with periods of suspension not exceeding thirty days in duration. For the purposes of this chapter service shall also include service in the armed forces of the United States as provided in RCW 41.26.190. Credit shall be allowed for all service credit months of service rendered by a member from and after the member's initial commencement of employment as a firefighter or law enforcement officer, during which the member worked for seventy or more hours, or was on disability leave or disability retirement. Only service credit months of service shall be counted in the computation of any retirement allowance or other benefit provided for in this chapter.

(i) For members retiring after May 21, 1971 who were employed under the coverage of a prior pension act before March 1, 1970, "service" shall also include (A) such military service not exceeding five years as was creditable to the member as of March 1, 1970, under the member's particular prior pension act, and (B) such other periods of service as were then creditable to a particular member under the provisions of RCW 41.18.165, 41.20.160, or 41.20.170. However, in no event shall credit be allowed for any service rendered prior to March 1, 1970, where the member at the time of rendition of such service was employed in a position covered by a prior pension act, unless such service, at the time credit is claimed therefor, is also creditable under the provisions of such prior act.

(ii) A member who is employed by two employers at the same time shall only be credited with service to one such employer for any month during which the member rendered such dual service.

(b) "Service" for plan 2 members, means periods of employment by a member for one or more employers for which basic salary is earned for ninety or more hours per calendar month which shall constitute a service credit month. Periods of employment by a member for one or more employers for which basic salary is earned for at least seventy hours but less than ninety hours per calendar month shall constitute one-half service credit month. Periods of employment by

a member for one or more employers for which basic salary is earned for less than seventy hours shall constitute a one-quarter service credit month.

Members of the retirement system who are elected or appointed to a state elective position may elect to continue to be members of this retirement system.

Service credit years of service shall be determined by dividing the total number of service credit months of service by twelve. Any fraction of a service credit year of service as so determined shall be taken into account in the computation of such retirement allowance or benefits.

If a member receives basic salary from two or more employers during any calendar month, the individual shall receive one service credit month's service credit during any calendar month in which multiple service for ninety or more hours is rendered; or one-half service credit month's service credit during any calendar month in which multiple service for at least seventy hours but less than ninety hours is rendered; or one-quarter service credit month during any calendar month in which multiple service for less than seventy hours is rendered.

(29) "Service credit month" means a full service credit month or an accumulation of partial service credit months that are equal to one.

(30) "Service credit year" means an accumulation of months of service credit which is equal to one when divided by twelve.

(31) "State actuary" or "actuary" means the person appointed pursuant to RCW 44.44.010(2).

(32) "State elective position" means any position held by any person elected or appointed to statewide office or elected or appointed as a member of the legislature.

(33) "Surviving spouse" means the surviving widow or widower of a member. "Surviving spouse" shall not include the divorced spouse of a member except as provided in RCW 41.26.162.

NEW SECTION. Sec. 2. A new section is added to chapter 41.26 RCW under subchapter heading "plan 2" to read as follows:

(1) A member who provided service as an emergency medical technician to an employer may establish credit for such service rendered on or after July 24, 2005, and prior to the effective date of this section, unless that service is already credited. Upon receipt of a written request, the department of retirement systems must notify the member of the cost to establish credit for all or part of such service.

(a) Before July 1, 2018, a member not enrolled in the public employees' retirement system for service between July 24, 2005, and the effective date of this section may elect to establish credit in plan 2 under this section. Such election must be filed in writing with the department of retirement systems by June 30, 2018. The elected period must be in contiguous monthly increments beginning with the oldest service.

(i) To establish service under this section, except as provided in section 3 of this act, the member must pay the employee contributions he or she would have paid if he or she had been participating in the retirement system at the time of the service:

(A) No later than five years from the effective date of the election made under this section; and

(B) Prior to retirement.

(ii) Upon full payment of employee contributions for the elected period of service the department of retirement systems must:

(A) Credit the member with the service; and

(B) Bill the employer for the employer contributions it would have paid if such member had been participating in the retirement system at the time of such service. The amount billed to the employer by the department of retirement systems must be reduced by the amount of any employer contributions to an employee's retirement account prior to January 1, 2016, not to exceed three percent of the member's basic salary from July 1, 2005, through December 31, 2015.

(iii) The employer shall pay the required amount prior to July 1, 2028.

(b)(i) A member of the public employees' retirement system who is eligible for membership in the law enforcement officers' and firefighters' retirement system plan 2 under this section may:

(A) Make an election in writing to the department of retirement systems by January 1, 2018, to remain a member of the public employees' retirement system and not participate in the law enforcement officers' and firefighters' retirement system plan 2;

(B) Leave any service credit earned as a member of the public employees' retirement system in the public employees' retirement system, and have service rendered on or after January 1, 2018, as an emergency medical technician in the law enforcement officers' and firefighters' retirement system plan 2, becoming a dual member under the provisions of chapter 41.54 RCW; or

(C) Before July 1, 2018, elect to transfer service credit previously earned as an emergency medical technician to the law enforcement officers' and firefighters' retirement system plan 2 as defined in RCW 41.26.030. Such election must be filed in writing with the department of retirement systems by June 30, 2018.

(I) A member who elects to transfer service credit under this subsection (1)(b) shall pay, for the applicable period of service, the difference between the contributions the employee paid to the public employees' retirement system plan and the contributions that would have been paid by the employee had the employee been a member of the law enforcement officers' and firefighters' retirement system plan 2, plus interest on this difference as determined by the director.

(II) The payment under (a) of this subsection must be made no later than five years from the effective date of the election and must be made prior to retirement, except as provided under section 3 of this act.

(2) Upon transfer or establishment of service credit, contributions, and interest under this section, the employee is permanently excluded from membership in the public employees' retirement system for all service transfers related to their time served as an emergency medical technician under the public employees' retirement system.

(3) Employers shall provide the department of retirement systems with a list of former employees who were employed as emergency medical technicians on or after July 24, 2005, and who are eligible to establish credit for service under this section. The list must include a former employee's name, last known address, and period of employment. The department of retirement systems must

notify former employees of the process and cost to establish credit for service under this section.

NEW SECTION. Sec. 3. A new section is added to chapter 41.26 RCW under subchapter heading "plan 2" to read as follows:

If a member who elected to transfer pursuant to section 2 of this act dies or retires for disability prior to five years from their election date, the member's benefit is calculated as follows:

(1) All of the applicable service credit, accumulated contributions, and interest is transferred to or established in the law enforcement officers' and firefighters' retirement system plan 2 and used in the calculation of a benefit.

(2) If a member's obligation under section 2 of this act has not been paid in full at the time of death or disability retirement, the member, or in the case of death the surviving spouse or eligible minor children, have the following options:

(a) Pay the bill in full;

(b) If a continuing monthly benefit is chosen, have the benefit actuarially reduced to reflect the amount of the unpaid obligation under section 2 of this act; or

(c) Continue to make payment against the obligation under section 2 of this act, provided that payment in full is made no later than five years from the member's original election date.

Passed by the House April 18, 2017.

Passed by the Senate April 20, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 310

[Engrossed Senate Bill 5008]

REAL ID ACT COMPLIANCE--LICENSE AND IDENTICARD DESIGN--FEES

AN ACT Relating to facilitating compliance with the federal REAL ID act by modifying driver's license and identicard design and fees; amending RCW 46.20.202; adding new sections to chapter 46.20 RCW; and repealing RCW 43.41.390.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 46.20 RCW to read as follows:

(1) Beginning July 1, 2018, except for enhanced drivers' licenses and identicards issued under RCW 46.20.202, the department must mark a driver's license or identicard issued under this chapter in accordance with the requirements of 6 C.F.R. Sec. 37.71 as it existed on the effective date of this section, or such subsequent date as may be provided by the department by rule, consistent with the purposes of this section.

(2) The department must adopt rules necessary to implement this section.

NEW SECTION. Sec. 2. A new section is added to chapter 46.20 RCW to read as follows:

(1) A driver's license or identicard issued with the design features required in section 1 of this act may not be used as evidence of or as a basis to infer an individual's citizenship or immigration status for any purpose.

(2) The presence of the design features required in section 1 of this act on a person's driver's license or identocard may not be used as a basis for the criminal investigation, arrest, or detention of that person in circumstances where a person with a driver's license or identocard without these design features would not be criminally investigated, arrested, or detained.

Sec. 3. RCW 46.20.202 and 2016 c 32 s 2 are each amended to read as follows:

(1) The department may enter into a memorandum of understanding with any federal agency for the purposes of facilitating the crossing of the border between the state of Washington and the Canadian province of British Columbia.

(2) The department may enter into an agreement with the Canadian province of British Columbia for the purposes of implementing a border-crossing initiative.

(3)(a) The department may issue an enhanced driver's license or identocard for the purposes of crossing the border between the state of Washington and the Canadian province of British Columbia to an applicant who provides the department with proof of: United States citizenship, identity, and state residency. The department shall continue to offer a standard driver's license and identocard. If the department chooses to issue an enhanced driver's license, the department must allow each applicant to choose between a standard driver's license or identocard, or an enhanced driver's license or identocard.

(b) The department shall implement a one-to-many biometric matching system for the enhanced driver's license or identocard. An applicant for an enhanced driver's license or identocard shall submit a biometric identifier as designated by the department. The biometric identifier must be used solely for the purpose of verifying the identity of the holders and for any purpose set out in RCW 46.20.037. Applicants are required to sign a declaration acknowledging their understanding of the one-to-many biometric match.

(c) The enhanced driver's license or identocard must include reasonable security measures to protect the privacy of Washington state residents, including reasonable safeguards to protect against unauthorized disclosure of data about Washington state residents. If the enhanced driver's license or identocard includes a radio frequency identification chip, or similar technology, the department shall ensure that the technology is encrypted or otherwise secure from unauthorized data access.

(d) The requirements of this subsection are in addition to the requirements otherwise imposed on applicants for a driver's license or identocard. The department shall adopt such rules as necessary to meet the requirements of this subsection. From time to time the department shall review technological innovations related to the security of identity cards and amend the rules related to enhanced driver's licenses and identocards as the director deems consistent with this section and appropriate to protect the privacy of Washington state residents.

(e) Notwithstanding RCW 46.20.118, the department may make images associated with enhanced drivers' licenses or identocards from the negative file available to United States customs and border agents for the purposes of verifying identity.

~~(4)((a) Between July 15, 2015, and June 30, 2016, the fee for an enhanced driver's license or enhanced identocard is eighteen dollars, which is in addition to~~

~~the fees for any regular driver's license or identicard. If the enhanced driver's license or enhanced identicard is issued, renewed, or extended for a period other than six years, the fee for each class is three dollars for each year that the enhanced driver's license or enhanced identicard is issued, renewed, or extended.~~

~~(b))~~ Beginning ~~((July 1, 2016))~~ on the effective date of this section, the fee for an enhanced driver's license or enhanced identicard is ~~((fifty-four))~~ twenty-four dollars, which is in addition to the fees for any regular driver's license or identicard. If the enhanced driver's license or enhanced identicard is issued, renewed, or extended for a period other than six years, the fee for each class is ~~((nine))~~ four dollars for each year that the enhanced driver's license or enhanced identicard is issued, renewed, or extended.

(5) The enhanced driver's license and enhanced identicard fee under this section must be deposited into the highway safety fund unless prior to July 1, 2023, the actions described in (a) or (b) of this subsection occur, in which case the portion of the revenue that is the result of the fee increased in section 209, chapter 44, Laws of 2015 3rd sp. sess. must be distributed to the connecting Washington account created under RCW 46.68.395.

(a) Any state agency files a notice of rule making under chapter 34.05 RCW for a rule regarding a fuel standard based upon or defined by the carbon intensity of fuel, including a low carbon fuel standard or clean fuel standard.

(b) Any state agency otherwise enacts, adopts, orders, or in any way implements a fuel standard based upon or defined by the carbon intensity of fuel, including a low carbon fuel standard or clean fuel standard.

(c) Nothing in this subsection acknowledges, establishes, or creates legal authority for the department of ecology or any other state agency to enact, adopt, order, or in any way implement a fuel standard based upon or defined by the carbon intensity of fuel, including a low carbon fuel standard or clean fuel standard.

NEW SECTION. Sec. 4. RCW 43.41.390 (Implementation of federal REAL ID Act of 2005) and 2007 c 85 s 1 are each repealed.

Passed by the Senate April 20, 2017.

Passed by the House April 20, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 311

[Substitute Senate Bill 5018]

WHEELCHAIR ACCESSIBLE TAXICABS--HOV LANE ACCESS--REVIEW

AN ACT Relating to authorizing wheelchair accessible taxicabs access to high occupancy vehicle lanes; creating a new section; and providing an expiration date.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. (1) The department of transportation shall engage in a transparent, public process to reexamine the administrative rules surrounding access to high occupancy vehicle lanes that must include an examination of the benefits and impacts of allowing private, for hire vehicles regulated under chapter 81.72 RCW that have been specially manufactured, designed, or modified for the transportation of a person who has a mobility

disability and uses a wheelchair or other assistive device into the high occupancy vehicle lanes.

(2) By January 1, 2018, the department of transportation shall report progress of the public rule reexamination process in subsection (1) of this section to the transportation committees of the legislature with sufficient time for review before the conclusion of the process.

NEW SECTION. Sec. 2. This act expires August 1, 2019.

Passed by the Senate April 19, 2017.

Passed by the House April 18, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 312

[Substitute Senate Bill 5046]

EMERGENCY NOTICES--LIMITED ENGLISH PROFICIENCY POPULATIONS

AN ACT Relating to providing public notices of public health, safety, and welfare in a language other than English; amending RCW 38.52.010 and 38.52.070; adding new sections to chapter 38.52 RCW; and creating new sections.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that, as a matter of human dignity, all persons should be informed of emergency notifications in a manner in which they can understand. It is the intent of the legislature that all persons who may be in harm's way in an emergency are informed of their peril, and informed of appropriate actions they should take to protect themselves and their families.

NEW SECTION. Sec. 2. A new section is added to chapter 38.52 RCW to read as follows:

Beginning December 1, 2019, a state agency that provides life safety information in an emergency or disaster must provide, to the relevant committees of the legislature, a copy of its current communication plan for notifying significant population segments of such information, including the agency's point of contact. The state agency must also submit an annual report to the relevant committees of the legislature identifying those instances of emergency or disaster in the preceding year in which life safety information was provided and what public messaging strategies and means were used to notify citizens with limited English proficiency.

Sec. 3. RCW 38.52.010 and 2015 c 61 s 1 are each reenacted and amended to read as follows:

As used in this chapter:

(1) "Communication plan," as used in RCW 38.52.070, means a section in a local comprehensive emergency management plan that addresses emergency notification of life safety information.

(2) "Continuity of operations planning" means the internal effort of an organization to assure that the capability exists to continue essential functions and services in response to a comprehensive array of potential emergencies or disasters.

~~((2))~~ (3) "Department" means the state military department.

~~((3))~~ (4) "Director" means the adjutant general.

~~((4))~~ (5) "Emergency management" or "comprehensive emergency management" means the preparation for and the carrying out of all emergency functions, other than functions for which the military forces are primarily responsible, to mitigate, prepare for, respond to, and recover from emergencies and disasters, and to aid victims suffering from injury or damage, resulting from disasters caused by all hazards, whether natural, technological, or human caused, and to provide support for search and rescue operations for persons and property in distress. However, "emergency management" or "comprehensive emergency management" does not mean preparation for emergency evacuation or relocation of residents in anticipation of nuclear attack.

~~((5))~~ (6)(a) "Emergency or disaster" as used in all sections of this chapter except RCW 38.52.430 shall mean an event or set of circumstances which: (i) Demands immediate action to preserve public health, protect life, protect public property, or to provide relief to any stricken community overtaken by such occurrences, or (ii) reaches such a dimension or degree of destructiveness as to warrant the governor declaring a state of emergency pursuant to RCW 43.06.010.

(b) "Emergency" as used in RCW 38.52.430 means an incident that requires a normal police, coroner, fire, rescue, emergency medical services, or utility response as a result of a violation of one of the statutes enumerated in RCW 38.52.430.

~~((6))~~ (7) "Emergency response" as used in RCW 38.52.430 means a public agency's use of emergency services during an emergency or disaster as defined in subsection ~~((5))~~ (6)(b) of this section.

~~((7))~~ (8) "Emergency worker" means any person who is registered with a local emergency management organization or the department and holds an identification card issued by the local emergency management director or the department for the purpose of engaging in authorized emergency management activities or is an employee of the state of Washington or any political subdivision thereof who is called upon to perform emergency management activities.

~~((8))~~ (9) "Executive head" and "executive heads" means the county executive in those charter counties with an elective office of county executive, however designated, and, in the case of other counties, the county legislative authority. In the case of cities and towns, it means the mayor in those cities and towns with mayor-council or commission forms of government, where the mayor is directly elected, and it means the city manager in those cities and towns with council manager forms of government. Cities and towns may also designate an executive head for the purposes of this chapter by ordinance.

~~((9))~~ (10) "Expense of an emergency response" as used in RCW 38.52.430 means reasonable costs incurred by a public agency in reasonably making an appropriate emergency response to the incident, but shall only include those costs directly arising from the response to the particular incident. Reasonable costs shall include the costs of providing police, coroner, firefighting, rescue, emergency medical services, or utility response at the scene of the incident, as well as the salaries of the personnel responding to the incident.

~~((10))~~ (11) "Incident command system" means: (a) An all-hazards, on-scene functional management system that establishes common standards in organization, terminology, and procedures; provides a means (unified command) for the establishment of a common set of incident objectives and strategies during multiagency/multijurisdiction operations while maintaining individual agency/jurisdiction authority, responsibility, and accountability; and is a component of the national interagency incident management system; or (b) an equivalent and compatible all-hazards, on-scene functional management system.

~~((11))~~ (12) "Injury" as used in this chapter shall mean and include accidental injuries and/or occupational diseases arising out of emergency management activities.

~~((12))~~ (13) "Life safety information" means information provided to people during a response to a life-threatening emergency or disaster informing them of actions they can take to preserve their safety. Such information may include, but is not limited to, information regarding evacuation, sheltering, sheltering-in-place, facility lockdown, and where to obtain food and water.

(14) "Local director" means the director of a local organization of emergency management or emergency services.

~~((13))~~ (15) "Local organization for emergency services or management" means an organization created in accordance with the provisions of this chapter by state or local authority to perform local emergency management functions.

~~((14))~~ (16) "Political subdivision" means any county, city or town.

~~((15))~~ (17) "Public agency" means the state, and a city, county, municipal corporation, district, town, or public authority located, in whole or in part, within this state which provides or may provide firefighting, police, ambulance, medical, or other emergency services.

~~((16))~~ (18) "Radio communications service company" has the meaning ascribed to it in RCW 82.14B.020.

~~((17))~~ (19) "Search and rescue" means the acts of searching for, rescuing, or recovering by means of ground, marine, or air activity any person who becomes lost, injured, or is killed while outdoors or as a result of a natural, technological, or human caused disaster, including instances involving searches for downed aircraft when ground personnel are used. Nothing in this section shall affect appropriate activity by the department of transportation under chapter 47.68 RCW.

Sec. 4. RCW 38.52.070 and 1997 c 49 s 4 are each amended to read as follows:

(1) Each political subdivision of this state is hereby authorized and directed to establish a local organization or to be a member of a joint local organization for emergency management in accordance with the state comprehensive emergency management plan and program: PROVIDED, That a political subdivision proposing such establishment shall submit its plan and program for emergency management to the state director and secure his or her recommendations thereon, and verification of consistency with the state comprehensive emergency management plan, in order that the plan of the local organization for emergency management may be coordinated with the plan and program of the state. Local comprehensive emergency management plans must specify the use of the incident command system for multiagency/multijurisdiction operations. No political subdivision may be

required to include in its plan provisions for the emergency evacuation or relocation of residents in anticipation of nuclear attack. If the director's recommendations are adverse to the plan as submitted, and, if the local organization does not agree to the director's recommendations for modification to the proposal, the matter shall be referred to the council for final action. The director may authorize two or more political subdivisions to join in the establishment and operation of a joint local organization for emergency management as circumstances may warrant, in which case each political subdivision shall contribute to the cost of emergency management upon such fair and equitable basis as may be determined upon by the executive heads of the constituent subdivisions. If in any case the executive heads cannot agree upon the proper division of cost the matter shall be referred to the council for arbitration and its decision shall be final. When two or more political subdivisions join in the establishment and operation of a joint local organization for emergency management each shall pay its share of the cost into a special pooled fund to be administered by the treasurer of the most populous subdivision, which fund shall be known as the emergency management fund. Each local organization or joint local organization for emergency management shall have a director who shall be appointed by the executive head of the political subdivision, and who shall have direct responsibility for the organization, administration, and operation of such local organization for emergency management, subject to the direction and control of such executive officer or officers. In the case of a joint local organization for emergency management, the director shall be appointed by the joint action of the executive heads of the constituent political subdivisions. Each local organization or joint local organization for emergency management shall perform emergency management functions within the territorial limits of the political subdivision within which it is organized, and, in addition, shall conduct such functions outside of such territorial limits as may be required pursuant to the provisions of this chapter.

(2) In carrying out the provisions of this chapter each political subdivision, in which any disaster as described in RCW 38.52.020 occurs, shall have the power to enter into contracts and incur obligations necessary to combat such disaster, protecting the health and safety of persons and property, and providing emergency assistance to the victims of such disaster. Each political subdivision is authorized to exercise the powers vested under this section in the light of the exigencies of an extreme emergency situation without regard to time-consuming procedures and formalities prescribed by law (excepting mandatory constitutional requirements), including, but not limited to, budget law limitations, requirements of competitive bidding and publication of notices, provisions pertaining to the performance of public work, entering into contracts, the incurring of obligations, the employment of temporary workers, the rental of equipment, the purchase of supplies and materials, the levying of taxes, and the appropriation and expenditures of public funds.

(3)(a) Each local organization or joint local organization for emergency management that produces a local comprehensive emergency management plan must include a communication plan for notifying significant population segments of life safety information during an emergency. Local organizations

and joint local organizations are encouraged to consult with affected community organizations in the development of the communication plans.

(i) In developing communication plans, local organizations and joint organizations should consider, as part of their determination of the extent of the obligation to provide emergency notification to significant population segments, the following factors: The number or proportion of the limited English proficiency persons eligible to be served or likely to be encountered; the frequency with which limited English proficiency individuals come in contact with the emergency notification; the nature and importance of the emergency notification, service, or program to people's lives; and the resources available to the political subdivision to provide emergency notifications.

(ii) "Significant population segment" means, for the purposes of this subsection (3), each limited English proficiency language group that constitutes five percent or one thousand residents, whichever is less, of the population of persons eligible to be served or likely to be affected within a city, town, or county. The office of financial management forecasting division's limited English proficiency population estimates are the demographic data set for determining eligible limited English proficiency language groups.

(b) Local organizations and joint local organizations must submit the plans produced under (a) of this subsection to the Washington military department emergency management division, and must implement those plans. An initial communication plan must be submitted with the local organization or joint local organization's next local emergency management plan update following the effective date of this section, and subsequent plans must be reviewed in accordance with the director's schedule.

(4) When conducting emergency or disaster after-action reviews, local organizations and joint local organizations must evaluate the effectiveness of communication of life safety information and must inform the emergency management division of the Washington military department of technological challenges which limited communications efforts, along with identifying recommendations and resources needed to address those challenges.

NEW SECTION. Sec. 5. A new section is added to chapter 38.52 RCW to read as follows:

(1) Beginning December 1, 2019, the Washington military department emergency management division must submit a report every five years to the relevant committees of the legislature containing the status of communication plans produced under RCW 38.52.070(3)(a).

(2) The emergency management division of the Washington military department must provide the legislature an annual report on instances of emergency or disaster in which communication of life safety information was technologically infeasible, as reported to the department pursuant to RCW 38.52.070(4). When potential technology solutions exist, the report must include recommendations and an estimate of resources required to remedy the infeasibility. The first annual report is due December 1, 2019.

NEW SECTION. Sec. 6. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2017, in the omnibus appropriations act, this act is null and void.

Passed by the Senate April 21, 2017.

Passed by the House April 21, 2017.
Approved by the Governor May 16, 2017.
Filed in Office of Secretary of State May 16, 2017.

CHAPTER 313

[Engrossed Senate Bill 5096]
TRANSPORTATION BUDGET

AN ACT Relating to transportation funding and appropriations; amending RCW 43.19.642, 46.20.745, 46.61.5054, 46.68.030, 46.68.060, 46.68.280, 46.68.290, 46.68.325, 47.29.170, 47.56.403, 47.56.876, 47.60.530, and 81.53.281; amending 2016 c 14 ss 102-104, 201-223, 301-311, 401-404, and 406-408 (uncodified); adding a new section to 2016 c 14 (uncodified); creating new sections; making appropriations and authorizing expenditures for capital improvements; providing an effective date; providing a contingent effective date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

2017-2019 FISCAL BIENNIUM

NEW SECTION. Sec. 1. (1) The transportation budget of the state is hereby adopted and, subject to the provisions set forth, the several amounts specified, or as much thereof as may be necessary to accomplish the purposes designated, are hereby appropriated from the several accounts and funds named to the designated state agencies and offices for employee compensation and other expenses, for capital projects, and for other specified purposes, including the payment of any final judgments arising out of such activities, for the period ending June 30, 2019.

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

(a) "Fiscal year 2018" or "FY 2018" means the fiscal year ending June 30, 2018.

(b) "Fiscal year 2019" or "FY 2019" means the fiscal year ending June 30, 2019.

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

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

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

(f) "Reappropriation" means appropriation and, unless the context clearly provides otherwise, is subject to the relevant conditions and limitations applicable to appropriations.

(g) "LEAP" means the legislative evaluation and accountability program committee.

GENERAL GOVERNMENT AGENCIES—OPERATING

NEW SECTION. Sec. 101. FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION

Motor Vehicle Account—State Appropriation\$496,000

NEW SECTION. Sec. 102. FOR THE UTILITIES AND TRANSPORTATION COMMISSION

Grade Crossing Protective Account—State Appropriation \$1,604,000

NEW SECTION. Sec. 103. FOR THE OFFICE OF FINANCIAL MANAGEMENT

Motor Vehicle Account—State Appropriation \$1,580,000

Puget Sound Ferry Operations Account—State Appropriation \$116,000

TOTAL APPROPRIATION \$1,696,000

The appropriations in this section are subject to the following conditions and limitations: \$300,000 of the motor vehicle account—state appropriation is provided solely for the office of financial management to work with the department of transportation on integrating the transportation reporting and accounting information system or its successor system with the One Washington project. The office of financial management and the department of transportation must provide a joint status report to the transportation committees of the legislature on at least a calendar quarter basis. The report must include, but is not limited to: The status of the department's ability to integrate the transportation reporting and accounting information system or its successor system with the One Washington project; the status of the One Washington project; and a description of significant changes to planned timelines or deliverables.

NEW SECTION. Sec. 104. FOR THE STATE PARKS AND RECREATION COMMISSION

Motor Vehicle Account—State Appropriation \$986,000

The appropriation in this section is subject to the following conditions and limitations: The entire appropriation in this section is provided solely for road maintenance purposes.

NEW SECTION. Sec. 105. FOR THE DEPARTMENT OF AGRICULTURE

Motor Vehicle Account—State Appropriation \$1,254,000

The appropriation in this section is subject to the following conditions and limitations: Within the amount provided in this section, the department shall conduct a pilot program to consist of the following activities:

- (1) The department shall produce a fuel tax sticker for display on each motor fuel pump from which fuel is sold at retail that displays and provides notice of the federal and state fuel tax rates. The sticker must display the rate of each tax, in cents per gallon, for each type of fuel.
- (2) The department shall provide notice of federal and state fuel tax rates, in the form of a fuel tax sticker, with any other notice displayed or required by department rule to be displayed on motor fuel pumps.
- (3) The department shall distribute fuel tax stickers to all individuals who conduct fuel pump inspections, including department employees and local government employees. Government employees who conduct fuel pump inspections shall display a fuel tax sticker on each motor fuel pump or shall verify that such a sticker is being displayed at the time of inspection as required under this subsection. Fuel tax stickers must:

(a) Be displayed on each face of the motor fuel pump on which the price of the fuel sold from the pump is displayed; and

(b) Be displayed in a clear, conspicuous, and prominent manner.

(4) The department shall provide fuel tax stickers by mail to fuel pump owners who request them for the face of each motor fuel pump for which a sticker is requested.

(5) The department shall produce updated fuel tax stickers on an annual basis when one or more fuel tax rates have changed. Fuel tax stickers must be replaced at the time of motor fuel pump inspection if the sticker has been updated with any new fuel tax rates.

NEW SECTION. Sec. 106. FOR THE LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE

Motor Vehicle Account—State Appropriation \$597,000

NEW SECTION. Sec. 107. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Motor Vehicle Account—State Appropriation \$250,000

The appropriation in this section is subject to the following conditions and limitations: \$250,000 of the motor vehicle account—state appropriation is provided solely for the department, from amounts set aside out of statewide fuel taxes distributed to cities according to RCW 46.68.110(2), to contract with the Washington state association of cities to identify city-owned fish passage barriers that share the same stream system as state-owned fish passage barriers. The study must identify, map, and provide a preliminary assessment of city-owned barriers that need correction. The study must provide recommendations on: (a) How to prioritize city-owned barriers within the same stream system of state-owned barriers in the current six-year construction plan to maximize state investment; and (b) how future state six-year construction plans should incorporate city-owned barriers. A report must be provided to the office of financial management and the transportation committees of the legislature by July 1, 2018.

NEW SECTION. Sec. 108. FOR THE BOARD OF PILOTAGE COMMISSIONERS

Multimodal Transportation Account—State Appropriation \$1,100,000

The appropriation in this section is subject to the following conditions and limitations: \$1,100,000 of the multimodal transportation account—state appropriation is provided solely for self-insurance liability premium expenditures; however, this appropriation is contingent upon the board:

(1) Annually depositing the first one hundred fifty thousand dollars collected through Puget Sound pilotage district pilotage tariffs into the pilotage account solely for the expenditure of self-insurance premiums;

(2) Maintaining the Puget Sound pilotage district pilotage tariff at the rate in existence on January 1, 2017; and

(3) Assessing a self-insurance premium surcharge of sixteen dollars per pilotage assignment on vessels requiring pilotage in the Puget Sound pilotage district.

TRANSPORTATION AGENCIES—OPERATING

NEW SECTION. Sec. 201. FOR THE WASHINGTON TRAFFIC SAFETY COMMISSION

Highway Safety Account—State Appropriation	\$4,266,000
Highway Safety Account—Federal Appropriation	\$22,048,000
Highway Safety Account—Private/Local Appropriation	\$118,000
School Zone Safety Account—State Appropriation	\$850,000
TOTAL APPROPRIATION	\$27,282,000

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

(1) \$100,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter . . . (Substitute Senate Bill No. 5402), Laws of 2017 (bicyclist safety advisory council). If chapter . . . (Substitute Senate Bill No. 5402), Laws of 2017 is not enacted by June 30, 2017, the amount provided in this subsection lapses.

(2) \$1,000,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter . . . (Senate Bill No. 5037), Laws of 2017 (DUI fourth offense). If chapter . . . (Senate Bill No. 5037), Laws of 2017 is not enacted by June 30, 2017, the amount in this subsection lapses. The funding is provided for grants to organizations that seek to reduce driving under the influence of drugs and alcohol and for administering the program. \$108,806 of the amount provided in this subsection is for the commission to cover the costs associated with administering the grant program. The funding provided in this subsection is contingent on the availability of funds raised by the blood alcohol content test fee sufficient to cover the costs of administering the program, as provided in section 705 of this act.

NEW SECTION. Sec. 202. FOR THE COUNTY ROAD ADMINISTRATION BOARD

Rural Arterial Trust Account—State Appropriation	\$1,022,000
Motor Vehicle Account—State Appropriation	\$2,504,000
County Arterial Preservation Account—State Appropriation	\$1,541,000
TOTAL APPROPRIATION	\$5,067,000

NEW SECTION. Sec. 203. FOR THE TRANSPORTATION IMPROVEMENT BOARD

Transportation Improvement Account—State Appropriation	\$4,089,000
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NEW SECTION. Sec. 204. FOR THE JOINT TRANSPORTATION COMMITTEE

Motor Vehicle Account—State Appropriation	\$1,589,000
Multimodal Transportation Account—State Appropriation	\$700,000
TOTAL APPROPRIATION	\$2,289,000

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

(1)(a) \$200,000 of the multimodal transportation account—state appropriation is for a consultant study of marine pilotage in Washington state,

with a goal of recommending best practices for: An analytically-driven pilotage tariff and fee setting process; determination of the total number of pilots and pilot workload; pilot recruitment, training, review, and selection, with a focus on increasing pilot diversity; and selection of governance structures for the oversight and management of pilotage activities. The study must include the following:

(i)(A) An examination of current practices of the board of pilotage related to: Pilotage tariff and fee setting, including a review of the development and composition of fees, their relationship to tariffs and pilotage district expenditures, and an analysis of pilot benefits; the setting of the total number of pilots and pilot workload distribution; pilot candidate recruitment and training; pilot review and selection processes; and reporting to comply with statutory requirements;

(B) An examination of the current oversight, administrative practices, and governance of the board of pilotage commissioners and the two pilotage districts, including board composition analysis, the possible role of the legislative appropriations process, and options for insurance liability coverage for the board of pilotage commissioners;

(ii) A comparison of current practices identified under this subsection (1)(a) to best practices in marine pilotage elsewhere in the United States, including both state licensed pilotage and federal pilotage systems with independent contractor, public employee, or private employee pilots; and a comparison to marine pilotage activities outside of the United States, to the extent these marine pilotage activities can inform the evaluation process and identify additional best practices that could be implemented in Washington state;

(iii) A comparison of the results of the examination of current practices to best practices in the United States in areas other than marine pilotage for which similar activities are conducted;

(iv) An evaluation of the extent to which the best practices examined can be implemented and would be effective in Washington state; and

(v) A recommendation for the best practices that should be adopted by Washington state for each of the areas examined.

(b) The joint transportation committee must issue a report of its findings and recommendations to the house of representatives and senate transportation committees by January 8, 2018.

(2) \$160,000 of the motor vehicle account—state appropriation is for the joint transportation committee to contract with the University of Minnesota to independently analyze and assess traffic data for the express toll lanes and general purpose lanes of the Interstate 405 tolled corridor, including in terms of the performance measures described in RCW 47.56.880, and to develop and recommend near-term and longer-term strategies for the improvement of traffic performance in this corridor. A report summarizing the results of the traffic data assessment and providing recommended strategies is due to the transportation committees of the legislature by January 8, 2018.

(3)(a) \$500,000 of the multimodal transportation account—state appropriation is for a consultant study of air cargo movement at Washington airports. The study must:

(i) Describe the state's air cargo system, and identify the facilities that comprise the system;

(ii) Evaluate the current and projected future capacity of the air cargo system;

(iii) Identify underutilized capacity;

(iv) Identify and describe what market forces may determine demand for cargo service at different facilities and what role the shippers and cargo service providers play in determining how cargo is moved in the state;

(v) Develop a definition of congestion in the state's air cargo system, including metrics by which to measure congestion and the cost of congestion to shippers; and

(vi) Evaluate what would be needed to more effectively use existing capacity at airports across the state. As part of this evaluation, the study must:

(A) Evaluate air, land, and surface transportation constraints, including intermodal constraints, to accommodate current demand and future growth;

(B) Evaluate impediments to addressing those constraints;

(C) Evaluate options to address those constraints; and

(D) Evaluate the impacts to air cargo-related industries that would result from shifting cargo service to Washington airports that currently have available capacity.

(b) The study must also identify the state's interest in reducing air cargo congestion and evaluate ways to address this interest on a statewide basis.

(c) The study must provide recommendations regarding:

(i) Options to reduce air cargo congestion and more efficiently use available capacity at Washington airports;

(ii) Options to address the state's interest in reducing air cargo congestion on a statewide basis;

(iii) Strategies to accomplish the recommendations under this subsection (3)(c); and

(iv) Statutory changes needed to implement the recommendations under this subsection (3)(c).

(d) The department of transportation shall provide technical support for the study, including providing guidance regarding information that may already be available due to the department's ongoing work on the Washington aviation system plan.

(e) The joint transportation committee shall issue a report of its findings and recommendations to the house of representatives and senate transportation committees by December 14, 2018.

(4) \$100,000 of the motor vehicle account—state appropriation is for the joint transportation committee to conduct an assessment of the current roles and responsibilities of the transportation commission. The purpose of the assessment is to review the current membership, functions, powers, and duties of the transportation commission beyond those granted to the transportation commission as the tolling authority under RCW 47.56.850, for the adoption of ferry fares and pricing policies under RCW 47.60.315, or for work related to the road usage charge pilot project as directed by the legislature. When conducting the assessment, the joint transportation committee must consult with the transportation commission and the office of financial management.

(a) The assessment must consist of a review of the following:

(i) The primary enabling statutes of the transportation commission contained in RCW 47.01.051 through 47.01.075;

(ii) The transportation commission's functions relating to ferries under chapters 47.60 and 47.64 RCW beyond those granted by the legislature for adoption of fares and pricing policies;

(iii) The existing budget of the transportation commission to ensure it is appropriate for the roles and responsibilities it is directed to do by the governor and the legislature;

(iv) The transportation commission's current roles and responsibilities relating to transportation planning, transportation policy development, and other functions; and

(v) Other issues related to the transportation commission as determined by the joint transportation committee.

(b) A report of the assessment findings and recommendations is due to the transportation committees of the legislature by December 31, 2017.

NEW SECTION. Sec. 205. FOR THE TRANSPORTATION COMMISSION

Motor Vehicle Account—State Appropriation	\$2,074,000
Multimodal Transportation Account—State Appropriation	\$462,000
TOTAL APPROPRIATION	\$2,536,000

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

(1)(a) The commission shall coordinate with the department of transportation to jointly pursue any federal or other funds that are or might become available to fund a road usage charge pilot project. Where feasible, grant application content prepared by the commission must reflect the direction provided by the road usage charge steering committee on the preferred road usage charge pilot project approach. One or more grant applications may be developed as part of the road usage charge pilot project implementation plan development work, but the pilot project implementation plan must nevertheless include any details necessary for a full launch of the pilot project not required to be included in any grant application.

(b) The commission shall reconvene the road usage charge steering committee, with the same membership authorized in chapter 222, Laws of 2014, as well as the addition of a representative from the Puget Sound regional council, and, upon finalization of the federal grant award for stage 1 of the road usage charge pilot project, shall report at least once every three months to the steering committee with updates on project progress, key project milestones, and developments related to securing additional federal funding for future road usage charge pilot work. Each report must include a phone or in-person meeting with the steering committee, with a maximum of two in-person meetings to be held in 2017. A year-end report on the status of the project must be provided to the governor's office and the transportation committees of the house of representatives and the senate by December 1, 2017. If the year-end report is not the final report for stage 1 of the pilot project, a final report that includes an evaluation of stage 1 of the pilot project must be provided to the governor's office and the transportation committees of the house of representatives and the senate following completion of stage 1 of the pilot project. Any legislative vacancies on the steering committee must be appointed by the speaker of the house of representatives for a house of representatives member vacancy, and by

the majority leader and minority leader of the senate for a senate member vacancy.

(2) The legislature finds that there is a need for long-term toll payer relief from increasing toll rates on the Tacoma Narrows bridge. Therefore, the commission must convene a work group to review, update, add to as necessary, and comment on various scenarios for toll payer relief outlined in the 2014 joint transportation committee report on internal refinance opportunities for the Tacoma Narrows bridge. The work group must include participation from the Tacoma Narrows bridge citizen's advisory group, at least one member from each of the legislative delegations from the districts immediately abutting the Tacoma Narrows bridge, the local chambers of commerce, and affected local communities. Legislative members of the work group must be reimbursed for travel expenses by the commission. The work group must submit a report with its preferred and prioritized policy solutions to the transportation committees of the legislature by December 1, 2017.

NEW SECTION. Sec. 206. FOR THE FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD

Motor Vehicle Account—State Appropriation \$818,000

The appropriation in this section is subject to the following conditions and limitations: \$60,000 of the motor vehicle account—state appropriation is provided solely for the board, from amounts set aside out of statewide fuel taxes distributed to cities according to RCW 46.68.110(2), to manage and update the road-rail conflicts database produced as a result of the joint transportation committee's "Study of Road-rail Conflicts in Cities (2016)." The board shall update the database using data from the most recent versions of the Washington state freight and goods transportation system update, marine cargo forecast, and other relevant sources. The database must continue to identify prominent road-rail conflicts that will help to inform strategic state investment for freight mobility statewide. The board shall form a committee including, but not limited to, representatives from local governments, the department of transportation, the utilities and transportation commission, and relevant stakeholders to identify and recommend a statewide list of projects using a corridor-based approach. The board shall provide the list to the transportation committees of the legislature and the office of financial management by September 1, 2018.

NEW SECTION. Sec. 207. FOR THE WASHINGTON STATE PATROL

State Patrol Highway Account—State Appropriation \$480,926,000
State Patrol Highway Account—Federal Appropriation \$14,025,000
State Patrol Highway Account—Private/Local
Appropriation \$3,863,000
Highway Safety Account—State Appropriation \$1,067,000
Ignition Interlock Device Revolving Account—State
Appropriation \$510,000
Multimodal Transportation Account—State Appropriation \$276,000
TOTAL APPROPRIATION \$500,667,000

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

(1) Washington state patrol officers engaged in off-duty uniformed employment providing traffic control services to the department of transportation or other state agencies may use state patrol vehicles for the purpose of that employment, subject to guidelines adopted by the chief of the Washington state patrol. The Washington state patrol must be reimbursed for the use of the vehicle at the prevailing state employee rate for mileage and hours of usage, subject to guidelines developed by the chief of the Washington state patrol.

(2) \$510,000 of the ignition interlock device revolving account—state appropriation is provided solely for the ignition interlock program at the Washington state patrol to provide funding for two staff to work and provide support for the program in working with manufacturers, service centers, technicians, and participants in the program.

(3) \$1,000,000 of the state patrol highway account—state appropriation is provided solely for ongoing support, system updates, maintenance, and an independent assessment of the P25 digital land mobile radio system. Of the amount provided in this subsection, \$400,000 must be used for the independent assessment of the P25 digital land mobile radio system. The independent assessment must identify implementation issues and coverage gaps and recommend strategies to address these issues and gaps. The assessment must be submitted to the governor and the transportation committees of the legislature by September 1, 2018. To the extent practicable, the Washington state patrol shall begin implementing recommendations before the completion of the independent assessment.

(4) The Washington state patrol and the department of transportation shall jointly submit a prioritized list of weigh station projects to the office of financial management by October 1, 2017. Projects submitted must include estimated costs for preliminary engineering, rights-of-way, and construction and must also consider the timing of any available funding for weigh station projects.

(5) The Washington state patrol and the office of financial management must be consulted by the department of transportation during the design phase of any improvement or preservation project that could impact Washington state patrol weigh station operations. During the design phase of any such project, the department of transportation must estimate the cost of designing around the affected weigh station's current operations, as well as the cost of moving the affected weigh station.

(6) \$510,000 of the state patrol highway account—state appropriation is provided solely for the operation of the license investigation unit to enforce vehicle registration laws in southwestern Washington. The Washington state patrol, in consultation with the department of revenue, shall maintain a running estimate of sales and use taxes remitted to the state pursuant to activity conducted by the license investigation unit. At the end of the calendar quarter in which it is estimated that more than \$625,000 in taxes have been remitted to the state since the effective date of this section, the Washington state patrol shall notify the state treasurer and the state treasurer shall transfer funds pursuant to section 408(25) of this act.

(7) \$600,000 of the state patrol highway account—state appropriation is provided solely for the implementation of chapter . . . (Senate Bill No. 5274), Laws of 2017 (WSPRS salary definition). If chapter . . . (Senate Bill No. 5274),

Laws of 2017 is not enacted by June 30, 2017, the amount in this subsection lapses.

NEW SECTION. Sec. 208. FOR THE DEPARTMENT OF LICENSING

Marine Fuel Tax Refund Account—State Appropriation	\$34,000
Motorcycle Safety Education Account—State	
Appropriation	\$4,523,000
State Wildlife Account—State Appropriation	\$1,030,000
Highway Safety Account—State Appropriation	\$202,973,000
Highway Safety Account—Federal Appropriation	\$3,215,000
Motor Vehicle Account—State Appropriation	\$90,659,000
Motor Vehicle Account—Federal Appropriation	\$329,000
Motor Vehicle Account—Private/Local Appropriation	\$2,048,000
Ignition Interlock Device Revolving Account—State	
Appropriation	\$5,250,000
Department of Licensing Services Account—State	
Appropriation	\$6,611,000
License Plate Technology Account—State	
Appropriation	\$3,000,000
TOTAL APPROPRIATION	\$319,672,000

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

(1) \$205,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter . . . (Engrossed House Bill No. 2201), Laws of 2017 (MVET collection). If chapter . . . (Engrossed House Bill No. 2201), Laws of 2017 is not enacted by June 30, 2017, the amount provided in this subsection lapses.

(2) \$20,810,000 of the highway safety account—state appropriation and \$3,000,000 of the license plate technology account—state appropriation are provided solely for business and technology modernization. The department and the state chief information officer or his or her designee must provide a joint project status report to the transportation committees of the legislature on at least a calendar quarter basis. The report must include, but is not limited to: Detailed information about the planned and actual scope, schedule, and budget; status of key vendor and other project deliverables; and a description of significant changes to planned deliverables or system functions over the life of the project. Project staff will periodically brief the committees or the committees' staff on system security and data protection measures.

(3) The department when modernizing its computer systems must place personal and company data elements in separate data fields to allow the department to select discrete data elements when providing information or data to persons or entities outside the department. This requirement must be included as part of the systems design in the department's business and technology modernization. Pursuant to the restrictions in federal and state law, a person's photo, social security number, or medical information must not be made available through public disclosure or data being provided under RCW 46.12.630 or 46.12.635.

(4) \$4,471,000 of the highway safety account—state appropriation is provided solely for costs necessary to accommodate increased demand for enhanced drivers' licenses and enhanced identicards. The office of financial management shall place the entire amount provided in this subsection in unallotted status. The office of financial management may release portions of the funds when it determines that average wait times have increased by more than two minutes based on wait time and volume data provided by the department compared to average wait times and volume during the month of December 2016. The department and the office of financial management shall evaluate the use of these funds on a monthly basis and periodically report to the transportation committees of the legislature on average wait times and volume data for enhanced drivers' licenses and enhanced identicards.

(5) The department shall continue to encourage the use of online vehicle registration renewal reminders and minimize the number of letters mailed by the department. To further this goal, the department shall develop a pilot program to replace first-class mail, letter-form renewal reminders with postcard renewal reminders. The goal of the pilot program is to realize substantial savings on printing and postage costs. The pilot program must include customers who performed their last renewal online and still receive a paper renewal notice. The appropriations in this section reflect savings in postage and printing costs of at least \$250,000 in the 2017-2019 fiscal biennium.

(6) \$350,000 of the highway safety account—state appropriation is provided solely for communication and outreach activities necessary to inform the public of federally acceptable identification options including, but not limited to, enhanced drivers' licenses and enhanced identicards. The department shall develop and implement an outreach plan that includes informational material that can be effectively communicated to all communities and populations in Washington.

(7) \$19,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter . . . (Substitute Senate Bill No. 5289), Laws of 2017 (distracted driving). If chapter . . . (Substitute Senate Bill No. 5289), Laws of 2017 is not enacted by June 30, 2017, the amount provided in this subsection lapses.

(8) \$57,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (House Bill No. 1400), Laws of 2017 (aviation license plate). If chapter . . . (House Bill No. 1400), Laws of 2017 is not enacted by June 30, 2017, the amount provided in this subsection lapses.

(9) \$572,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter . . . (Engrossed Substitute House Bill No. 1481), Laws of 2017 (driver education uniformity). If chapter . . . (Engrossed Substitute House Bill No. 1481), Laws of 2017 is not enacted by June 30, 2017, the amount provided in this subsection lapses.

(10) \$39,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (Substitute House Bill No. 1568), Laws of 2017 (Fred Hutch license plate). If chapter . . . (Substitute House Bill No. 1568), Laws of 2017 is not enacted by June 30, 2017, the amount provided in this subsection lapses.

(11) \$104,000 of the ignition interlock device revolving account—state appropriation is provided solely for the implementation of chapter . . .

(Engrossed Second Substitute House Bill No. 1614), Laws of 2017 (impaired driving). If chapter . . . (Engrossed Second Substitute House Bill No. 1614), Laws of 2017 is not enacted by June 30, 2017, the amount provided in this subsection lapses.

(12) \$500,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter . . . (Engrossed Substitute House Bill No. 1808), Laws of 2017 (foster youth/driving). If chapter . . . (Engrossed Substitute House Bill No. 1808), Laws of 2017 is not enacted by June 30, 2017, the amount provided in this subsection lapses.

(13) \$61,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter . . . (Engrossed Senate Bill No. 5008), Laws of 2017 (REAL ID compliance). If chapter . . . (Engrossed Senate Bill No. 5008), Laws of 2017 is not enacted by June 30, 2017, the amount in this subsection lapses.

(14)(a) Within existing funds, the department, in consultation with the department of ecology, shall convene a work group comprised of registered tow truck operators, hulk haulers, representatives from county solid waste facilities, and the recycling community to develop a sustainable plan for the collection and disposal of abandoned recreational vehicles.

(b) The work group shall report on the current problems relating to abandoned recreational vehicles and develop policy options for procedures relating to the transportation, recycling, and disposal of abandoned recreational vehicles, as well as other potentially related issues. As a result of its discussions, the work group shall also produce draft legislation. The final report and draft legislation are due to the standing transportation committees of the legislature on December 1, 2017.

(15) \$30,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter . . . (Senate Bill No. 5382), Laws of 2017 (reduced-cost identicards). If chapter . . . (Senate Bill No. 5382), Laws of 2017 is not enacted by June 30, 2017, the amount in this subsection lapses.

(16) \$112,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (Engrossed Substitute Senate Bill No. 5338), Laws of 2017 (registration enforcement). If chapter . . . (Engrossed Substitute Senate Bill No. 5338), Laws of 2017 is not enacted by June 30, 2017, the amount in this subsection lapses.

(17) \$30,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter . . . (Substitute Senate Bill No. 5343), Laws of 2017 (tow truck notices). If chapter . . . (Substitute Senate Bill No. 5343), Laws of 2017 is not enacted by June 30, 2017, the amount in this subsection lapses.

***NEW SECTION. Sec. 209. FOR THE DEPARTMENT OF TRANSPORTATION—TOLL OPERATIONS AND MAINTENANCE—PROGRAM B**

High Occupancy Toll Lanes Operations Account—State

Appropriation \$4,033,000

Motor Vehicle Account—State Appropriation \$513,000

State Route Number 520 Corridor Account—State

Appropriation \$52,671,000

State Route Number 520 Civil Penalties Account—State

Appropriation	\$4,328,000
Tacoma Narrows Toll Bridge Account—State	
Appropriation	\$32,134,000
Interstate 405 Express Toll Lanes Operations	
Account—State Appropriation	\$22,194,000
Alaskan Way Viaduct Replacement Project Account—State	
Appropriation	\$6,506,000
TOTAL APPROPRIATION	\$122,379,000

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

(1) \$1,300,000 of the Tacoma Narrows toll bridge account—state appropriation and \$9,048,000 of the state route number 520 corridor account—state appropriation are provided solely for the purposes of addressing unforeseen operations and maintenance costs on the Tacoma Narrows bridge and the state route number 520 bridge, respectively. The office of financial management shall place the amounts provided in this subsection, which represent a portion of the required minimum fund balance under the policy of the state treasurer, in unallotted status. The office may release the funds only when it determines that all other funds designated for operations and maintenance purposes have been exhausted.

(2) \$3,100,000 of the Interstate 405 express toll lanes operations account—state appropriation, \$1,498,000 of the state route number 520 corridor account—state appropriation, and \$1,802,000 of the high occupancy toll lanes operations account—state appropriation are provided solely for the operation and maintenance of roadside toll collection systems.

(3) \$4,328,000 of the state route number 520 civil penalties account—state appropriation, \$2,192,000 of the Tacoma Narrows toll bridge account—state appropriation, and \$1,191,000 of the Interstate 405 express toll lanes operations account—state appropriation are provided solely for expenditures related to the toll adjudication process.

(4) The department shall make detailed quarterly expenditure reports available to the Washington state transportation commission and to the public on the department's web site using current resources. The reports must include a summary of toll revenue by facility on all operating toll facilities and high occupancy toll lane systems, and an itemized depiction of the use of that revenue.

(5) As long as the facility is tolled, the department must provide quarterly reports to the transportation committees of the legislature on the Interstate 405 express toll lane project performance measures listed in RCW 47.56.880(4). These reports must include:

(a) Information on the travel times and travel time reliability (at a minimum, average and 90th percentile travel times) maintained during peak and nonpeak periods in the express toll lanes and general purpose lanes for both the entire corridor and commonly made trips in the corridor including, but not limited to, northbound from Bellevue to Rose Hill, state route number 520 at NE 148th to Interstate 405 at state route number 522, Bellevue to Bothell (both NE 8th to state route number 522 and NE 8th to state route number 527), and a trip internal to the corridor (such as NE 85th to NE 160th) and similar southbound trips;

(b) A month-to-month comparison of travel times and travel time reliability for the entire corridor and commonly made trips in the corridor as specified in (a) of this subsection since implementation of the express toll lanes and, to the extent available, a comparison to the travel times and travel time reliability prior to implementation of the express toll lanes;

(c) Total express toll lane and total general purpose lane traffic volumes, as well as per lane traffic volumes for each type of lane (i) compared to total express toll lane and total general purpose lane traffic volumes, as well as per lane traffic volumes for each type of lane, on this segment of Interstate 405 prior to implementation of the express toll lanes and (ii) compared to total express toll lane and total general purpose lane traffic volumes, as well as per lane traffic volumes for each type of lane, from month to month since implementation of the express toll lanes; and

(d) Underlying congestion measurements, that is, speeds, that are being used to generate the summary graphs provided, to be made available in a digital file format.

(6) \$666,000 of the high occupancy toll lanes operations account—state appropriation, \$11,527,000 of the state route number 520 corridor account—state appropriation, \$4,955,000 of the Tacoma Narrows toll bridge account—state appropriation, \$4,286,000 of the Interstate 405 express toll lanes operations account—state appropriation, and \$6,506,000 of the Alaskan Way viaduct replacement project account—state appropriation are provided solely for the department to implement a new tolling customer service toll collection system, and are subject to the conditions, limitations, and review provided in section 701 of this act.

(a) The office of financial management shall place \$2,000,000 of the amounts provided in this subsection in unallotted status, to be distributed between the facilities using the account proportions in this subsection. If the vendors selected as the successful bidders for the new tolling customer service toll collection system or the operator of the new system are different than the vendor as of January 1, 2017, the office of financial management may release portions of this amount as transition costs.

(b) The funds provided in this subsection from the Alaskan Way viaduct replacement project account—state appropriation are provided through a transfer from the motor vehicle account—state in section 408(26) of this act. These funds are a loan to the Alaskan Way viaduct replacement project account—state, and the legislature assumes that these funds will be reimbursed to the motor vehicle account—state at a later date when the portion of state route number 99 that is the deep bore tunnel is operational.

(c) The department must provide a project status report to the office of financial management and the transportation committees of the legislature on at least a calendar quarterly basis. The report must include, but is not limited to:

(i) Detailed information about the planned and actual scope, schedule, and budget;

(ii) Status of key vendor and other project deliverables; and

(iii) A description of significant changes to planned deliverables or system functions over the life of the project.

(d) The department shall continue to work with the office of financial management, office of the chief information officer, and the transportation

committees of the legislature on the project management plan that includes a provision for independent verification and validation of contract deliverables from the successful bidder and a provision for quality assurance that includes reporting independently to the office of the chief information officer on an ongoing basis during system implementation.

(7) The department shall make detailed quarterly reports to the governor and the transportation committees of the legislature on the following:

(a) The use of consultants in the tolling program, including the name of the contractor, the scope of work, the type of contract, timelines, deliverables, any new task orders, and any extensions to existing consultant contracts;

(b) The nonvendor costs of administering toll operations, including the costs of staffing the division, consultants and other personal service contracts required for technical oversight and management assistance, insurance, payments related to credit card processing, transponder purchases and inventory management, facility operations and maintenance, and other miscellaneous nonvendor costs; and

(c) The vendor-related costs of operating tolled facilities, including the costs of the customer service center, cash collections on the Tacoma Narrows bridge, electronic payment processing, and toll collection equipment maintenance, renewal, and replacement.

(d) The toll adjudication process, including a summary table for each toll facility that includes:

- (i) The number of notices of civil penalty issued;
- (ii) The number of recipients who pay before the notice becomes a penalty;
- (iii) The number of recipients who request a hearing and the number who do not respond;
- (iv) Workload costs related to hearings;
- (v) The cost and effectiveness of debt collection activities; and
- (vi) Revenues generated from notices of civil penalty.

(8) \$13,617,000 of the Interstate 405 express toll lanes operations account—state appropriation is provided solely for operational costs related to the express toll lane facility. The office of financial management shall place \$6,808,000 of the amount provided in this subsection in unallotted status. The office of financial management may only release the funds to the department upon the passage of a 2018 supplemental transportation budget.

(9)(a) The department shall conduct a study before the planned replacement of equipment regarding the potential for conversion of at least two of the toll booths for the Tacoma Narrows bridge to unstaffed toll booths that exclusively accept credit cards for toll payment. The study must, at a minimum, consider the following:

- (i) Operational savings associated with conversion;***
- (ii) Capital costs of conversion;***
- (iii) Additional operating costs associated with conversion; and***
- (iv) Any other operational issues associated with conversion.***

(b) The department shall provide a report of its findings to the transportation committees of the legislature by November 15, 2017.

**Sec. 209 was partially vetoed. See message at end of chapter.*

NEW SECTION. Sec. 210. FOR THE DEPARTMENT OF TRANSPORTATION—INFORMATION TECHNOLOGY—PROGRAM C

Transportation Partnership Account—State Appropriation	\$1,460,000
Motor Vehicle Account—State Appropriation	\$83,572,000
Puget Sound Ferry Operations Account—State Appropriation	\$263,000
Multimodal Transportation Account—State Appropriation	\$2,876,000
Transportation 2003 Account (Nickel Account)—State Appropriation	\$1,460,000
TOTAL APPROPRIATION	\$89,631,000

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

(1) \$9,588,000 of the motor vehicle account—state appropriation is provided solely for the development of the labor system replacement project and is subject to the conditions, limitations, and review provided in section 701 of this act. It is the intent of the legislature that if any portion of the labor system replacement project is leveraged in the future for the time, leave, and labor distribution of any other agencies, the motor vehicle account will be reimbursed proportionally for the development of the system since amounts expended from the motor vehicle account must be used exclusively for highway purposes in conformance with Article II, section 40 of the state Constitution. This must be accomplished through a loan arrangement with the current interest rate under the terms set by the office of the state treasurer at the time the system is deployed to additional agencies. If the motor vehicle account is not reimbursed for future use of the system, it is further the intent of the legislature that reductions will be made to central service agency charges accordingly.

(2) \$2,296,000 of the motor vehicle account—state appropriation is provided solely for the development of ferries network systems support.

NEW SECTION. Sec. 211. FOR THE DEPARTMENT OF TRANSPORTATION—FACILITY MAINTENANCE, OPERATIONS, AND CONSTRUCTION—PROGRAM D—OPERATING

Motor Vehicle Account—State Appropriation	\$28,146,000
State Route Number 520 Corridor Account—State Appropriation	\$34,000
TOTAL APPROPRIATION	\$28,180,000

NEW SECTION. Sec. 212. FOR THE DEPARTMENT OF TRANSPORTATION—AVIATION—PROGRAM F

Aeronautics Account—State Appropriation	\$6,749,000
Aeronautics Account—Federal Appropriation	\$4,900,000
Aeronautics Account—Private/Local Appropriation	\$171,000
TOTAL APPROPRIATION	\$11,820,000

The appropriations in this section are subject to the following conditions and limitations: \$2,637,000 of the aeronautics account—state appropriation is provided solely for the airport aid grant program, which provides competitive grants to public airports for pavement, safety, planning, and security.

NEW SECTION. Sec. 213. FOR THE DEPARTMENT OF TRANSPORTATION—PROGRAM DELIVERY MANAGEMENT AND SUPPORT—PROGRAM H

Motor Vehicle Account—State Appropriation	.....	\$54,512,000
Motor Vehicle Account—Federal Appropriation	.....	\$500,000
Multimodal Transportation Account—State Appropriation	.....	\$252,000
TOTAL APPROPRIATION	.....	\$55,264,000

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

(1) \$300,000 of the motor vehicle account—state appropriation is provided solely for the completion of property value determinations for surplus properties to be sold. The value determinations must be completed by agency staff if available; otherwise, the agency may contract out for these services. The real estate services division of the department must recover the cost of its efforts from the sale of surplus property. Proceeds for surplus property sales must fund additional future sales, and the real estate services division shall prioritize staff resources to meet revenue assumptions for surplus property sales.

(2) The legislature recognizes that the trail known as the Rocky Reach Trail, and its extensions, serve to separate motor vehicle traffic from pedestrians and bicyclists, increasing motor vehicle safety on state route number 2 and the coincident section of state route number 97. Consistent with chapter 47.30 RCW and pursuant to RCW 47.12.080, the legislature declares that transferring portions of WSDOT Inventory Control (IC) No. 2-09-04686 containing the trail and associated buffer areas to the Washington state parks and recreation commission is consistent with the public interest. The legislature directs the department to transfer the property to the Washington state parks and recreation commission.

(a) The department must be paid fair market value for any portions of the transferred real property that is later abandoned, vacated, or ceases to be publicly maintained for trail purposes.

(b) Prior to completing the transfer in this subsection (2), the department must ensure that provisions are made to accommodate private and public utilities and any facilities that predate the department's acquisition of the property, at no cost to those entities. Prior to completing the transfer, the department shall also ensure that provisions, by fair market assessment, are made to accommodate other private and public utilities and any facilities that have been legally allowed by permit or other instrument.

(c) The department may sell any adjoining property that is not necessary to support the Rocky Reach Trail and adjacent buffer areas only after the transfer of trail-related property to the Washington state parks and recreation commission is complete. Adjoining property owners must be given the first opportunity to acquire such property that abuts their property, and applicable boundary line or other adjustments must be made to the legal descriptions for recording purposes.

NEW SECTION. Sec. 214. FOR THE DEPARTMENT OF TRANSPORTATION—PUBLIC-PRIVATE PARTNERSHIPS—PROGRAM K

Motor Vehicle Account—State Appropriation	.....	\$622,000
Electric Vehicle Charging Infrastructure		

Account—State Appropriation	\$1,000,000
Multimodal Transportation Account—State	
Appropriation	\$535,000
TOTAL APPROPRIATION	\$2,157,000

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

(1) \$35,000 of the multimodal transportation account—state appropriation is provided solely for the public-private partnerships program to conduct an outreach effort to assess interest in a public-private partnership to rebuild the Anacortes ferry terminal. The public-private partnerships program shall issue a request for letters of interest, similar to the request issued in 2009, in a public-private partnership to rebuild the Anacortes ferry terminal by combining the ferry terminal functions and structure with one or more commercial ventures, including, but not limited to, ventures to provide lodging, conference and meeting facilities, food service, shopping, or other retail operations. The public-private partnerships program shall notify the transportation committees of the legislature upon release of the request for letters of interest and shall provide the transportation committees of the legislature with a summary of the information collected once the letters of interest have been received.

(2) \$1,000,000 of the electric vehicle charging infrastructure account—state appropriation is provided solely for the purpose of capitalizing the Washington electric vehicle infrastructure bank as provided in chapter 44, Laws of 2015 3rd sp. sess. (transportation revenue). The department may spend no more than one million dollars from the electric vehicle charging infrastructure account during the four-year period of the 2015-2017 and 2017-2019 fiscal biennia.

(3) The economic partnerships program must continue to explore retail partnerships at state-owned park and ride facilities, as authorized in RCW 47.04.295.

(4) \$500,000 of the multimodal transportation account—state appropriation is provided solely to study public-private partnership alternatives for the financing and construction of an entry building located at Colman Dock.

(a) As part of the study, the public-private partnerships program must work with the city of Seattle, Native American tribes, and local community groups to evaluate the efficacy of contracting with a private entity to participate in the construction of the Colman Dock entry building. The study must:

(i) Identify and discuss options to construct the facility as currently scoped;

(ii) Identify and discuss options, including rescoping the current design of the facility for purposes of providing a project that has the potential to increase economic development activities along the Seattle waterfront area, such as through the inclusion of office space and restaurants;

(iii) Consider concepts and options found in the design development described in the 2013-2015 capital budget (chapter 19, Laws of 2013 2nd sp. sess.), including connections to Pier 48 as a future public park;

(iv) Consider rooftop public access for panoramic views of the Puget Sound and Olympic mountains; and

(v) Consider exhibits of the history and heritage of the vicinity.

(b) By November 15, 2017, the public-private partnerships program must provide a report to the governor and the transportation committees of the legislature on the program's findings and recommendations.

***NEW SECTION. Sec. 215. FOR THE DEPARTMENT OF TRANSPORTATION—HIGHWAY MAINTENANCE—PROGRAM M**

Motor Vehicle Account—State Appropriation	\$434,781,000
Motor Vehicle Account—Federal Appropriation	\$7,000,000
State Route Number 520 Corridor Account—State Appropriation	\$4,447,000
Tacoma Narrows Toll Bridge Account—State Appropriation	\$1,233,000
TOTAL APPROPRIATION	\$447,461,000

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

(1) \$7,092,000 of the motor vehicle account—state appropriation is provided solely for utility fees assessed by local governments as authorized under RCW 90.03.525 for the mitigation of stormwater runoff from state highways.

(2) \$4,447,000 of the state route number 520 corridor account—state appropriation is provided solely to maintain the state route number 520 floating bridge. These funds must be used in accordance with RCW 47.56.830(3).

(3) \$1,233,000 of the Tacoma Narrows toll bridge account—state appropriation is provided solely to maintain the new Tacoma Narrows bridge. These funds must be used in accordance with RCW 47.56.830(3).

(4) \$35,000 of the motor vehicle account—state appropriation is provided solely for the department to submit a request for proposals as part of a pilot project that explores the use of rotary auger ditch cleaning and reshaping service technology in maintaining roadside ditches for state highways. The pilot project must consist of at least one technology test on each side of the Cascade mountain range.

(5) \$250,000 of the motor vehicle account—state appropriation is provided solely for the department to implement safety improvements and debris clean up on department-owned rights-of-way in the city of Seattle. Direct or contracted activities must include collecting and disposing of garbage, clearing debris or hazardous material, and implementing safety improvements. Funds may also be used to contract with the city of Seattle to provide mutual services in rights-of-way similar to contract agreements in the 2015-2017 fiscal biennium.

(6) The department must maintain a maintenance budget for the Hood Canal bridge. Expenditures that result in exceeding the planned budget must be tracked.

**Sec. 215 was partially vetoed. See message at end of chapter.*

NEW SECTION. Sec. 216. FOR THE DEPARTMENT OF TRANSPORTATION—TRAFFIC OPERATIONS—PROGRAM Q—OPERATING

Motor Vehicle Account—State Appropriation	\$62,578,000
Motor Vehicle Account—Federal Appropriation	\$2,050,000
Motor Vehicle Account—Private/Local Appropriation	\$250,000
TOTAL APPROPRIATION	\$64,878,000

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

(1) \$6,000,000 of the motor vehicle account—state appropriation is provided solely for low-cost enhancements. The department shall give priority to low-cost enhancement projects that improve safety or provide congestion relief. By December 15th of each odd-numbered year, the department shall provide a report to the legislature listing all low-cost enhancement projects completed in the prior fiscal biennium.

(2) When regional transit authority construction activities are visible from a state highway, the department shall allow the regional transit authority to place safe and appropriate signage informing the public of the purpose of the construction activity.

(3) The department must make signage for low-height bridges a high priority.

(4) \$50,000 of the motor vehicle account—state appropriation is provided solely for the department to coordinate with the appropriate local jurisdictions for development and implementation of a historic route 10 signage program on Interstate 90 from the Columbia River to the Idaho state border.

(5) During the 2017-2019 fiscal biennium, the department shall continue a pilot program that expands private transportation providers' access to high occupancy vehicle lanes. Under the pilot program, when the department reserves a portion of a highway based on the number of passengers in a vehicle, the following vehicles must be authorized to use the reserved portion of the highway if the vehicle has the capacity to carry eight or more passengers, regardless of the number of passengers in the vehicle: (a) Auto transportation company vehicles regulated under chapter 81.68 RCW; (b) passenger charter carrier vehicles regulated under chapter 81.70 RCW, except marked or unmarked stretch limousines and stretch sport utility vehicles as defined under department of licensing rules; (c) private nonprofit transportation provider vehicles regulated under chapter 81.66 RCW; and (d) private employer transportation service vehicles. For purposes of this subsection, "private employer transportation service" means regularly scheduled, fixed-route transportation service that is offered by an employer for the benefit of its employees. Nothing in this subsection is intended to authorize the conversion of public infrastructure to private, for-profit purposes or to otherwise create an entitlement or other claim by private users to public infrastructure.

NEW SECTION. Sec. 217. FOR THE DEPARTMENT OF TRANSPORTATION—TRANSPORTATION MANAGEMENT AND SUPPORT—PROGRAM S

Motor Vehicle Account—State Appropriation	\$32,794,000
Motor Vehicle Account—Federal Appropriation	\$1,656,000
Multimodal Transportation Account—State Appropriation	\$1,128,000
TOTAL APPROPRIATION	\$35,578,000

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

(1) \$1,500,000 of the motor vehicle account—state appropriation is provided solely for a grant program that makes awards for the following: (a)

Support for nonprofit agencies, churches, and other entities to help provide outreach to populations underrepresented in the current apprenticeship programs; (b) preapprenticeship training; and (c) child care, transportation, and other supports that are needed to help women, veterans, and minorities enter and succeed in apprenticeship. The department must report on grants that have been awarded and the amount of funds disbursed by December 1, 2017, and annually thereafter.

(2) \$300,000 of the motor vehicle account—state appropriation is provided solely for succession planning and leadership training. The department shall report on the implementation of these activities to the transportation committees of the legislature by December 31, 2018.

NEW SECTION. Sec. 218. FOR THE DEPARTMENT OF TRANSPORTATION—TRANSPORTATION PLANNING, DATA, AND RESEARCH—PROGRAM T

Motor Vehicle Account—State Appropriation	\$23,117,000
Motor Vehicle Account—Federal Appropriation	\$35,182,000
Multimodal Transportation Account—State Appropriation	\$711,000
Multimodal Transportation Account—Federal Appropriation	\$2,809,000
Multimodal Transportation Account—Private/Local Appropriation	\$100,000
TOTAL APPROPRIATION	\$61,919,000

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

(1) The department shall investigate opportunities for a transit-oriented development pilot project at the existing Kingsgate park and ride at Interstate 405 and 132nd. The department must coordinate with the city of Kirkland and other key stakeholders to determine the feasibility and cost of transit-oriented development at Kingsgate. A report on the process and outcomes is due to the transportation committees of the legislature no later than December 1, 2017.

(2) \$100,000 of the motor vehicle account—state appropriation and \$250,000 of the motor vehicle account—federal appropriation are provided solely for a study that details a cost estimate for replacing the westbound U.S. 2 trestle and recommends a series of financing options to address that cost and to satisfy debt service requirements.

In conducting the study, the department shall work in close collaboration with a stakeholder group that includes, but is not limited to, Snohomish county, the port of Everett, economic alliance Snohomish county, the cities of Everett, Lake Stevens, Marysville, Snohomish, and Monroe, and affected transit agencies.

The department shall quantify both the cost of replacing the westbound trestle structure and making mobility and capacity improvements to maximize the use of the structure in the years leading up to full replacement. Financing options that should be examined and quantified include public-private partnerships, public-public partnerships, a transportation benefit district tailored to the specific incorporated and unincorporated area, loans and grants, and other alternative financing measures available at the state or federal level.

The department shall also evaluate ways in which the costs of alternative financing can be debt financed.

The department shall complete the study and submit a final report and recommendations to the transportation committees of the legislature, including recommendations on statutory changes needed to implement available financing options, by January 8, 2018.

NEW SECTION. Sec. 219. FOR THE DEPARTMENT OF TRANSPORTATION—CHARGES FROM OTHER AGENCIES—PROGRAM U

Motor Vehicle Account—State Appropriation	\$69,997,000
Multimodal Transportation Account—State Appropriation	\$1,285,000
TOTAL APPROPRIATION	\$71,282,000

NEW SECTION. Sec. 220. FOR THE DEPARTMENT OF TRANSPORTATION—PUBLIC TRANSPORTATION—PROGRAM V

State Vehicle Parking Account—State Appropriation	\$754,000
Regional Mobility Grant Program Account—State Appropriation	\$93,920,000
Rural Mobility Grant Program Account—State Appropriation	\$32,223,000
Multimodal Transportation Account—State Appropriation	\$92,437,000
Multimodal Transportation Account—Federal Appropriation	\$3,574,000
TOTAL APPROPRIATION	\$222,908,000

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

(1) \$52,679,000 of the multimodal transportation account—state appropriation is provided solely for a grant program for special needs transportation provided by transit agencies and nonprofit providers of transportation. Of this amount:

(a) \$12,000,000 of the multimodal transportation account—state appropriation is provided solely for grants to nonprofit providers of special needs transportation. Grants for nonprofit providers must be based on need, including the availability of other providers of service in the area, efforts to coordinate trips among providers and riders, and the cost effectiveness of trips provided. Of the amount provided in this subsection (1)(a), \$25,000 of the multimodal transportation account—state appropriation is provided solely for the ecumenical christian helping hands organization for special needs transportation services.

(b) \$40,679,000 of the multimodal transportation account—state appropriation is provided solely for grants to transit agencies to transport persons with special transportation needs. To receive a grant, the transit agency must, to the greatest extent practicable, have a maintenance of effort for special needs transportation that is no less than the previous year's maintenance of effort for special needs transportation. Grants for transit agencies must be prorated based on the amount expended for demand response service and route deviated service in calendar year 2015 as reported in the "Summary of Public

Transportation - 2015" published by the department of transportation. No transit agency may receive more than thirty percent of these distributions.

(2) \$32,223,000 of the rural mobility grant program account—state appropriation is provided solely for grants to aid small cities in rural areas as prescribed in RCW 47.66.100.

(3)(a) \$10,290,000 of the multimodal transportation account—state appropriation is provided solely for a vanpool grant program for: (i) Public transit agencies to add vanpools or replace vans; and (ii) incentives for employers to increase employee vanpool use. The grant program for public transit agencies will cover capital costs only; operating costs for public transit agencies are not eligible for funding under this grant program. Additional employees may not be hired from the funds provided in this section for the vanpool grant program, and supplanting of transit funds currently funding vanpools is not allowed. The department shall encourage grant applicants and recipients to leverage funds other than state funds.

(b) At least \$1,600,000 of the amount provided in this subsection must be used for vanpool grants in congested corridors.

(4) \$16,241,000 of the regional mobility grant program account—state appropriation is reappropriated and provided solely for the regional mobility grant projects identified in LEAP Transportation Document 2017-2 ALL PROJECTS as developed April 20, 2017, Program - Public Transportation Program (V).

(5)(a) \$77,679,000 of the regional mobility grant program account—state appropriation is provided solely for the regional mobility grant projects identified in LEAP Transportation Document 2017-2 ALL PROJECTS as developed April 20, 2017, Program - Public Transportation Program (V). The department shall review all projects receiving grant awards under this program at least semiannually to determine whether the projects are making satisfactory progress. Any project that has been awarded funds, but does not report activity on the project within one year of the grant award, must be reviewed by the department to determine whether the grant should be terminated. The department shall promptly close out grants when projects have been completed, and any remaining funds must be used only to fund projects identified in the LEAP transportation document referenced in this subsection. The department shall provide annual status reports on December 15, 2017, and December 15, 2018, to the office of financial management and the transportation committees of the legislature regarding the projects receiving the grants. It is the intent of the legislature to appropriate funds through the regional mobility grant program only for projects that will be completed on schedule. A grantee may not receive more than twenty-five percent of the amount appropriated in this subsection. The department shall not approve any increases or changes to the scope of a project for the purpose of a grantee expending remaining funds on an awarded grant.

(b) In order to be eligible to receive a grant under (a) of this subsection during the 2017-2019 fiscal biennium, a transit agency must establish a process for private transportation providers to apply for the use of park and ride facilities. For purposes of this subsection, (i) "private transportation provider" means: An auto transportation company regulated under chapter 81.68 RCW; a passenger charter carrier regulated under chapter 81.70 RCW, except marked or unmarked stretch limousines and stretch sport utility vehicles as defined under

department of licensing rules; a private nonprofit transportation provider regulated under chapter 81.66 RCW; or a private employer transportation service provider; and (ii) "private employer transportation service" means regularly scheduled, fixed-route transportation service that is offered by an employer for the benefit of its employees.

(6) Funds provided for the commute trip reduction (CTR) program may also be used for the growth and transportation efficiency center program.

(7) \$5,920,000 of the multimodal transportation account—state appropriation and \$754,000 of the state vehicle parking account—state appropriation are provided solely for CTR grants and activities. Of this amount, \$250,000 of the multimodal transportation account—state appropriation is provided solely for a voluntary pilot program to expand public-private partnership CTR incentives to make measurable reductions in off-peak, weekend, and nonwork trips. Ridesharing may be integrated into grant proposals. The department shall prioritize grant proposals that focus on the Interstate 90, Interstate 5, or Interstate 405 corridor. The department shall offer competitive trip-reduction grants. The department shall report to the transportation committees of the legislature by December 1, 2018, on the pilot program's impacts to the transportation system and potential improvements to the CTR grant program.

(8) \$17,590,000 of the multimodal transportation account—state appropriation is provided solely for connecting Washington transit projects identified in LEAP Transportation Document 2017-2 ALL PROJECTS as developed April 20, 2017. It is the intent of the legislature that entities identified to receive funding in the LEAP document referenced in this subsection receive the amounts specified in the time frame specified in that LEAP document. If an entity has already completed a project in the LEAP document referenced in this subsection before the time frame identified, the entity may substitute another transit project or projects that cost a similar or lesser amount.

(9) \$2,000,000 of the multimodal transportation account—state appropriation is provided solely for transit coordination grants.

(10) \$250,000 of the multimodal transportation account—state appropriation is provided solely for King county for a pilot program to provide certain students in the Highline and Lake Washington school districts with an ORCA card during the summer. To be eligible for an ORCA card under this program, a student must also be in high school, be eligible for free and reduced-price lunches, and have a job or other responsibility during the summer. King county must provide a report to the department and the transportation committees of legislature by December 15, 2018, regarding: The annual student usage of the pilot program, available ridership data, the cost to expand the program to other King county school districts, the cost to expand the program to student populations other than high school or eligible for free and reduced-price lunches, opportunities for subsidized ORCA cards or local grant or matching funds, and any additional information that would help determine if the pilot program should be extended or expanded.

(11) The department shall not require more than a ten percent match from nonprofit transportation providers for state grants.

(12)(a) For projects funded as part of the 2015 connecting Washington transportation package listed on the LEAP transportation document identified in

subsection (4) of this section, if the department expects to have substantial reappropriations for the 2019-2021 fiscal biennium, the department may, on a pilot basis, apply funding from a project with an appropriation that cannot be used for the current fiscal biennium to advance one or more of the following projects:

- (i) King County Metro - RapidRide Expansion, Burien-Delridge (G2000031);
- (ii) King County Metro - Route 40 Northgate to Downtown (G2000032);
- (iii) Spokane Transit - Spokane Central City Line (G2000034);
- (iv) Kitsap Transit - East Bremerton Transfer Center (G2000039); or
- (v) City of Seattle - Northgate Transit Center Pedestrian Bridge (G2000041).

(b) At least ten business days before advancing a project pursuant to this subsection, the department must notify the office of financial management and the transportation committees of the legislature. The advancement of a project may not hinder the delivery of the projects for which the reappropriations are necessary for the 2019-2021 fiscal biennium.

NEW SECTION. Sec. 221. FOR THE DEPARTMENT OF TRANSPORTATION—MARINE—PROGRAM X

Puget Sound Ferry Operations Account—State	
Appropriation	\$496,307,000
Puget Sound Ferry Operations Account—Federal	
Appropriation	\$8,743,000
Puget Sound Ferry Operations Account—Private/Local	
Appropriation	\$121,000
TOTAL APPROPRIATION	\$505,171,000

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

(1) The office of financial management budget instructions require agencies to recast enacted budgets into activities. The Washington state ferries shall include a greater level of detail in its 2017-2019 supplemental and 2019-2021 omnibus transportation appropriations act requests, as determined jointly by the office of financial management, the Washington state ferries, and the transportation committees of the legislature. This level of detail must include the administrative functions in the operating as well as capital programs.

(2) For the 2017-2019 fiscal biennium, the department may enter into a distributor controlled fuel hedging program and other methods of hedging approved by the fuel hedging committee.

(3) \$68,049,000 of the Puget Sound ferry operations account—state appropriation is provided solely for auto ferry vessel operating fuel in the 2017-2019 fiscal biennium, which reflect cost savings from a reduced biodiesel fuel requirement and, therefore, is contingent upon the enactment of section 703 of this act. The amount provided in this subsection represents the fuel budget for the purposes of calculating any ferry fare fuel surcharge.

(4) \$30,000 of the Puget Sound ferry operations account—state appropriation is provided solely for the marine division assistant secretary's designee to the board of pilotage commissioners, who serves as the board chair. As the agency chairing the board, the department shall direct the board chair, in

his or her capacity as chair, to require that the report to the governor and chairs of the transportation committees required under RCW 88.16.035(1)(f) be filed by September 1, 2017, and annually thereafter, and that the report include the continuation of policies and procedures necessary to increase the diversity of pilots, trainees, and applicants, including a diversity action plan. The diversity action plan must articulate a comprehensive vision of the board's diversity goals and the steps it will take to reach those goals.

(5) \$500,000 of the Puget Sound ferry operations account—state appropriation is provided solely for operating costs related to moving vessels for emergency capital repairs. Funds may only be spent after approval by the office of financial management.

NEW SECTION. Sec. 222. FOR THE DEPARTMENT OF TRANSPORTATION—RAIL—PROGRAM Y—OPERATING

Multimodal Transportation Account—State	
Appropriation	\$80,146,000
Multimodal Transportation Account—Private/Local	
Appropriation	\$46,000
TOTAL APPROPRIATION	\$80,192,000

The appropriations in this section are subject to the following conditions and limitations: \$300,000 of the multimodal transportation account—state appropriation is provided solely for a consultant study of ultra high-speed ground transportation. "Ultra high-speed" means two hundred fifty miles per hour or more. The study must identify the costs and benefits of ultra high-speed ground transportation along a north-south alignment in Washington state. The study must provide:

- (1) An update to the high speed ground transportation study commissioned pursuant to chapter 231, Laws of 1991 and delivered to the governor and legislature on October 15, 1992;
- (2) An analysis of an ultra high-speed ground transportation alignment between Vancouver, British Columbia and Portland, Oregon with stations in: Vancouver, British Columbia; Bellingham, Everett, Seattle, SeaTac, Tacoma, Olympia, and Vancouver, Washington; and Portland, Oregon, with an option to connect with an east-west alignment in Washington state and with a similar system in the state of California;
- (3) An analysis of the following key elements:
 - (a) Economic feasibility;
 - (b) Forecasted demand;
 - (c) Corridor identification;
 - (d) Land use and economic development and environmental implications;
 - (e) Compatibility with other regional transportation plans, including interfaces and impacts on other travel modes such as air transportation;
 - (f) Technological options for ultra high-speed ground transportation, both foreign and domestic;
 - (g) Required specifications for speed, safety, access, and frequency;
 - (h) Identification of existing highway or railroad rights-of-way that are suitable for ultra high-speed travel, including identification of additional rights-of-way that may be needed and the process for acquiring those rights-of-way;

(i) Institutional arrangements for carrying out detailed system planning, construction, and operations; and

(j) An analysis of potential financing mechanisms for an ultra high-speed travel system.

The department shall provide a report of its study findings to the governor and transportation committees of the legislature by December 15, 2017.

NEW SECTION. Sec. 223. FOR THE DEPARTMENT OF TRANSPORTATION—LOCAL PROGRAMS—PROGRAM Z—OPERATING

Motor Vehicle Account—State Appropriation	\$10,644,000
Motor Vehicle Account—Federal Appropriation	\$2,567,000
Multiuse Roadway Safety Account—State Appropriation	\$132,000
TOTAL APPROPRIATION	\$13,343,000

The appropriations in this section are subject to the following conditions and limitations: \$1,100,000 of the motor vehicle account—state appropriation is provided solely for the department, from amounts set aside out of statewide fuel taxes distributed to counties according to RCW 46.68.120(3), to contract with the Washington state association of counties to: Provide statewide updates to transportation metrics and financial reporting; develop and implement an inventory of county culvert and short-span bridge infrastructure; and develop and implement enhanced road safety data in support of county road systemic safety programs. The Washington state association of counties must develop and implement data collection, management, and reporting in cooperation with state agencies involved with the collection and maintenance of related inventory systems.

TRANSPORTATION AGENCIES—CAPITAL

NEW SECTION. Sec. 301. FOR THE FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD

Freight Mobility Investment Account—State	
Appropriation	\$22,462,000
Highway Safety Account—State Appropriation	\$1,900,000
Motor Vehicle Account—Federal Appropriation	\$3,250,000
Freight Mobility Multimodal Account—State	
Appropriation	\$21,843,000
Freight Mobility Multimodal Account—Private/Local	
Appropriation	\$1,320,000
TOTAL APPROPRIATION	\$50,775,000

NEW SECTION. Sec. 302. FOR THE WASHINGTON STATE PATROL

State Patrol Highway Account—State Appropriation	\$3,103,000
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The appropriation in this section is subject to the following conditions and limitations: The entire appropriation in this section is provided solely for the following projects:

- (1) \$250,000 for emergency repairs;
- (2) \$728,000 for roof replacements;

(3) \$2,000,000 for the state patrol academy in Shelton for replacement of the skid pan, repair of the training tank, and replacement of the HVAC system; and

(4) \$125,000 for the Whiskey Ridge generator shelter.

The Washington state patrol may transfer funds between projects specified in this section to address cash flow requirements. If a project specified in this section is completed for less than the amount provided, the remainder may be transferred to another project specified in this section not to exceed the total appropriation provided in this section.

NEW SECTION. Sec. 303. FOR THE COUNTY ROAD ADMINISTRATION BOARD

Rural Arterial Trust Account—State Appropriation	.....	\$58,186,000
Motor Vehicle Account—State Appropriation	.....	\$706,000
County Arterial Preservation Account—State Appropriation	.....	\$35,434,000
TOTAL APPROPRIATION	.....	\$94,326,000

NEW SECTION. Sec. 304. FOR THE TRANSPORTATION IMPROVEMENT BOARD

Small City Pavement and Sidewalk Account—State Appropriation	.....	\$5,780,000
Transportation Improvement Account—State Appropriation	.....	\$240,300,000
Multimodal Transportation Account—State Appropriation	.....	\$14,670,000
TOTAL APPROPRIATION	.....	\$260,750,000

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

- (1) The entire multimodal transportation account—state appropriation is provided solely for the complete streets program.
- (2) \$9,687,000 of the transportation improvement account—state appropriation is provided solely for:
 - (a) The arterial preservation program to help low tax-based, medium-sized cities preserve arterial pavements;
 - (b) The small city pavement program to help cities meet urgent preservation needs; and
 - (c) The small city low-energy street light retrofit program.

NEW SECTION. Sec. 305. FOR THE DEPARTMENT OF TRANSPORTATION—FACILITIES—PROGRAM D—(DEPARTMENT OF TRANSPORTATION-ONLY PROJECTS)—CAPITAL

Motor Vehicle Account—State Appropriation	.....	\$6,087,000
Connecting Washington Account—State Appropriation	.....	\$24,257,000
TOTAL APPROPRIATION	.....	\$30,344,000

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

- (1) \$16,170,000 of the connecting Washington account—state appropriation is provided solely for a new Olympic region maintenance and administration

facility to be located on the department-owned site at the intersection of Marvin Road and 32nd Avenue in Lacey, Washington.

(2) \$8,087,000 of the connecting Washington account—state appropriation is provided solely for a new administration facility on Euclid Avenue in Wenatchee, Washington.

***NEW SECTION. Sec. 306. FOR THE DEPARTMENT OF TRANSPORTATION—IMPROVEMENTS—PROGRAM I**

Transportation Partnership Account—State	
Appropriation	\$570,992,000
Motor Vehicle Account—State Appropriation	\$47,406,000
Motor Vehicle Account—Federal Appropriation	\$216,647,000
Motor Vehicle Account—Private/Local Appropriation	\$24,209,000
Connecting Washington Account—State	
Appropriation	\$1,159,822,000
Special Category C Account—State Appropriation	\$6,146,000
Multimodal Transportation Account—State	
Appropriation	\$15,162,000
Alaskan Way Viaduct Replacement Project Account—State	
Appropriation	\$122,046,000
Transportation 2003 Account (Nickel Account)—State	
Appropriation	\$51,115,000
Interstate 405 Express Toll Lanes Operations Account—State	
Appropriation	\$12,000,000
TOTAL APPROPRIATION	\$2,225,545,000

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

(1) Except as provided otherwise in this section, the entire connecting Washington account—state appropriation and the entire transportation partnership account—state appropriation are provided solely for the projects and activities as listed by fund, project, and amount in LEAP Transportation Document 2017-1 as developed April 20, 2017, Program - Highway Improvements Program (I). However, limited transfers of specific line-item project appropriations may occur between projects for those amounts listed subject to the conditions and limitations in section 601 of this act.

(2) Except as otherwise provided in this section, the entire transportation 2003 account (nickel account)—state appropriation is provided solely for the projects and activities as listed in LEAP Transportation Document 2017-1 as developed April 20, 2017, Program - Highway Improvements Program (I).

(3) Except as provided otherwise in this section, the entire motor vehicle account—state appropriation and motor vehicle account—federal appropriation are provided solely for the projects and activities listed in LEAP Transportation Document 2017-2 ALL PROJECTS as developed April 20, 2017, Program - Highway Improvements Program (I). Any federal funds gained through efficiencies, adjustments to the federal funds forecast, additional congressional action not related to a specific project or purpose, or the federal funds redistribution process must then be applied to highway and bridge preservation activities.

(4) Within the motor vehicle account—state appropriation and motor vehicle account—federal appropriation, the department may transfer funds between programs I and P, except for funds that are otherwise restricted in this act. The department shall submit a report on fiscal year 2017 funds transferred using this subsection as part of the department's 2018 budget submittal.

(5) The connecting Washington account—state appropriation includes up to \$360,433,000 in proceeds from the sale of bonds authorized in RCW 47.10.889.

(6) The transportation 2003 account (nickel account)—state appropriation includes up to \$51,115,000 in proceeds from the sale of bonds authorized in RCW 47.10.861.

(7) The transportation partnership account—state appropriation includes up to \$325,748,000 in proceeds from the sale of bonds authorized in RCW 47.10.873. Of this amount, \$122,046,000 must be transferred to the Alaskan Way viaduct replacement project account.

(8) \$159,407,000 of the transportation partnership account—state appropriation, \$7,000 of the motor vehicle account—federal appropriation, \$8,000,000 of the motor vehicle account—private/local appropriation, \$29,100,000 of the transportation 2003 account (nickel account)—state appropriation, \$122,046,000 of the Alaskan Way viaduct replacement project account—state appropriation, and \$2,662,000 of the multimodal transportation account—state appropriation are provided solely for the SR 99/Alaskan Way Viaduct Replacement project (809936Z).

(9) \$12,500,000 of the multimodal transportation account—state appropriation is provided solely for transit mitigation for the SR 99/Viaduct Project - Construction Mitigation project (809940B).

(10) Within existing resources, during the regular sessions of the legislature, the department of transportation shall participate in work sessions, before the transportation committees of the house of representatives and senate, on the Alaskan Way viaduct replacement project. These work sessions must include a report on current progress of the project, timelines for completion, outstanding claims, the financial status of the project, and any other information necessary for the legislature to maintain appropriate oversight of the project. The parties invited to present may include the department of transportation, the Seattle tunnel partners, and other appropriate stakeholders.

(11) \$5,804,000 of the transportation partnership account—state appropriation, \$5,162,000 of the transportation 2003 account (nickel account)—state appropriation, and \$146,000 of the special category C account—state appropriation are provided solely for the US 395/North Spokane Corridor project (600010A). Any future savings on the project must stay on the US 395/Interstate 90 corridor and be made available to the current phase of the North Spokane corridor project or any future phase of the project in 2017-2019.

(12) \$26,601,000 of the transportation partnership account—state appropriation and \$10,956,000 of the transportation 2003 account (nickel account)—state appropriation are provided solely for the I-405/Kirkland Vicinity Stage 2 - Widening project (8B11002). This project must be completed as soon as practicable as a design-build project. Any future savings on this project or other Interstate 405 corridor projects must stay on the Interstate 405 corridor and be made available to either the I-405/SR 167 Interchange - Direct Connector project (140504C), the I-405 Renton to Bellevue project (M00900R),

or the I-405/SR 522 to I-5 Capacity Improvements project (L2000234) in the 2017-2019 fiscal biennium.

(13) \$1,500,000 of the transportation partnership account—state appropriation is provided solely for preliminary engineering for adding capacity on Interstate 405 between state route number 522 and Interstate 5. The funding is a transfer from the I-405/Kirkland Vicinity Stage 2 - Widening project due to savings, and will start an additional phase of this I-405 project.

(14)(a) The SR 520 Bridge Replacement and HOV project (8BI1003) is supported over time from multiple sources, including a \$300,000,000 TIFIA loan, \$924,615,000 in Garvee bonds, toll revenues, state bonds, interest earnings, and other miscellaneous sources.

(b) \$44,311,000 of the transportation partnership account—state appropriation is provided solely for the SR 520 Bridge Replacement and HOV project (8BI1003).

(c) When developing the financial plan for the project, the department shall assume that all maintenance and operation costs for the new facility are to be covered by tolls collected on the toll facility and not by the motor vehicle account.

(15) The department shall itemize all future requests for the construction of buildings on a project list and submit them through the transportation executive information system as part of the department's 2018 budget submittal. It is the intent of the legislature that new facility construction must be transparent and not appropriated within larger highway construction projects.

(16) Any advisory group that the department convenes during the 2017-2019 fiscal biennium must consider the interests of the entire state of Washington.

(17) It is the intent of the legislature that a new I-5/Exit 274 Interchange project in Blaine be funded with \$12,100,000 of connecting Washington account—state funds in the 2023-2025 fiscal biennium and be changed accordingly on the LEAP transportation document referenced in subsection (1) of this section. This new project would create a new southbound off-ramp on Interstate 5 at Exit 274 onto Peace Portal Drive and a direct northbound connection to Blaine's industrial area from the existing northbound off-ramp by reconfiguring it to tie into Odell Street.

(18) It is the intent of the legislature that for the I-5 JBLM Corridor Improvements project (M00100R), the department shall actively pursue \$50,000,000 in federal funds to pay for this project to supplant state funds in the future. \$50,000,000 in connecting Washington account funding must be held in unallotted status during the 2021-2023 fiscal biennium. These funds may only be used after the department has provided notice to the office of financial management that it has exhausted all efforts to secure federal funds from the federal highway administration and the department of defense.

(19) \$93,500,000 of the connecting Washington account—state appropriation is provided solely for the SR 167/SR 509 Puget Sound Gateway project (M00600R). Any savings on the project must stay on the Puget Sound gateway corridor until the project is complete.

(20)(a) In making budget allocations to the Puget Sound Gateway project, the department shall implement the project's construction as a single corridor investment. The department shall develop a coordinated corridor construction

and implementation plan for state route number 167 and state route number 509 in collaboration with affected stakeholders. Specific funding allocations must be based on where and when specific project segments are ready for construction to move forward and investments can be best optimized for timely project completion. Emphasis must be placed on avoiding gaps in fund expenditures for either project.

(b) The secretary of transportation must develop a memorandum of understanding with local project stakeholders that identifies a schedule for stakeholders to provide local matching funds for the Puget Sound Gateway project. Criteria for eligibility of local match includes matching funds and equivalent in-kind contributions including, but not limited to, land donations. The memorandum of understanding must be finalized by July 1, 2018. The department must submit a copy of the memorandum of understanding to the transportation committees of the legislature and report regularly on the status of the requirements outlined in this subsection (20)(b) and (c) of this subsection.

(c) During the course of developing the memorandum of understanding, the department must evaluate the project schedules to determine if there are any benefits to be gained by moving the project schedule forward. Additionally, the department must consider completing a full single-point urban interchange at the junction of state route number 161 (Meridian avenue) and state route number 167 and a full single-point urban interchange at the junction of state route number 509 and 188th Street. If the department receives additional funds from an outside source for this project, the funds must be applied toward the completion of these two full single-point urban interchanges.

(21) It is the intent of the legislature that, for the I-5/North Lewis County Interchange project (L2000204), the department develop and design the project with the objective of significantly improving access to the industrially zoned properties in north Lewis county. The design must consider the county's process of investigating alternatives to improve such access from Interstate 5 that began in March 2015.

(22) \$600,000 of the motor vehicle account—state appropriation is provided solely for the department to complete an interchange justification report (IJR) for the U.S. 2 trestle (L1000158), covering the state route number 204 and 20th Street interchanges at the end of the westbound structure.

(a) The department shall develop the IJR in close collaboration with affected local jurisdictions, including Snohomish county and the cities of Everett, Lake Stevens, Marysville, Snohomish, and Monroe.

(b) Within the amount provided for the IJR, the department must address public outreach and the overall operational approval of the IJR.

(c) The department shall complete the IJR and submit the final report to the governor and the transportation committees of the legislature by July 1, 2018.

(23)(a) The legislature recognizes that the city of Mercer Island has unique access issues that require the use of Interstate 90 to leave the island and that this access may be affected by the I-90/Two-Way Transit and HOV Improvements project. One of the most heavily traveled on-ramps from Mercer Island to the westbound Interstate 90 general purpose lanes is from Island Crest Way. The department must continue to consult with the city of Mercer Island and the other signatories to the 1976 memorandum of agreement to preserve access provided to Mercer Island by the Island Crest Way on-ramp, and thus grandfather in the

current use of the on-ramp for both high occupancy vehicles as well as vehicles seeking to access the general purpose lanes of Interstate 90. The department must consider all reasonable access solutions, including allowing all vehicles to use the Island Crest Way on-ramp to access the new high occupancy vehicle lane with a reasonable and safe distance provided for single-occupancy vehicles to merge into the general purpose lanes.

(b) A final access solution for Mercer Island must consider the following criteria: Safety; operational effects on all users, including maintaining historic access to Interstate 90 provided from Mercer Island by Island Crest Way; enforcement requirements; and compliance with state and federal law.

(c) The department may not restrict by occupancy the westbound on-ramp from Island Crest Way until a final access solution that meets the criteria in (b) of this subsection has been reached.

(24) \$2,000,000 of the Interstate 405 express toll lanes operations account—state appropriation is provided solely for the I-405 NB Hard Shoulder Running - SR 527 to I-5 project (L1000163).

(25) The legislature finds that there are sixteen companies involved in wood preserving in the state that employ four hundred workers and have an annual payroll of fifteen million dollars. Before the department's switch to steel guardrails, ninety percent of the twenty-five hundred mile guardrail system was constructed of preserved wood and one hundred ten thousand wood guardrail posts were produced annually for state use. Moreover, the policy of using steel posts requires the state to use imported steel. Given these findings, where practicable, and until June 30, 2019, the department shall include the design option to use wood guardrail posts, in addition to steel posts, in new guardrail installations. The selection of posts must be consistent with the agency design manual policy that existed before December 2009.

(26) For the SR 526 Corridor Improvements project (N52600R), the department shall look holistically at the state route number 526 corridor from the state route number 526/Interstate 5 interchange at the east end to the southwest Everett industrial area and Boeing's west access road on the west end. The department, working with affected jurisdictions and stakeholders, shall select project elements that best maximize mobility and congestion relief in the corridor and draw from project elements identified in a practical solutions process.

(27) It is the intent of the legislature that for the I-5/Slater Road Interchange - Improvements project (L1000099), \$2,000,000 of connecting Washington account—state funds be added in the 2021-2023 fiscal biennium and \$10,100,000 of connecting Washington account—state funds be added in the 2023-2025 fiscal biennium, and that the LEAP transportation document referenced in subsection (1) of this section be updated accordingly.

(28)(a) For projects funded as part of the 2015 connecting Washington transportation package listed on the LEAP transportation document identified in subsection (1) of this section, if the department expects to have substantial reappropriations for the 2019-2021 fiscal biennium, the department may, on a pilot basis, apply funding from a project with an appropriation that cannot be used for the current fiscal biennium to advance one or more of the following projects:

(i) SR 20/Sharpes Corner Vicinity Intersection (L1000112);

- (ii) I-5/Marvin Road/SR 510 Interchange (L1100110);
- (iii) I-5/Northbound On-ramp at Bakerview (L2000119);
- (iv) US 395/Ridgeline Intersection (L2000127);
- (v) I-90/Eastside Restripe Shoulders (L2000201);
- (vi) SR 240/Richland Corridor Improvements (L2000202);
- (vii) SR 14/Bingen Overpass (L2220062);
- (viii) US Hwy 2 Safety (N00200R);
- (ix) SR 520/148th Ave NE Overlake Access Ramp (L1100101);
- (x) SR 28/SR 285 North Wenatchee Area Improvements (L2000061);
- (xi) I-5/Rebuild Chambers Way Interchange Improvements (L2000223);
- (xii) SR 28 East Wenatchee Corridor Improvements (T10300R);
- (xiii) SR 3/Belfair Bypass - New Alignment (T30400R); or
- (xiv) SR 510/Yelm Loop Phase 2 (T32700R).

(b) At least ten business days before advancing a project pursuant to this subsection, the department must notify the office of financial management and the transportation committees of the legislature. The advancement of a project may not hinder the delivery of the projects for which the reappropriations are necessary for the 2019-2021 fiscal biennium.

(29) Within existing resources and in consultation with local communities, the department shall begin planning efforts, including traffic data collection, analysis and evaluation, scoping, and environmental review, for roundabouts at the intersection of state route number 900 and SE May Valley Road and at the intersection of state route number 169 and Cedar Grove Road SE.

(30) Among the options studied as part of the SR 410 Corridor Study project (L1000174), the department shall examine the mobility and safety benefits of replacing or expanding the White River bridge between Enumclaw and Buckley to four lanes and removing the trestle.

**Sec. 306 was partially vetoed. See message at end of chapter.*

NEW SECTION. Sec. 307. FOR THE DEPARTMENT OF TRANSPORTATION—PRESERVATION—PROGRAM P

Recreational Vehicle Account—State Appropriation	\$2,480,000
Transportation Partnership Account—State Appropriation	\$204,000
Motor Vehicle Account—State Appropriation	\$49,192,000
Motor Vehicle Account—Federal Appropriation	\$515,368,000
Motor Vehicle Account—Private/Local Appropriation	\$10,400,000
State Route Number 520 Corridor Account—State Appropriation	\$498,000
Connecting Washington Account—State Appropriation	\$185,030,000
Tacoma Narrows Toll Bridge Account—State Appropriation	\$384,000
Transportation 2003 Account (Nickel Account)—State Appropriation	\$58,894,000
TOTAL APPROPRIATION	\$822,450,000

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

(1) Except as provided otherwise in this section, the entire connecting Washington account—state appropriation and the entire transportation partnership account—state appropriation are provided solely for the projects and

activities as listed by fund, project, and amount in LEAP Transportation Document 2017-1 as developed April 20, 2017, Program - Highway Preservation Program (P). However, limited transfers of specific line-item project appropriations may occur between projects for those amounts listed subject to the conditions and limitations in section 601 of this act.

(2) Except as otherwise provided in this section, the entire transportation 2003 account (nickel account)—state appropriation is provided solely for the projects and activities as listed in LEAP Transportation Document 2017-1 as developed April 20, 2017, Program - Highway Preservation Program (P).

(3) Except as provided otherwise in this section, the entire motor vehicle account—state appropriation and motor vehicle account—federal appropriation are provided solely for the projects and activities listed in LEAP Transportation Document 2017-2 ALL PROJECTS as developed April 20, 2017, Program - Highway Preservation Program (P). Any federal funds gained through efficiencies, adjustments to the federal funds forecast, additional congressional action not related to a specific project or purpose, or the federal funds redistribution process must then be applied to highway and bridge preservation activities.

(4) Within the motor vehicle account—state appropriation and motor vehicle account—federal appropriation, the department may transfer funds between programs I and P, except for funds that are otherwise restricted in this act. The department shall submit a report on fiscal year 2017 funds transferred using this subsection as part of the department's 2018 budget submittal.

(5) The transportation 2003 account (nickel account)—state appropriation includes up to \$13,395,000 in proceeds from the sale of bonds authorized in RCW 47.10.861.

(6) \$7,200,000 of the connecting Washington account—state appropriation is provided solely for the land mobile radio upgrade (G2000055) and is subject to the conditions, limitations, and review provided in section 701 of this act. The land mobile radio project is subject to technical oversight by the office of the chief information officer. The department, in collaboration with the office of the chief information officer, shall identify where existing or proposed mobile radio technology investments should be consolidated, identify when existing or proposed mobile radio technology investments can be reused or leveraged to meet multiagency needs, increase mobile radio interoperability between agencies, and identify how redundant investments can be reduced over time. The department shall also provide quarterly reports to the technology services board on project progress.

(7) \$3,000,000 of the motor vehicle account—state appropriation is provided solely for extraordinary costs incurred from litigation awards, settlements, or dispute mitigation activities not eligible for funding from the self-insurance fund. The amount provided in this subsection must be held in unallotted status until the department submits a request to the office of financial management that includes documentation detailing litigation-related expenses. The office of financial management may release the funds only when it determines that all other funds designated for litigation awards, settlements, and dispute mitigation activities have been exhausted. No funds provided in this subsection may be expended on any legal fees related to the SR 99/Alaskan Way viaduct replacement project.

(8) \$22,620,000 of the motor vehicle account—federal appropriation and \$663,000 of the motor vehicle account—state appropriation are provided solely for the preservation of structurally deficient bridges or bridges that are at risk of becoming structurally deficient. These funds must be used widely around the state of Washington. When practicable, the department shall pursue design-build contracts for these bridge projects to expedite delivery. The department shall provide a report that identifies the progress of each project funded in this subsection as part of its 2018 agency budget request.

(9) The appropriation in this section includes funding for starting planning, engineering, and construction of the Elwha River bridge replacement. To the greatest extent practicable, the department shall maintain public access on the existing route.

(10)(a) \$4,820,000 of the motor vehicle account—federal appropriation and \$182,000 of the motor vehicle account—state appropriation are provided solely for weigh station preservation (0BP3006). These amounts must be held in unallotted status, except that the director of the office of financial management may approve allotment of the funds upon fulfillment of the conditions of (b) of this subsection.

(b) The department and the Washington state patrol shall jointly submit a prioritized list of weigh station projects to the office of financial management by October 1, 2017. Projects submitted must include estimated costs for preliminary engineering, rights-of-way, and construction and must also consider the timing of any available funding for weigh station projects.

(11) The department must consult with the Washington state patrol and the office of financial management during the design phase of any improvement or preservation project that could impact Washington state patrol weigh station operations. During the design phase of any such project, the department must estimate the cost of designing around the affected weigh station's current operations, as well as the cost of moving the affected weigh station.

(12) During the course of any planned resurfacing or other preservation activity on state route number 26 between Colfax and Othello in the 2017-2019 fiscal biennium, the department must add dug-in reflectors.

(13) The department shall continue to monitor the test patch of pavement that used electric arc furnace slag as an aggregate and report back to the legislature by December 1, 2018, on its comparative wear resistance, skid resistance, and feasibility for use throughout the state in new pavement construction.

(14) For projects funded as part of the 2015 connecting Washington transportation package listed on the LEAP transportation document identified in subsection (1) of this section, if the department expects to have substantial reappropriations for the 2019-2021 fiscal biennium, the department may, on a pilot basis, apply funding from a project with an appropriation that cannot be used for the current fiscal biennium to advance the US 12/Wildcat Bridge Replacement project (L2000075). At least ten business days before advancing the project pursuant to this subsection, the department must notify the office of financial management and the transportation committees of the legislature. The advancement of the project may not hinder the delivery of the projects for which the reappropriations are necessary for the 2019-2021 fiscal biennium.

NEW SECTION. Sec. 308. FOR THE DEPARTMENT OF TRANSPORTATION—TRAFFIC OPERATIONS—PROGRAM Q—CAPITAL

Motor Vehicle Account—State Appropriation	\$4,913,000
Motor Vehicle Account—Federal Appropriation	\$5,106,000
Motor Vehicle Account—Private/Local Appropriation	\$500,000
TOTAL APPROPRIATION	\$10,519,000

The appropriations in this section are subject to the following conditions and limitations: The department shall set aside a sufficient portion of the motor vehicle account—state appropriation for federally selected competitive grants or congressional earmark projects that require matching state funds. State funds set aside as matching funds for federal projects must be accounted for in project 000005Q and remain in unallotted status until needed for those federal projects.

NEW SECTION. Sec. 309. FOR THE DEPARTMENT OF TRANSPORTATION—WASHINGTON STATE FERRIES CONSTRUCTION—PROGRAM W

Puget Sound Capital Construction Account—State Appropriation	\$59,924,000
Puget Sound Capital Construction Account—Federal Appropriation	\$152,838,000
Puget Sound Capital Construction Account—Private/Local Appropriation	\$15,654,000
Transportation Partnership Account—State Appropriation	\$2,923,000
Connecting Washington Account—State Appropriation	\$142,837,000
TOTAL APPROPRIATION	\$374,176,000

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

(1) Except as provided otherwise in this section, the entire appropriations in this section are provided solely for the projects and activities as listed in LEAP Transportation Document 2017-2 ALL PROJECTS as developed April 20, 2017, Program - Washington State Ferries Capital Program (W) and is contingent upon the enactment of subsection (6) of this section.

(2) \$26,252,000 of the Puget Sound capital construction account—federal appropriation and \$63,804,000 of the connecting Washington account—state appropriation are provided solely for the Mukilteo ferry terminal (952515P). To the greatest extent practicable and within available resources, the department shall design the new terminal to be a net-zero energy building. To achieve this goal, the department shall evaluate using highly energy efficient equipment and systems, and the most appropriate renewable energy systems for the needs and location of the terminal. To the extent practicable, the department shall avoid the closure of, or disruption to, any existing public access walkways in the vicinity of the terminal project during construction.

(3) \$61,729,000 of the Puget Sound capital construction account—federal appropriation, \$36,529,000 of the connecting Washington account—state appropriation, and \$15,554,000 of the Puget Sound capital construction account—private/local appropriation are provided solely for the Seattle Terminal Replacement project (900010L).

(4) \$5,000,000 of the Puget Sound capital construction account—state appropriation is provided solely for emergency capital repair costs (999910K). Funds may only be spent after approval by the office of financial management.

(5) \$775,000 of the Puget Sound capital construction account—state appropriation is provided solely for life extension of the existing ticketing system and ORCA acceptance (998521A and 998521B). The ferry system shall work with Washington technology solutions and the tolling division on the development of a new, interoperable ticketing system.

(6)(a) The department shall, in consultation with the office of financial management, hire an independent planning consultant to assist with overall scope development of a new ferry system long-range plan, including incorporating the items listed in (b) of this subsection. The independent planning consultant must have experience in planning for other ferry systems.

(b) The department shall update the ferries division long-range plan by January 1, 2019. In reviewing the changing needs of the users of the ferry system and the associated funding opportunities and challenges, the department must include, but is not limited to, the following elements in the new long-range plan:

- (i) Identify changes in the demographics of users of the system;
- (ii) Review route timetables and propose adjustments that take into consideration ridership volume, vessel load times, proposed and current passenger-only ferry system ridership, and other operational needs;
- (iii) Review vessel needs by route and propose a vessel replacement schedule, vessel retirement schedule, and estimated number of vessels needed. This analysis should also articulate a reserve vessel strategy;
- (iv) Identify the characteristics most appropriate for replacement vessels, such as passenger and car-carrying capacity, while taking into consideration other cost-driving factors. These factors should include:
 - (A) Anticipated crewing requirements;
 - (B) Fuel type;
 - (C) Other operating and maintenance costs;
- (v) Review vessel dry dock needs, consider potential impacts of the United States navy, and propose strategies to meet these needs;
- (vi) Address the seismic vulnerability of the system and articulate emergency preparedness plans;
- (vii) Evaluate leased and state-owned property locations for the ferry headquarters, to include an analysis of properties outside the downtown area of Seattle;
- (viii) Evaluate strategies that may help spread peak ridership, such as time-of-day ticket pricing and expanding the reservation system; and
- (ix) Identify operational changes that may reduce costs, such as nighttime tie-up locations.

(c) The department shall submit a status report on the long-range plan update to the governor and the transportation committees of the legislature by June 30, 2018, and a final report by January 1, 2019.

NEW SECTION. Sec. 310. FOR THE DEPARTMENT OF TRANSPORTATION—RAIL—PROGRAM Y—CAPITAL

Essential Rail Assistance Account—State Appropriation	\$424,000
Transportation Infrastructure Account—State Appropriation	\$5,367,000

Multimodal Transportation Account—State	
Appropriation	\$51,665,000
Multimodal Transportation Account—Federal	
Appropriation	\$1,487,000
TOTAL APPROPRIATION	\$58,943,000

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

(1) Except as provided otherwise in this section, the entire appropriations in this section are provided solely for the projects and activities as listed by project and amount in LEAP Transportation Document 2017-2 ALL PROJECTS as developed April 20, 2017, Program - Rail Program (Y).

(2) \$5,000,000 of the transportation infrastructure account—state appropriation is provided solely for new low-interest loans approved by the department through the freight rail investment bank (FRIB) program. The department shall issue FRIB program loans with a repayment period of no more than ten years, and charge only so much interest as is necessary to recoup the department's costs to administer the loans. The department shall report annually to the transportation committees of the legislature and the office of financial management on all FRIB loans issued.

(3) \$7,017,000 of the multimodal transportation account—state appropriation and \$24,000 of the essential rail assistance account—state appropriation are provided solely for new statewide emergent freight rail assistance projects identified in the LEAP transportation document referenced in subsection (1) of this section.

(4) \$367,000 of the transportation infrastructure account—state appropriation and \$1,100,000 of the multimodal transportation account—state appropriation are provided solely to reimburse Highline Grain, LLC for approved work completed on Palouse River and Coulee City (PCC) railroad track in Spokane county between the BNSF Railway Interchange at Cheney and Geiger Junction and must be administered in a manner consistent with freight rail assistance program projects. The value of the public benefit of this project is expected to meet or exceed the cost of this project in: Shipper savings on transportation costs; jobs saved in rail-dependent industries; and/or reduced future costs to repair wear and tear on state and local highways due to fewer annual truck trips (reduced vehicle miles traveled). The amounts provided in this subsection are not a commitment for future legislatures, but it is the legislature's intent that future legislatures will work to approve biennial appropriations until the full \$7,337,000 cost of this project is reimbursed.

(5)(a) \$400,000 of the essential rail assistance account—state appropriation and \$305,000 of the multimodal transportation account—state appropriation are provided solely for the purpose of the rehabilitation and maintenance of the Palouse river and Coulee City railroad line (F01111B).

(b) Expenditures from the essential rail assistance account—state in this subsection may not exceed the combined total of:

(i) Revenues deposited into the essential rail assistance account from leases and sale of property pursuant to RCW 47.76.290; and

(ii) Revenues transferred from the miscellaneous program account to the essential rail assistance account, pursuant to RCW 47.76.360, for the purpose of

sustaining the grain train program by maintaining the Palouse river and Coulee City railroad.

(6) The department shall issue a call for projects for the freight rail assistance program, and shall evaluate the applications in a manner consistent with past practices as specified in section 309, chapter 367, Laws of 2011. By November 15, 2018, the department shall submit a prioritized list of recommended projects to the office of financial management and the transportation committees of the legislature.

(7) For projects funded as part of the 2015 connecting Washington transportation package identified on the LEAP transportation document identified in subsection (1) of this section, if the department expects to have substantial reappropriations for the 2019-2021 fiscal biennium, the department may, on a pilot basis, apply funding from a project with an appropriation that cannot be used for the current fiscal biennium to advance the South Kelso Railroad Crossing project (L1000147). At least ten business days before advancing a project pursuant to this subsection, the department must notify the office of financial management and the transportation committees of the legislature. The advancement of a project may not hinder the delivery of the projects for which the reappropriations are necessary for the 2019-2021 fiscal biennium.

NEW SECTION. Sec. 311. FOR THE DEPARTMENT OF TRANSPORTATION—LOCAL PROGRAMS—PROGRAM Z—CAPITAL

Highway Infrastructure Account—State Appropriation	\$293,000
Highway Infrastructure Account—Federal Appropriation	\$218,000
Transportation Partnership Account—State Appropriation	\$1,143,000
Highway Safety Account—State Appropriation	\$2,388,000
Motor Vehicle Account—State Appropriation	\$15,080,000
Motor Vehicle Account—Federal Appropriation	\$65,187,000
Motor Vehicle Account—Private/Local Appropriation	\$18,000,000
Connecting Washington Account—State Appropriation	\$118,293,000
Multimodal Transportation Account—State Appropriation	\$56,079,000
TOTAL APPROPRIATION	\$276,681,000

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

(1) Except as provided otherwise in this section, the entire appropriations in this section are provided solely for the projects and activities as listed by project and amount in LEAP Transportation Document 2017-2 ALL PROJECTS as developed April 20, 2017, Program - Local Programs Program (Z).

(2) The amounts identified in the LEAP transportation document referenced under subsection (1) of this section for pedestrian safety/safe routes to school are as follows:

(a) \$18,380,000 of the multimodal transportation account—state appropriation is provided solely for newly selected pedestrian and bicycle safety program projects. \$6,432,000 of the multimodal transportation account—state appropriation and \$1,143,000 of the transportation partnership account—state

appropriation are reappropriated for pedestrian and bicycle safety program projects selected in the previous biennia (L2000188).

(b) \$11,400,000 of the motor vehicle account—federal appropriation and \$7,750,000 of the multimodal transportation account—state appropriation are provided solely for newly selected safe routes to school projects. \$6,372,000 of the motor vehicle account—federal appropriation, \$923,000 of the multimodal transportation account—state appropriation, and \$2,388,000 of the highway safety account—state appropriation are reappropriated for safe routes to school projects selected in the previous biennia (L2000189). The department may consider the special situations facing high-need areas, as defined by schools or project areas in which the percentage of the children eligible to receive free and reduced-price meals under the national school lunch program is equal to, or greater than, the state average as determined by the department, when evaluating project proposals against established funding criteria while ensuring continued compliance with federal eligibility requirements.

(3) The department shall submit a report to the transportation committees of the legislature by December 1, 2017, and December 1, 2018, on the status of projects funded as part of the pedestrian safety/safe routes to school grant program. The report must include, but is not limited to, a list of projects selected and a brief description of each project's status.

(4) \$18,741,000 of the multimodal transportation account—state appropriation is provided solely for bicycle and pedestrian projects listed in the LEAP transportation document referenced in subsection (1) of this section.

(5) \$43,800,000 of the motor vehicle account—federal appropriation is provided solely for national highway freight network projects identified on the project list submitted in accordance with section 218(4)(b), chapter 14, Laws of 2016 on October 31, 2016. The department shall validate the projects on the list. Only tier one projects on the prioritized freight project list that are validated by the department may receive funding under this subsection. The department shall continue to work with the Washington state freight advisory committee to improve project screening and validation to support project prioritization and selection, including during the freight mobility plan update in 2017. The department may compete for funding under this program and shall provide an updated prioritized freight project list when submitting its 2019-2021 budget request. To the greatest extent practicable, the department shall follow the Washington state freight advisory committee recommendation to allocate ten percent of the funds in this subsection to multimodal projects as permitted under the fixing America's surface transportation (FAST) act.

(6) It is the expectation of the legislature that the department will be administering a local railroad crossing safety grant program for \$7,400,000 in federal funds during the 2017-2019 fiscal biennium. Of the amounts identified in this subsection, a minimum of \$500,000 must be for railroad grade-crossing safety grants at locations where multiple pedestrian or bicyclist fatalities have occurred in the vicinity of a grade-crossing in the last five years.

(7) \$8,000,000 of the connecting Washington account—state appropriation is provided solely for the Covington Connector (L2000104). The amounts described in the LEAP transportation document referenced in subsection (1) of this section are not a commitment by future legislatures, but it is the legislature's intent that future legislatures will work to approve appropriations in the 2019-

2021 fiscal biennium to reimburse the city of Covington for approved work completed on the project up to the full \$24,000,000 cost of this project.

(8)(a) For projects funded as part of the 2015 connecting Washington transportation package listed on the LEAP transportation document identified in subsection (1) of this section, if the department expects to have substantial reappropriations for the 2019-2021 fiscal biennium, the department may, on a pilot basis, apply funding from a project with an appropriation that cannot be used for the current fiscal biennium to advance one or more of the following projects:

- (i) SR 502 Main Street Project/Widening (L2000065);
- (ii) Complete SR 522 Improvements-Kenmore (T10600R);
- (iii) Issaquah-Fall City Road (L1000094);
- (iv) Lewis Street Bridge (L2000066);
- (v) Covington Connector (L2000104);
- (vi) Orchard Street Connector (L2000120);
- (vii) Harbour Reach Extension (L2000136);
- (viii) Sammamish Bridge Corridor (L2000137);
- (ix) Brady Road (L2000164);
- (x) Thornton Road Overpass (L2000228);
- (xi) I-5/Port of Tacoma Road Interchange (L1000087);
- (xii) Wilburton Reconnection Project (G2000006);
- (xiii) SR 520 Trail Grade Separation at 40th Street (G2000013);
- (xiv) Bay Street Pedestrian Project (G2000015); or
- (xv) Cowiche Canyon Trail (G2000010).

(b) At least ten business days before advancing a project pursuant to this subsection, the department must notify the office of financial management and the transportation committees of the legislature. The advancement of a project may not hinder the delivery of the projects for which the reappropriations are necessary for the 2019-2021 fiscal biennium.

(9) \$1,500,000 of the motor vehicle account—state appropriation is provided solely for the Spokane Valley Barker/Trent grade separation project.

(10) \$280,000 of the motor vehicle account—state appropriation is provided solely for the Woodin Avenue bridge one-way conversion project in Chelan.

NEW SECTION. Sec. 312. ANNUAL REPORTING REQUIREMENTS FOR CAPITAL PROGRAM

(1) As part of its budget submittal for the 2018 supplemental budget, the department of transportation shall provide an update to the report provided to the legislature in 2017 that: (a) Compares the original project cost estimates approved in the 2003, 2005, and 2015 revenue package project lists to the completed cost of the project, or the most recent legislatively approved budget and total project costs for projects not yet completed; (b) identifies highway projects that may be reduced in scope and still achieve a functional benefit; (c) identifies highway projects that have experienced scope increases and that can be reduced in scope; (d) identifies highway projects that have lost significant local or regional contributions that were essential to completing the project; and (e) identifies contingency amounts allocated to projects.

(2) As part of its budget submittal for the 2018 supplemental budget, the department of transportation shall provide: (a) An annual report on the number of toll credits the department has accumulated and how the department has used

the toll credits, and (b) a status report on the projects funded using federal national highway freight program funds.

NEW SECTION. Sec. 313. QUARTERLY REPORTING REQUIREMENTS FOR CAPITAL PROGRAM

On a quarterly basis, the department of transportation shall provide to the office of financial management and the legislative transportation committees the following reports for all capital programs:

(1) For active projects, the report must include:

(a) A TEIS version containing actual capital expenditures for all projects consistent with the structure of the most recently enacted budget;

(b) Anticipated cost savings, cost increases, reappropriations, and schedule adjustments for all projects consistent with the structure of the most recently enacted budget;

(c) The award amount, the engineer's estimate, and the number of bidders for all active projects consistent with the structure of the most recently enacted budget;

(d) Projected costs and schedule for individual projects that are funded at a programmatic level for projects relating to bridge rail, guard rail, fish passage barrier removal, roadside safety projects, and seismic bridges. Projects within this programmatic level funding must be completed on a priority basis and scoped to be completed within the current programmatic budget;

(e) Highway projects that may be reduced in scope and still achieve a functional benefit;

(f) Highway projects that have experienced scope increases and that can be reduced in scope;

(g) Highway projects that have lost significant local or regional contributions that were essential to completing the project; and

(h) Contingency amounts for all projects consistent with the structure of the most recently enacted budget.

(2) For completed projects, the report must:

(a) Compare the costs and operationally complete date for projects with budgets of twenty million dollars or more that are funded with preexisting funds to the original project cost estimates and schedule; and

(b) Provide a list of nickel and TPA projects charging to the nickel/TPA environmental mitigation reserve (OBI4ENV) and the amount each project is charging.

(3) For prospective projects, the report must:

(a) Identify the estimated advertisement date for all projects consistent with the structure of the most recently enacted transportation budget that are going to advertisement during the current fiscal biennium;

(b) Identify the anticipated operationally complete date for all projects consistent with the structure of the most recently enacted transportation budget that are going to advertisement during the current fiscal biennium; and

(c) Identify the estimated cost of completion for all projects consistent with the structure of the most recently enacted transportation budget that are going to advertisement during the current fiscal biennium.

NEW SECTION. Sec. 314. FEDERAL FUNDS RECEIVED FOR CAPITAL PROJECT EXPENDITURES

To the greatest extent practicable, the department of transportation shall expend federal funds received for capital project expenditures before state funds.

TRANSFERS AND DISTRIBUTIONS

NEW SECTION. Sec. 401. FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALES DISCOUNTS AND DEBT TO BE PAID BY MOTOR VEHICLE ACCOUNT AND TRANSPORTATION FUND REVENUE

Transportation Partnership Account—State	
Appropriation.	\$2,239,000
Connecting Washington Account—State Appropriation	\$1,802,000
Highway Bond Retirement Account—State	
Appropriation.	\$1,238,072,000
Ferry Bond Retirement Account—State Appropriation	\$28,873,000
Transportation Improvement Board Bond Retirement	
Account—State Appropriation	\$13,254,000
Nondebt-Limit Reimbursable Bond Retirement	
Account—State Appropriation	\$26,609,000
Toll Facility Bond Retirement Account—State	
Appropriation.	\$86,493,000
Transportation 2003 Account (Nickel Account)—State	
Appropriation.	\$323,000
TOTAL APPROPRIATION	\$1,397,665,000

NEW SECTION. Sec. 402. FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES AND FISCAL AGENT CHARGES

Transportation Partnership Account—State	
Appropriation.	\$448,000
Connecting Washington Account—State Appropriation	\$360,000
Transportation 2003 Account (Nickel Account)—State	
Appropriation.	\$65,000
TOTAL APPROPRIATION	\$873,000

NEW SECTION. Sec. 403. FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT TO BE PAID BY STATUTORILY PRESCRIBED REVENUE

Toll Facility Bond Retirement Account—Federal	
Appropriation.	\$199,901,000
Toll Facility Bond Retirement Account—State	
Appropriation.	\$25,372,000
TOTAL APPROPRIATION	\$225,273,000

NEW SECTION. Sec. 404. FOR THE STATE TREASURER—STATE REVENUES FOR DISTRIBUTION

Motor Vehicle Account—State Appropriation:
 For motor vehicle fuel tax distributions to

cities and counties \$514,648,000

NEW SECTION. Sec. 405. FOR THE STATE TREASURER—STATE REVENUES FOR DISTRIBUTION

Multimodal Transportation Account—State

Appropriation: For distribution to cities and counties \$26,786,000

Motor Vehicle Account—State

Appropriation: For distribution to cities and counties \$23,438,000

TOTAL APPROPRIATION \$50,224,000

NEW SECTION. Sec. 406. FOR THE STATE TREASURER—TRANSFERS

Motor Vehicle Account—State Appropriation:

For motor vehicle fuel tax refunds and statutory transfers. \$2,196,693,000

NEW SECTION. Sec. 407. FOR THE DEPARTMENT OF LICENSING—TRANSFERS

Motor Vehicle Account—State Appropriation:

For motor vehicle fuel tax refunds and transfers \$200,747,000

NEW SECTION. Sec. 408. FOR THE STATE TREASURER—ADMINISTRATIVE TRANSFERS

(1) State Patrol Highway Account—State

Appropriation: For transfer to the Connecting Washington Account—State \$21,221,000

(2) Transportation Partnership Account—State

Appropriation: For transfer to the Connecting Washington Account—State \$10,946,000

(3) Highway Safety Account—State

Appropriation: For transfer to the Multimodal Transportation Account—State \$57,000,000

(4) Motor Vehicle Account—State Appropriation:

For transfer to the Connecting Washington Account—State \$56,464,000

(5) Motor Vehicle Account—State Appropriation:

For transfer to the Freight Mobility Investment Account—State \$8,511,000

(6) Motor Vehicle Account—State Appropriation:

For transfer to the Puget Sound Capital Construction Account—State \$20,000,000

(7) Motor Vehicle Account—State Appropriation:

For transfer to the Rural Arterial Trust Account—State \$4,844,000

(8) Motor Vehicle Account—State Appropriation:

For transfer to the Transportation Improvement Account—State \$9,688,000

(9) Motor Vehicle Account—State Appropriation:

For transfer to the State Patrol Highway
 Account—State \$43,000,000
 (10) Puget Sound Ferry Operations Account—State
 Appropriation: For transfer to the Connecting
 Washington Account—State \$1,305,000
 (11) Rural Mobility Grant Program Account—State
 Appropriation: For transfer to the Multimodal
 Transportation Account—State \$3,000,000
 (12) State Route Number 520 Civil Penalties
 Account—State Appropriation: For transfer to
 the State Route Number 520 Corridor
 Account—State \$1,240,000
 (13) Capital Vessel Replacement Account—State
 Appropriation: For transfer to the Connecting
 Washington Account—State \$36,500,000
 (14) Multimodal Transportation Account—State
 Appropriation: For transfer to the Freight
 Mobility Multimodal Account—State \$8,511,000
 (15) Multimodal Transportation Account—State
 Appropriation: For transfer to the Puget Sound
 Capital Construction Account—State \$32,000,000
 (16) Multimodal Transportation Account—State
 Appropriation: For transfer to the Puget Sound
 Ferry Operations Account—State \$20,000,000
 (17) Multimodal Transportation Account—State
 Appropriation: For transfer to the Regional
 Mobility Grant Program Account—State \$27,679,000
 (18) Multimodal Transportation Account—State
 Appropriation: For transfer to the Rural
 Mobility Grant Program Account—State \$15,223,000
 (19) Tacoma Narrows Toll Bridge Account—State
 Appropriation: For transfer to the Motor
 Vehicle Account—State \$950,000
 (20) Transportation 2003 Account (Nickel Account)—
 State Appropriation: For transfer to the Connecting
 Washington Account—State \$22,970,000
 (21)(a) Interstate 405 Express Toll Lanes Operations
 Account—State Appropriation: For transfer to the
 Motor Vehicle Account—State \$2,019,000
 (b) The transfer identified in this subsection is provided solely to repay in
 full the motor vehicle account—state appropriation loan from section 407(19),
 chapter 222, Laws of 2014.
 (22)(a) Transportation Partnership Account—State
 Appropriation: For transfer to the Alaskan Way Viaduct
 Replacement Project Account—State \$122,046,000
 (b) The amount transferred in this subsection represents that portion of the
 up to \$200,000,000 in proceeds from the sale of bonds authorized in RCW
 47.10.873, intended to be sold through the 2021-2023 fiscal biennium, used only
 for construction of the SR 99/Alaskan Way Viaduct Replacement project

(809936Z), and that must be repaid from the Alaskan Way viaduct replacement project account consistent with RCW 47.56.864.

(23)(a) Motor Vehicle Account—State

Appropriation: For transfer to the Tacoma Narrows Toll

Bridge Account—State \$5,000,000

(b) The transfer in this subsection must be made in April 2019. It is the intent of the legislature that this transfer is temporary, for the purpose of minimizing the impact of toll increases, and an equivalent reimbursing transfer is to occur in November 2019.

(24) Motor Vehicle Account—State

Appropriation: For transfer to the County Arterial

Preservation Account—State \$4,844,000

(25)(a) General Fund Account—State Appropriation:

For transfer to the State Patrol Highway

Account—State \$625,000

(b) The state treasurer shall transfer the funds only after receiving notification from the Washington state patrol under section 207(6) of this act.

(26)(a) Motor Vehicle Account—State Appropriation:

For transfer to the Alaskan Way Viaduct Replacement Project

Account—State \$6,506,000

(b) The funds provided in (a) of this subsection are a loan to the Alaskan Way viaduct replacement project account—state, and the legislature assumes that these funds will be reimbursed to the motor vehicle account—state at a later date when the portion of state route number 99 that is a deep bore tunnel is operational.

NEW SECTION. Sec. 409. The department of transportation is authorized to undertake federal advance construction projects under the provisions of 23 U.S.C. Sec. 115 in order to maintain progress in meeting approved highway construction and preservation objectives. The legislature recognizes that the use of state funds may be required to temporarily fund expenditures of the federal appropriations for the highway construction and preservation programs for federal advance construction projects prior to conversion to federal funding.

COMPENSATION

NEW SECTION. Sec. 501. GENERAL STATE EMPLOYEE COMPENSATION ADJUSTMENTS

Except as otherwise provided in sections 502 through 516 of this act, state employee compensation adjustments will be provided in accordance with funding adjustments provided in the 2017-2019 omnibus appropriations act.

NEW SECTION. Sec. 502. COLLECTIVE BARGAINING AGREEMENTS NOT IMPAIRED

Nothing in this act prohibits the expenditure of any funds by an agency or institution of the state for benefits guaranteed by any collective bargaining agreement in effect on the effective date of this section.

NEW SECTION. Sec. 503. COLLECTIVE BARGAINING AGREEMENTS

Sections 504 through 516 of this act represent the results of the 2017-2019 collective bargaining process required under chapters 47.64 and 41.56 RCW. Provisions of the collective bargaining agreements contained in sections 504

through 516 of this act are described in general terms. Only major economic terms are included in the descriptions. These descriptions do not contain the complete contents of the agreements. The collective bargaining agreements contained in sections 504 through 516 of this act may also be funded by expenditures from nonappropriated accounts. If positions are funded with lidded grants or dedicated fund sources with insufficient revenue, additional funding from other sources is not provided.

NEW SECTION. Sec. 504. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENT—OPEIU

An agreement has been reached between the governor and the office and professional employees international union local eight (OPEIU) through an interest arbitration award pursuant to chapter 47.64 RCW for the 2017-2019 fiscal biennium. Funding is provided for the awarded six and one-half percent general wage increase effective July 1, 2017, and six and one-half percent general wage increase effective July 1, 2018. The agreement also includes and funding is provided for salary adjustments for targeted job classifications and restructuring of the pay schedule.

NEW SECTION. Sec. 505. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENT—FASPAA

An agreement has been reached between the governor and the ferry agents, supervisors, and project administrators association pursuant to chapter 47.64 RCW for the 2017-2019 fiscal biennium. Funding is provided for a three percent general wage increase effective July 1, 2017, and a two percent general wage increase effective July 1, 2018.

NEW SECTION. Sec. 506. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENT—SEIU LOCAL 6

An agreement has been reached between the governor and the service employees international union local 6 pursuant to chapter 47.64 RCW for the 2017-2019 fiscal biennium. Funding is provided for a six percent general wage increase effective July 1, 2017, and a four percent general wage increase effective July 1, 2018.

NEW SECTION. Sec. 507. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENT—CARPENTERS

An agreement has been reached between the governor and the Pacific Northwest regional council of carpenters through an interest arbitration award pursuant to chapter 47.64 RCW for the 2017-2019 fiscal biennium. Funding is provided for the awarded four percent general wage increase effective July 1, 2017, and three percent general wage increase effective July 1, 2018. The agreement also includes and funding is provided for increases in the wage differential among certain job classifications.

NEW SECTION. Sec. 508. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENT—METAL TRADES

An agreement has been reached between the governor and the Puget Sound metal trades council through an interest arbitration award pursuant to chapter 47.64 RCW for the 2017-2019 fiscal biennium. Funding is provided for the awarded three percent general wage increase effective July 1, 2017, and three percent general wage increase effective July 1, 2018. The agreement also includes and funding is provided for increases in the wage differential among certain job classifications.

NEW SECTION. Sec. 509. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENT—MEBA-UL

An agreement has been reached between the governor and the marine engineers' beneficial association unlicensed engine room employees pursuant to chapter 47.64 RCW for the 2017-2019 fiscal biennium. Funding is provided for a three percent general wage increase effective July 1, 2017, and a two percent general wage increase effective July 1, 2018.

NEW SECTION. Sec. 510. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENT—MEBA-L

An agreement has been reached between the governor and the marine engineers' beneficial association licensed engineer officers pursuant to chapter 47.64 RCW for the 2017-2019 fiscal biennium. Funding is provided for a three percent general wage increase effective July 1, 2017, and a two percent general wage increase effective July 1, 2018. The agreement also includes and funding is provided for an additional pay increase to address inversion among certain job classifications.

NEW SECTION. Sec. 511. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENT—MM&P MATES

An agreement has been reached between the governor and the master, mates, and pilots - mates pursuant to chapter 47.64 RCW for the 2017-2019 fiscal biennium. Funding is provided for a three percent general wage increase effective July 1, 2017, and a two percent general wage increase effective July 1, 2018.

NEW SECTION. Sec. 512. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENT—MM&P MASTERS

An agreement has been reached between the governor and the master, mates, and pilots - masters through an interest arbitration award pursuant to chapter 47.64 RCW for the 2017-2019 fiscal biennium. Funding is provided for a five and one-half percent general wage increase effective July 1, 2017, and a two and one-half percent general wage increase effective July 1, 2018. The award also includes and funding is provided for an additional pay increase to address inversion among certain job classifications.

NEW SECTION. Sec. 513. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENT—MM&P WATCH CENTER SUPERVISORS

An agreement has been reached between the governor and the master, mates, and pilots - watch center supervisors pursuant to chapter 47.64 RCW for

the 2017-2019 fiscal biennium. Funding is provided for a three percent general wage increase effective July 1, 2017, and a one percent general wage increase effective July 1, 2018. The agreement also includes and funding is provided for an increase for the fleet safety and training administrators equal to the same hourly rate of pay as the watch center supervisors.

NEW SECTION. Sec. 514. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENT—IBU

An agreement has been reached between the governor and the inlandboatmen's union pursuant to chapter 47.64 RCW for the 2017-2019 fiscal biennium. Funding is provided for a four percent general wage increase effective July 1, 2017, and a one percent general wage increase effective July 1, 2018. The agreement also includes and funding is provided for increases in the wage differential among certain job classifications and for employees hired on or after June 30, 2011, an increase in leave earned.

NEW SECTION. Sec. 515. COLLECTIVE BARGAINING AGREEMENT—WSP TROOPERS ASSOCIATION

An agreement has been reached between the governor and the Washington state patrol troopers association pursuant to chapter 41.56 RCW for the 2017-2019 fiscal biennium. Funding is provided for a sixteen percent general wage increase for troopers effective July 1, 2017, and a three percent general wage increase for troopers effective July 1, 2018. Funding is also provided for a twenty percent general wage increase for sergeants effective July 1, 2017, and a three percent general wage increase for sergeants effective July 1, 2018. The agreement also includes and funding is provided for increases to longevity pay, changes to specialty pay, and an increase to vacation accruals.

NEW SECTION. Sec. 516. COLLECTIVE BARGAINING AGREEMENT—WSP LIEUTENANTS ASSOCIATION

An agreement has been reached between the governor and the Washington state patrol lieutenants association pursuant to chapter 41.56 RCW for the 2017-2019 fiscal biennium. Funding is provided for a twenty percent general wage increase effective July 1, 2017, and a three percent general wage increase effective July 1, 2018. The agreement also includes and funding is provided for increases to longevity pay.

IMPLEMENTING PROVISIONS

NEW SECTION. Sec. 601. FUND TRANSFERS

(1) The 2005 transportation partnership projects or improvements and 2015 connecting Washington projects or improvements are listed in the LEAP Transportation Document 2017-1 as developed April 20, 2017, which consists of a list of specific projects by fund source and amount over a sixteen-year period. Current fiscal biennium funding for each project is a line-item appropriation, while the outer year funding allocations represent a sixteen-year plan. The department of transportation is expected to use the flexibility provided in this section to assist in the delivery and completion of all transportation partnership account and connecting Washington account projects on the LEAP transportation document referenced in this subsection. For the 2017-2019 project appropriations, unless otherwise provided in this act, the director of the office of financial management may provide written authorization for a transfer of

appropriation authority between projects funded with transportation partnership account appropriations or connecting Washington account appropriations to manage project spending and efficiently deliver all projects in the respective program under the following conditions and limitations:

(a) Transfers may only be made within each specific fund source referenced on the respective project list;

(b) Transfers from a project may not be made as a result of the reduction of the scope of a project or be made to support increases in the scope of a project;

(c) Transfers from a project may be made if the funds appropriated to the project are in excess of the amount needed in the current fiscal biennium;

(d) Transfers may not occur for projects not identified on the applicable project list;

(e) Transfers may not be made while the legislature is in session;

(f) Transfers to a project may not be made with funds designated as attributable to practical design savings as described in RCW 47.01.480;

(g) Each transfer between projects may only occur if the director of the office of financial management finds that any resulting change will not hinder the completion of the projects as approved by the legislature. Until the legislature reconvenes to consider the 2018 supplemental omnibus transportation appropriations act, any unexpended 2015-2017 appropriation balance as approved by the office of financial management, in consultation with the legislative staff of the house of representatives and senate transportation committees, may be considered when transferring funds between projects; and

(h) Transfers between projects may be made by the department of transportation without the formal written approval provided under this subsection (1), provided that the transfer amount does not exceed two hundred fifty thousand dollars or ten percent of the total project, whichever is less. These transfers must be reported quarterly to the director of the office of financial management and the chairs of the house of representatives and senate transportation committees.

(2) The department of transportation must submit quarterly all transfers authorized under this section in the transportation executive information system. The office of financial management must maintain a legislative baseline project list identified in the LEAP transportation documents referenced in this act, and update that project list with all authorized transfers under this section.

(3) At the time the department submits a request to transfer funds under this section, a copy of the request must be submitted to the transportation committees of the legislature.

(4) Before approval, the office of financial management shall work with legislative staff of the house of representatives and senate transportation committees to review the requested transfers in a timely manner.

(5) No fewer than ten days after the receipt of a project transfer request, the director of the office of financial management must provide written notification to the department of any decision regarding project transfers, with copies submitted to the transportation committees of the legislature.

(6) The department must submit annually as part of its budget submittal a report detailing all transfers made pursuant to this section.

NEW SECTION. Sec. 602. To the extent that any appropriation authorizes expenditures of state funds from the motor vehicle account, special category C

account, Tacoma Narrows toll bridge account, transportation 2003 account (nickel account), transportation partnership account, transportation improvement account, Puget Sound capital construction account, multimodal transportation account, state route number 520 corridor account, or other transportation capital project account in the state treasury for a state transportation program that is specified to be funded with proceeds from the sale of bonds authorized in chapter 47.10 RCW, the legislature declares that any such expenditures made before the issue date of the applicable transportation bonds for that state transportation program are intended to be reimbursed from proceeds of those transportation bonds in a maximum amount equal to the amount of such appropriation.

NEW SECTION. Sec. 603. BELATED CLAIMS

The agencies and institutions of the state may expend moneys appropriated in this act, upon approval of the office of financial management, for the payment of supplies and services furnished to the agency or institution in prior fiscal biennia.

NEW SECTION. Sec. 604. FOR THE DEPARTMENT OF TRANSPORTATION

(1) As part of its 2018 supplemental budget submittal, the department shall provide a report to the legislature and the office of financial management that:

(a) Identifies, by capital project, the amount of state funding that has been reappropriated from the 2015-2017 fiscal biennium into the 2017-2019 fiscal biennium; and

(b) Identifies, for each project, the amount of cost savings or increases in funding that have been identified as compared to the 2015 enacted omnibus transportation appropriations act.

(2) As part of the agency request for capital programs, the department shall load reappropriations separately from funds that were assumed to be required for the 2017-2019 fiscal biennium into budgeting systems.

NEW SECTION. Sec. 605. FOR THE DEPARTMENT OF TRANSPORTATION—WEB SITE REPORTING REQUIREMENTS

(1) The department of transportation shall post on its web site every report that is due from the department to the legislature during the 2017-2019 fiscal biennium on one web page. The department must post both completed reports and planned reports on a single web page.

(2) The department shall provide a web link for each change order that is more than five hundred thousand dollars on the affected project web page.

NEW SECTION. Sec. 606. (1) By November 15, 2017, and annually thereafter, the department of transportation must report on amounts expended to benefit transit, bicycle, or pedestrian elements within all connecting Washington projects in programs I, P, and Z identified in LEAP Transportation Document 2017-2 ALL PROJECTS as developed April 20, 2017. The report must address each modal category separately and identify if eighteenth amendment protected funds have been used and, if not, the source of funding.

(2) To facilitate the report in subsection (1) of this section, the department of transportation must require that all bids on connecting Washington projects include an estimate on the cost to implement any transit, bicycle, or pedestrian project elements.

NEW SECTION. Sec. 607. PROJECT SCOPE CHANGES

(1) The legislature finds that in the course of efficiently delivering connecting Washington projects, it is necessary to create a process for the department of transportation to request and receive approval of practical design-related project scope changes while the legislature is not in session. During the 2017-2019 fiscal biennium, the director of the office of financial management may approve project scope change requests to connecting Washington projects in the highway improvements program, provided that the requests meet the criteria outlined in RCW 47.01.480 and are subject to the limitations in this section.

(2) At the time the department of transportation submits a request for a project scope change under this section, a copy of the request must be submitted to the transportation committees of the legislature.

(3) Before approval, the office of financial management shall work with legislative staff of the house of representatives and senate transportation committees to review the requested project scope changes.

(4) No fewer than ten days after the receipt of a scope change request, the director of the office of financial management must provide written notification to the department of any decision regarding project scope changes, with copies submitted to the transportation committees of the legislature.

(5) As part of its annual budget submittal, the department of transportation must report on all approved scope change requests from the prior year, including a comparison of the scope before and after the requested change.

NEW SECTION. Sec. 608. FOR THE DEPARTMENT OF TRANSPORTATION

The department of transportation may provide up to three million dollars in toll credits to Kitsap transit for its role in passenger-only ferry service and ferry corridor-related projects. The number of toll credits provided must be equal to, but no more than, the number sufficient to meet federal match requirements for grant funding for passenger-only ferry service, but must not exceed the amount authorized in this section.

MISCELLANEOUS 2017-2019 FISCAL BIENNIUM**NEW SECTION. Sec. 701. INFORMATION TECHNOLOGY PROJECTS**

(1) All appropriations for designated information technology projects in this act must be placed in unallotted status and must not be expended before the office of the chief information officer certifies that the project complies with state information technology and security policy and strategies. At a minimum, the office of the chief information officer must certify, if the chief information officer deems appropriate, that the project meets critical project success factors, aligns with statewide technology strategy and architecture, reuses existing technology services and solutions, minimizes custom development, complies with security and other policy requirements, and uses modularized, component-based architectures. The office of the chief information officer must evaluate the project at the appropriate stages. The office of the chief information officer must notify the office of financial management and the legislative fiscal committees each time it certifies a project is ready to proceed with the next stage. Appropriations may then be allotted for that certified phase only.

(2) The chief information officer may suspend or terminate a project at any time if the chief information officer determines that the project is not meeting or not expected to meet anticipated performance and technology outcomes. Once suspension or termination occurs, the agency shall not make additional expenditures on the project without approval of the chief information officer.

The following projects are subject to the conditions, limitations, and review provided in this section: Department of Transportation - Labor System Replacement, Department of Transportation - New Ferry Division Dispatch System, Department of Transportation - Land Mobile Radio System Replacement, and Department of Transportation - New CSC System and Operator.

(3) The office of the chief information officer, in consultation with the office of financial management, may identify additional projects to be subject to this section other than those listed in subsection (2) of this section, including projects that are not separately identified within an agency budget.

****NEW SECTION. Sec. 702. SETTLEMENT FUNDS EXPENDITURE***

The legislature finds that it is appropriate to provide a framework for the administration of mitigation funds provided to the state as a beneficiary under the terms of the consent decrees entered into by the United States, Volkswagen AG, and other participating parties that settle emissions-related claims for 2.0 and 3.0 liter diesel vehicles of certain models and years. The legislature deems the department of ecology the responsible agency for the administration and expenditure of funds provided by the trustee under the terms of the consent decrees, including the development of a mitigation plan to guide the use of the funds, whether or not the department receives funds directly for projects included in the plan.

The legislature also finds that a framework to govern the administration of mitigation funds requires appropriations, guiding principles, allocation of funds, consideration of agencies' roles, legislative oversight, and ancillary provisions. Accordingly, the omnibus capital budget for the department of ecology includes the necessary provisions to administer the mitigation funds and the development of the mitigation plan. With respect to this act and transportation governance generally, these provisions require: The participation of legislators from the transportation committees as part of a legislative work group; consultation by the department of ecology with the department of transportation on several components of the plan development and implementation; and consideration of and coordination with the several transportation programs and policies that intersect with potential mitigation actions that may become part of the plan. The department of transportation is directed to work with the department of ecology as needed to facilitate the plan development and implementation.

**Sec. 702 was vetoed. See message at end of chapter.*

Sec. 703. RCW 43.19.642 and 2016 c 197 s 2 are each amended to read as follows:

(1) Effective June 1, 2006, for agencies complying with the ultra-low sulfur diesel mandate of the United States environmental protection agency for on-highway diesel fuel, agencies shall use biodiesel as an additive to ultra-low sulfur diesel for lubricity, provided that the use of a lubricity additive is warranted and that the use of biodiesel is comparable in performance and cost

with other available lubricity additives. The amount of biodiesel added to the ultra-low sulfur diesel fuel shall be not less than two percent.

(2) Except as provided in subsection (5) of this section, effective June 1, 2009, state agencies are required to use a minimum of twenty percent biodiesel as compared to total volume of all diesel purchases made by the agencies for the operation of the agencies' diesel-powered vessels, vehicles, and construction equipment.

(3) All state agencies using biodiesel fuel shall, beginning on July 1, 2016, file annual reports with the department of enterprise services documenting the use of the fuel and a description of how any problems encountered were resolved.

(4) By December 1, 2009, the department of enterprise services shall:

(a) Report to the legislature on the average true price differential for biodiesel by blend and location; and

(b) Examine alternative fuel procurement methods that work to address potential market barriers for in-state biodiesel producers and report these findings to the legislature.

(5) During the (~~2011-2013, 2013-2015, and~~) 2015-2017 and 2017-2019 fiscal biennia, the Washington state ferries is required to use a minimum of five percent biodiesel as compared to total volume of all diesel purchases made by the Washington state ferries for the operation of the Washington state ferries diesel-powered vessels, as long as the price of a B5 biodiesel blend does not exceed the price of conventional diesel fuel by five percent or more.

Sec. 704. RCW 46.20.745 and 2013 c 306 s 712 are each amended to read as follows:

(1) The ignition interlock device revolving account program is created within the department to assist in covering the monetary costs of installing, removing, and leasing an ignition interlock device, and applicable licensing, for indigent persons who are required under RCW 46.20.385, 46.20.720, and 46.61.5055 to install an ignition interlock device in all vehicles owned or operated by the person. For purposes of this subsection, "indigent" has the same meaning as in RCW 10.101.010, as determined by the department. During the (~~2013-2015~~) 2017-2019 fiscal biennium, the ignition interlock device revolving account program also includes ignition interlock enforcement work conducted by the Washington state patrol.

(2) A pilot program is created within the ignition interlock device revolving account program for the purpose of monitoring compliance by persons required to use ignition interlock devices and by ignition interlock companies and vendors.

(3) The department, the state patrol, and the Washington traffic safety commission shall coordinate to establish a compliance pilot program that will target at least one county from eastern Washington and one county from western Washington, as determined by the department, state patrol, and Washington traffic safety commission.

(4) At a minimum, the compliance pilot program shall:

(a) Review the number of ignition interlock devices that are required to be installed in the targeted county and the number of ignition interlock devices actually installed;

(b) Work to identify those persons who are not complying with ignition interlock requirements or are repeatedly violating ignition interlock requirements; and

(c) Identify ways to track compliance and reduce noncompliance.

(5) As part of monitoring compliance, the Washington traffic safety commission shall also track recidivism for violations of RCW 46.61.502 and 46.61.504 by persons required to have an ignition interlock driver's license under RCW 46.20.385 and 46.20.720.

**Sec. 705.* RCW 46.61.5054 and 2017 c ... (SB 5037) s 5 are each amended to read as follows:

(1)(a) In addition to penalties set forth in RCW 46.61.5051 through 46.61.5053 until September 1, 1995, and RCW 46.61.5055 thereafter, a two hundred fifty dollar fee shall be assessed to a person who is either convicted, sentenced to a lesser charge, or given deferred prosecution, as a result of an arrest for violating RCW 46.61.502, 46.61.504, 46.61.520, or 46.61.522. This fee is for the purpose of funding the Washington state toxicology laboratory and the Washington state patrol for grants and activities to increase the conviction rate and decrease the incidence of persons driving under the influence of alcohol or drugs.

(b) Upon a verified petition by the person assessed the fee, the court may suspend payment of all or part of the fee if it finds that the person does not have the ability to pay.

(2) The fee assessed under subsection (1) of this section shall be collected by the clerk of the court and, subject to subsection (5) of this section, one hundred seventy-five dollars of the fee must be distributed as follows:

(a) Forty percent shall be subject to distribution under RCW 3.46.120, 3.50.100, 35.20.220, 3.62.020, 3.62.040, or 10.82.070.

(b) The remainder of the fee shall be forwarded to the state treasurer who shall, through June 30, 1997, deposit: Fifty percent in the death investigations' account to be used solely for funding the state toxicology laboratory blood or breath testing programs; and fifty percent in the state patrol highway account to be used solely for funding activities to increase the conviction rate and decrease the incidence of persons driving under the influence of alcohol or drugs. Effective July 1, 1997, the remainder of the fee shall be forwarded to the state treasurer who shall deposit: Fifteen percent in the death investigations' account to be used solely for funding the state toxicology laboratory blood or breath testing programs; and eighty-five percent in the state patrol highway account to be used solely for funding activities to increase the conviction rate and decrease the incidence of persons driving under the influence of alcohol or drugs.

(3) Twenty-five dollars of the fee assessed under subsection (1) of this section must be distributed to the highway safety fund to be used solely for funding Washington traffic safety commission grants to reduce statewide collisions caused by persons driving under the influence of alcohol or drugs. Grants awarded under this subsection may be for projects that encourage collaboration with other community, governmental, and private organizations, and that utilize innovative approaches based on best practices or proven strategies supported by research or rigorous evaluation. Grants recipients may include, for example:

(a) *DUI courts; and*

(b) *Jurisdictions implementing the victim impact panel registries under RCW 46.61.5152 and 10.01.230.*

(4) *Fifty dollars of the fee assessed under subsection (1) of this section must be distributed to the highway safety fund to be used solely for funding Washington traffic safety commission grants to organizations within counties targeted for programs to reduce driving under the influence of alcohol or drugs. For the 2017-2019 fiscal biennium, the fee may also be used to support the cost of administration of the grant program by the Washington traffic safety commission.*

(5) *If the court has suspended payment of part of the fee pursuant to subsection (1)(b) of this section, amounts collected shall be distributed proportionately.*

(6) *This section applies to any offense committed on or after July 1, 1993, and only to adult offenders.*

**Sec. 705 was vetoed. See message at end of chapter.*

Sec. 706. RCW 46.68.030 and 2016 c 28 s 2 are each amended to read as follows:

(1) The director shall forward all fees for vehicle registrations under chapters 46.16A and 46.17 RCW, unless otherwise specified by law, to the state treasurer with a proper identifying detailed report. The state treasurer shall credit these moneys to the motor vehicle fund created in RCW 46.68.070.

(2) Proceeds from vehicle license fees and renewal vehicle license fees must be deposited by the state treasurer as follows:

(a) \$23.60 of each initial or renewal vehicle license fee must be deposited in the state patrol highway account in the motor vehicle fund, hereby created. Vehicle license fees, renewal vehicle license fees, and all other funds in the state patrol highway account must be for the sole use of the Washington state patrol for highway activities of the Washington state patrol, subject to proper appropriations and reappropriations.

(b) \$2.02 of each initial vehicle license fee and \$0.93 of each renewal vehicle license fee must be deposited each biennium in the Puget Sound ferry operations account.

(c) Any remaining amounts of vehicle license fees and renewal vehicle license fees that are not distributed otherwise under this section must be deposited in the motor vehicle fund.

(3) During the 2015-2017 fiscal biennium, the legislature may transfer from the state patrol highway account to the connecting Washington account such amounts as reflect the excess fund balance of the state patrol highway account.

(4) During the 2017-2019 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the state patrol highway account to the connecting Washington account.

Sec. 707. RCW 46.68.060 and 2015 3rd sp.s. c 43 s 602 are each amended to read as follows:

There is hereby created in the state treasury a fund to be known as the highway safety fund to the credit of which must be deposited all moneys directed by law to be deposited therein. This fund must be used for carrying out the provisions of law relating to driver licensing, driver improvement, financial responsibility, cost of furnishing abstracts of driving records and maintaining

such case records, and to carry out the purposes set forth in RCW 43.59.010, and chapters 46.72 and 46.72A RCW. During the 2013-2015 and 2015-2017 fiscal biennia, the legislature may transfer from the highway safety fund to the Puget Sound ferry operations account, the motor vehicle fund, and the multimodal transportation account such amounts as reflect the excess fund balance of the highway safety fund. During the 2017-2019 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the highway safety fund to the multimodal transportation account.

Sec. 708. RCW 46.68.280 and 2015 3rd sp.s. c 43 s 603 are each amended to read as follows:

(1) The transportation 2003 account (nickel account) is hereby created in the motor vehicle fund. Money in the account may be spent only after appropriation. Expenditures from the account must be used only for projects or improvements identified as transportation 2003 projects or improvements in the omnibus transportation budget and to pay the principal and interest on the bonds authorized for transportation 2003 projects or improvements. Upon completion of the projects or improvements identified as transportation 2003 projects or improvements, moneys deposited in this account must only be used to pay the principal and interest on the bonds authorized for transportation 2003 projects or improvements, and any funds in the account in excess of the amount necessary to make the principal and interest payments may be used for maintenance on the completed projects or improvements.

(2) During the 2015-2017 fiscal biennium, the legislature may transfer from the transportation 2003 account (nickel account) to the connecting Washington account such amounts as reflect the excess fund balance of the transportation 2003 account (nickel account).

(3) During the 2017-2019 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the transportation 2003 account (nickel account) to the connecting Washington account.

(4) The "nickel account" means the transportation 2003 account.

Sec. 709. RCW 46.68.290 and 2015 3rd sp.s. c 43 s 604 are each amended to read as follows:

(1) The transportation partnership account is hereby created in the state treasury. All distributions to the account from RCW 46.68.090 must be deposited into the account. Money in the account may be spent only after appropriation. Expenditures from the account must be used only for projects or improvements identified as 2005 transportation partnership projects or improvements in the omnibus transportation appropriations act, including any principal and interest on bonds authorized for the projects or improvements.

(2) The legislature finds that:

(a) Citizens demand and deserve accountability of transportation-related programs and expenditures. Transportation-related programs must continuously improve in quality, efficiency, and effectiveness in order to increase public trust;

(b) Transportation-related agencies that receive tax dollars must continuously improve the way they operate and deliver services so citizens receive maximum value for their tax dollars; and

(c) Fair, independent, comprehensive performance audits of transportation-related agencies overseen by the elected state auditor are essential to improving the efficiency, economy, and effectiveness of the state's transportation system.

(3) For purposes of chapter 314, Laws of 2005:

(a) "Performance audit" means an objective and systematic assessment of a state agency or agencies or any of their programs, functions, or activities by the state auditor or designee in order to help improve agency efficiency, effectiveness, and accountability. Performance audits include economy and efficiency audits and program audits.

(b) "Transportation-related agency" means any state agency, board, or commission that receives funding primarily for transportation-related purposes. At a minimum, the department of transportation, the transportation improvement board or its successor entity, the county road administration board or its successor entity, and the traffic safety commission are considered transportation-related agencies. The Washington state patrol and the department of licensing shall not be considered transportation-related agencies under chapter 314, Laws of 2005.

(4) Within the authorities and duties under chapter 43.09 RCW, the state auditor shall establish criteria and protocols for performance audits. Transportation-related agencies shall be audited using criteria that include generally accepted government auditing standards as well as legislative mandates and performance objectives established by state agencies. Mandates include, but are not limited to, agency strategies, timelines, program objectives, and mission and goals as required in RCW 43.88.090.

(5) Within the authorities and duties under chapter 43.09 RCW, the state auditor may conduct performance audits for transportation-related agencies. The state auditor shall contract with private firms to conduct the performance audits.

(6) The audits may include:

(a) Identification of programs and services that can be eliminated, reduced, consolidated, or enhanced;

(b) Identification of funding sources to the transportation-related agency, to programs, and to services that can be eliminated, reduced, consolidated, or enhanced;

(c) Analysis of gaps and overlaps in programs and services and recommendations for improving, dropping, blending, or separating functions to correct gaps or overlaps;

(d) Analysis and recommendations for pooling information technology systems used within the transportation-related agency, and evaluation of information processing and telecommunications policy, organization, and management;

(e) Analysis of the roles and functions of the transportation-related agency, its programs, and its services and their compliance with statutory authority and recommendations for eliminating or changing those roles and functions and ensuring compliance with statutory authority;

(f) Recommendations for eliminating or changing statutes, rules, and policy directives as may be necessary to ensure that the transportation-related agency carry out reasonably and properly those functions vested in the agency by statute;

(g) Verification of the reliability and validity of transportation-related agency performance data, self-assessments, and performance measurement systems as required under RCW 43.88.090;

(h) Identification of potential cost savings in the transportation-related agency, its programs, and its services;

(i) Identification and recognition of best practices;

(j) Evaluation of planning, budgeting, and program evaluation policies and practices;

(k) Evaluation of personnel systems operation and management;

(l) Evaluation of purchasing operations and management policies and practices;

(m) Evaluation of organizational structure and staffing levels, particularly in terms of the ratio of managers and supervisors to nonmanagement personnel; and

(n) Evaluation of transportation-related project costs, including but not limited to environmental mitigation, competitive bidding practices, permitting processes, and capital project management.

(7) Within the authorities and duties under chapter 43.09 RCW, the state auditor must provide the preliminary performance audit reports to the audited state agency for comment. The auditor also may seek input on the preliminary report from other appropriate officials. Comments must be received within thirty days after receipt of the preliminary performance audit report unless a different time period is approved by the state auditor. The final performance audit report shall include the objectives, scope, and methodology; the audit results, including findings and recommendations; the agency's response and conclusions; and identification of best practices.

(8) The state auditor shall provide final performance audit reports to the citizens of Washington, the governor, the joint legislative audit and review committee, the appropriate legislative committees, and other appropriate officials. Final performance audit reports shall be posted on the internet.

(9) The audited transportation-related agency is responsible for follow-up and corrective action on all performance audit findings and recommendations. The audited agency's plan for addressing each audit finding and recommendation shall be included in the final audit report. The plan shall provide the name of the contact person responsible for each action, the action planned, and the anticipated completion date. If the audited agency does not agree with the audit findings and recommendations or believes action is not required, then the action plan shall include an explanation and specific reasons.

The office of financial management shall require periodic progress reports from the audited agency until all resolution has occurred. The office of financial management is responsible for achieving audit resolution. The office of financial management shall annually report by December 31st the status of performance audit resolution to the appropriate legislative committees and the state auditor. The legislature shall consider the performance audit results in connection with the state budget process.

The auditor may request status reports on specific audits or findings.

(10) For the period from July 1, 2005, until June 30, 2007, the amount of \$4,000,000 is appropriated from the transportation partnership account to the

state auditors office for the purposes of subsections (2) through (9) of this section.

(11) During the 2015-2017 fiscal biennium, the legislature may transfer from the transportation partnership account to the connecting Washington account such amounts as reflect the excess fund balance of the transportation partnership account.

(12) During the 2017-2019 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the transportation partnership account to the connecting Washington account.

Sec. 710. RCW 46.68.325 and 2015 1st sp.s. c 10 s 703 are each amended to read as follows:

(1) The rural mobility grant program account is created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for the grants provided under RCW 47.66.100.

(2) Beginning September 2011, by the last day of September, December, March, and June of each year, the state treasurer shall transfer from the multimodal transportation account to the rural mobility grant program account two million five hundred thousand dollars.

(3) During the ~~((2013-2015 and))~~ 2015-2017 fiscal ~~((biennia))~~ biennium, the legislature may transfer from the rural mobility grant program account to the multimodal transportation account such amounts as reflect the excess fund balance of the rural mobility grant program account.

(4) During the 2017-2019 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the rural mobility grant program account to the multimodal transportation account.

Sec. 711. RCW 47.29.170 and 2015 1st sp.s. c 10 s 704 are each amended to read as follows:

Before accepting any unsolicited project proposals, the commission must adopt rules to facilitate the acceptance, review, evaluation, and selection of unsolicited project proposals. These rules must include the following:

(1) Provisions that specify unsolicited proposals must meet predetermined criteria;

(2) Provisions governing procedures for the cessation of negotiations and consideration;

(3) Provisions outlining that unsolicited proposals are subject to a two-step process that begins with concept proposals and would only advance to the second step, which are fully detailed proposals, if the commission so directed;

(4) Provisions that require concept proposals to include at least the following information: Proposers' qualifications and experience; description of the proposed project and impact; proposed project financing; and known public benefits and opposition; and

(5) Provisions that specify the process to be followed if the commission is interested in the concept proposal, which must include provisions:

(a) Requiring that information regarding the potential project would be published for a period of not less than thirty days, during which time entities could express interest in submitting a proposal;

(b) Specifying that if letters of interest were received during the thirty days, then an additional sixty days for submission of the fully detailed proposal would be allowed; and

(c) Procedures for what will happen if there are insufficient proposals submitted or if there are no letters of interest submitted in the appropriate time frame.

The commission may adopt other rules as necessary to avoid conflicts with existing laws, statutes, or contractual obligations of the state.

The commission may not accept or consider any unsolicited proposals before July 1, (~~2017~~) 2018.

Sec. 712. RCW 47.56.403 and 2015 1st sp.s. c 10 s 705 are each amended to read as follows:

(1) The department may provide for the establishment, construction, and operation of a pilot project of high occupancy toll lanes on state route 167 high occupancy vehicle lanes within King county. The department may issue, buy, and redeem bonds, and deposit and expend them; secure and remit financial and other assistance in the construction of high occupancy toll lanes, carry insurance, and handle any other matters pertaining to the high occupancy toll lane pilot project.

(2) Tolls for high occupancy toll lanes will be established as follows:

(a) The schedule of toll charges for high occupancy toll lanes must be established by the transportation commission and collected in a manner determined by the commission.

(b) Toll charges shall not be assessed on transit buses and vanpool vehicles owned or operated by any public agency.

(c) The department shall establish performance standards for the state route 167 high occupancy toll lane pilot project. The department must automatically adjust the toll charge, using dynamic tolling, to ensure that toll-paying single-occupant vehicle users are only permitted to enter the lane to the extent that average vehicle speeds in the lane remain above forty-five miles per hour at least ninety percent of the time during peak hours. The toll charge may vary in amount by time of day, level of traffic congestion within the highway facility, vehicle occupancy, or other criteria, as the commission may deem appropriate. The commission may also vary toll charges for single-occupant inherently low-emission vehicles such as those powered by electric batteries, natural gas, propane, or other clean burning fuels.

(d) The commission shall periodically review the toll charges to determine if the toll charges are effectively maintaining travel time, speed, and reliability on the highway facilities.

(3) The department shall monitor the state route 167 high occupancy toll lane pilot project and shall annually report to the transportation commission and the legislature on operations and findings. At a minimum, the department shall provide facility use data and review the impacts on:

(a) Freeway efficiency and safety;

(b) Effectiveness for transit;

(c) Person and vehicle movements by mode;

(d) Ability to finance improvements and transportation services through tolls; and

(e) The impacts on all highway users. The department shall analyze aggregate use data and conduct, as needed, separate surveys to assess usage of the facility in relation to geographic, socioeconomic, and demographic information within the corridor in order to ascertain actual and perceived questions of equitable use of the facility.

(4) The department shall modify the pilot project to address identified safety issues and mitigate negative impacts to high occupancy vehicle lane users.

(5) Authorization to impose high occupancy vehicle tolls for the state route 167 high occupancy toll pilot project expires if either of the following two conditions apply:

(a) If no contracts have been let by the department to begin construction of the toll facilities associated with this pilot project within four years of July 24, 2005; or

(b) If high occupancy vehicle tolls are being collected on June 30, (~~2017~~) 2019.

(6) The department of transportation shall adopt rules that allow automatic vehicle identification transponders used for electronic toll collection to be compatible with other electronic payment devices or transponders from the Washington state ferry system, other public transportation systems, or other toll collection systems to the extent that technology permits.

(7) The conversion of a single existing high occupancy vehicle lane to a high occupancy toll lane as proposed for SR-167 must be taken as the exception for this pilot project.

(8) A violation of the lane restrictions applicable to the high occupancy toll lanes established under this section is a traffic infraction.

(9) Procurement activity associated with this pilot project shall be open and competitive in accordance with chapter 39.29 RCW.

Sec. 713. RCW 47.56.876 and 2015 1st sp.s. c 10 s 706 are each amended to read as follows:

A special account to be known as the state route number 520 civil penalties account is created in the state treasury. All state route number 520 bridge replacement and HOV program civil penalties generated from the nonpayment of tolls on the state route number 520 corridor must be deposited into the account, as provided under RCW 47.56.870(4)(b)(vii). Moneys in the account may be spent only after appropriation. Expenditures from the account may be used to fund any project within the state route number 520 bridge replacement and HOV program, including mitigation. During the 2013-2015 and 2015-2017 fiscal biennia, the legislature may transfer from the state route number 520 civil penalties account to the state route number 520 corridor account such amounts as reflect the excess fund balance of the state route number 520 civil penalties account. Funds transferred must be used solely for capital expenditures for the state route number 520 bridge replacement and HOV project. During the 2017-2019 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the state route number 520 civil penalties account to the state route number 520 corridor account.

Sec. 714. RCW 47.60.530 and 2015 3rd sp.s. c 43 s 605 are each amended to read as follows:

(1) The Puget Sound ferry operations account is created in the motor vehicle fund.

(2) The following funds must be deposited into the account:

(a) All moneys directed by law;

(b) All revenues generated from ferry fares; and

(c) All revenues generated from commercial advertising, concessions, parking, and leases as allowed under RCW 47.60.140.

(3) Moneys in the account may be spent only after appropriation.

(4) Expenditures from the account may be used only for the maintenance, administration, and operation of the Washington state ferry system.

(5) During the 2015-2017 fiscal biennium, the legislature may transfer from the Puget Sound ferry operations account to the connecting Washington account such amounts as reflect the excess fund balance of the Puget Sound ferry operations account.

(6) During the 2017-2019 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the Puget Sound ferry operations account to the connecting Washington account.

Sec. 715. RCW 81.53.281 and 2016 c 14 s 701 are each amended to read as follows:

There is hereby created in the state treasury a "grade crossing protective fund" to carry out the provisions of RCW 81.53.261, 81.53.271, 81.53.281, 81.53.291, and 81.53.295; for grants and/or subsidies to public, private, and nonprofit entities for rail safety projects authorized or ordered by the commission; and for personnel and associated costs related to supervising and administering rail safety grants and/or subsidies. During the 2013-2015 fiscal biennium, funds in this account may also be used to conduct the study required under section 102, chapter 222, Laws of 2014. The commission shall transfer from the public service revolving fund's miscellaneous fees and penalties accounts moneys appropriated for these purposes as needed. At the time the commission makes each allocation of cost to said grade crossing protective fund, it shall certify that such cost shall be payable out of said fund. When federal-aid highway funds are involved, the department of transportation shall, upon entry of an order by the commission requiring the installation or upgrading of a grade crossing protective device, submit to the commission an estimate for the cost of the proposed installation and related work. Upon receipt of the estimate the commission shall pay to the department of transportation the percentage of the estimate specified in RCW 81.53.295, as now or hereafter amended, to be used as the grade crossing protective fund portion of the cost of the installation and related work.

The commission may adopt rules for the allocation of money from the grade crossing protective fund. During the 2015-2017 ~~and 2017-2019~~ fiscal ~~(biennium)~~ biennia, the commission may waive rules regarding local matching fund requirements, maximum awards for individual projects, and other application requirements as necessary to expedite the allocation of money from the grade crossing protective fund to address underprotected grade crossings as identified by the commission.

2015-2017 FISCAL BIENNIUM

GENERAL GOVERNMENT AGENCIES—OPERATING

Sec. 801. 2016 c 14 s 102 (uncodified) is amended to read as follows:

FOR THE UTILITIES AND TRANSPORTATION COMMISSION

Grade Crossing Protective Account—State

Appropriation.((~~\$1,604,000~~))
\$504,000

Sec. 802. 2016 c 14 s 103 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT

Motor Vehicle Account—State Appropriation((~~\$2,296,000~~))
\$2,196,000

Puget Sound Ferry Operations Account—State

Appropriation. \$115,000
State Patrol Highway Account—State Appropriation \$150,000

TOTAL APPROPRIATION((~~\$2,561,000~~))
\$2,461,000

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

(1) \$835,000 of the motor vehicle account—state appropriation is provided solely for the office of financial management, from amounts set aside out of statewide fuel taxes distributed to counties according to RCW 46.68.120(3), to contract with the Washington state association of counties to develop, implement, and report on transportation metrics associated with transportation system policy goals outlined in RCW 47.04.280. The Washington state association of counties, in cooperation with state agencies, must: Evaluate and implement opportunities to streamline reporting of county transportation financial data; expand reporting and collection of short-span bridge and culvert data; evaluate and report on the impact of increased freight and rail traffic on county roads; and to evaluate, implement, and report on the opportunities for improved capital project management and delivery.

(2) \$100,000 of the motor vehicle account—state appropriation is provided solely for the office of financial management, from funds set aside out of statewide fuel taxes distributed to counties according to RCW 46.68.120(3), to contract with the Washington state association of counties to work with the department of fish and wildlife to develop voluntary programmatic agreements for the maintenance, preservation, rehabilitation, and replacement of water crossing structures. A report must be presented to the legislature by December 31, 2016, on the implementation of developed voluntary programmatic agreements.

(3) \$150,000 of the state patrol highway account—state appropriation is provided solely for an organizational assessment of the Washington state patrol.

(4) The office of financial management, in conjunction with the office of the chief information officer, shall provide oversight and review of the department of transportation's development of the request for proposal for a new tolling customer service toll collection system and development of a project management plan as required in section 209(8) ((of this act)), chapter 14, Laws of 2016.

Sec. 803. 2016 c 14 s 104 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF AGRICULTURE

Motor Vehicle Account—State Appropriation~~(\$1,240,000)~~
\$1,239,000

TRANSPORTATION AGENCIES—OPERATING

Sec. 901. 2016 c 14 s 201 (uncodified) is amended to read as follows:

FOR THE WASHINGTON TRAFFIC SAFETY COMMISSION

Highway Safety Account—State Appropriation.~~(\$3,183,000)~~
\$3,175,000

Highway Safety Account—Federal Appropriation~~(\$21,644,000)~~
\$22,035,000

Highway Safety Account—Private/Local Appropriation. \$118,000

School Zone Safety Account—State Appropriation. \$850,000

TOTAL APPROPRIATION~~(\$25,795,000)~~
\$26,178,000

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

(1) The commission may continue to oversee pilot projects implementing the use of automated traffic safety cameras to detect speed violations within cities west of the Cascade mountains that have a population of more than one hundred ninety-five thousand and that are located in a county with a population of fewer than one million five hundred thousand. For the purposes of pilot projects in this subsection, no more than one automated traffic safety camera may be used to detect speed violations within any one jurisdiction.

(a) The commission shall comply with RCW 46.63.170 in administering the pilot projects.

(b) By January 1, 2017, any local authority that is operating an automated traffic safety camera to detect speed violations must provide a summary to the transportation committees of the legislature concerning the use of the cameras and data regarding infractions, revenues, and costs.

(2) \$99,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter 243, Laws of 2015 (pedestrian safety reviews).

(3) ~~(\$6,500,000)~~ \$1,030,000 of the highway safety account—federal appropriation is provided solely for federal funds that may be obligated to the commission pursuant to 23 U.S.C. Sec. 164 during the 2015-2017 fiscal biennium.

(4) Within current resources, the commission must examine the declining revenue going to the school zone safety account with the goal of identifying factors contributing to the decline. By December 31, 2015, the commission must provide a report to the transportation committees of the legislature that summarizes its findings and provides recommendations designed to ensure that the account is receiving all amounts that should be deposited into the account.

Sec. 902. 2016 c 14 s 202 (uncodified) is amended to read as follows:

FOR THE COUNTY ROAD ADMINISTRATION BOARD

Rural Arterial Trust Account—State Appropriation. \$1,000,000

Motor Vehicle Account—State Appropriation~~(\$2,459,000)~~
\$2,404,000

County Arterial Preservation Account—State	
Appropriation	\$1,518,000
TOTAL APPROPRIATION	<u>(\$4,977,000)</u>
	<u>\$4,922,000</u>

Sec. 903. 2016 c 14 s 203 (uncodified) is amended to read as follows:

FOR THE TRANSPORTATION IMPROVEMENT BOARD

Transportation Improvement Account—State	
Appropriation	<u>(\$4,063,000)</u>
	<u>\$4,035,000</u>

Sec. 904. 2016 c 14 s 204 (uncodified) is amended to read as follows:

FOR THE JOINT TRANSPORTATION COMMITTEE

Motor Vehicle Account—State Appropriation	<u>(\$2,222,000)</u>
	<u>\$2,272,000</u>

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

(1)(a) \$250,000 of the motor vehicle account—state appropriation is for a consultant study of Washington state patrol recruitment and retention of troopers. The study must identify barriers to effective candidate recruitment, candidates' successful completion of training, and retention of trained troopers of various tenure. The study must provide:

- (i) An overview of current attrition rates;
- (ii) Options and strategies on reducing the average number of trooper positions that are vacant;
- (iii) Identification of best practices for recruitment and retention of law enforcement officers;
- (iv) Recommendations to improve existing recruitment and selection programs;
- (v) Recommendations for where salary and benefit adjustments should be targeted to most effectively address recruitment and retention challenges;
- (vi) Recommendations regarding changes to the training and education program; and
- (vii) Other recommendations for cost-effective personnel strategies.

(b) The joint transportation committee shall issue a report of its findings to the house and senate transportation committees by December 14, 2015. The Washington state patrol shall work with the consultant to identify costs for each recommendation.

(2)(a) \$125,000 of the motor vehicle account—state appropriation is for a study of Washington state weigh station planning, placement, and operations by the Washington state patrol and department of transportation as they relate to roadway safety and preservation. The study must:

- (i) Provide a high-level overview of commercial vehicle enforcement programs, with a focus on weigh stations, including both state and federal funding programs. This overview must include a description of how the Washington state patrol and department of transportation allocate these state and federal funds.
- (ii) Review Washington state patrol and department of transportation planning related to weigh station location and operation, and the extent to which their efforts complement, coordinate with, or overlap each other;

(iii) Identify best practices in the funding, placement, and operation of weigh stations;

(iv) Review plans by the department of transportation and Washington state patrol to reopen a Federal Way area southbound weigh station;

(v) Recommend changes in state statutes, policy, or agency practices and rules to improve the efficiency and effectiveness of weigh station funding, placement, and operation, including potential savings to be achieved by adopting the changes; and

(vi) Review whether it is cost-effective or more efficient to place future weigh stations in the median of a highway instead of placing two individual weigh stations on either side of a highway.

(b) The joint transportation committee must issue a report of its findings and recommendations to the house of representatives and senate transportation committees by December 14, 2015.

(3) \$250,000 of the motor vehicle account—state appropriation, from the cities' statewide fuel tax distributions under RCW 46.68.110(2), is for a study to be conducted in 2016 to identify prominent road-rail conflicts, recommend a corridor-based prioritization process for addressing the impacts of projected increases in rail traffic, and identify areas of state public policy interest, such as the critical role of freight movement to the Washington economy and the state's competitiveness in world trade. The study must consider the results of the updated marine cargo forecast due to be delivered to the joint transportation committee on December 1, 2015. In conducting the study, the joint transportation committee must consult with the department of transportation, the freight mobility strategic investment board, the utilities and transportation commission, local governments, and other relevant stakeholders. The joint transportation committee must issue a report of its recommendations and findings by January 9, 2017.

(4) The legislature intends for the joint transportation committee to undertake a study during the 2017-2019 fiscal biennium of consolidating rail employee safety and regulatory functions in the utilities and transportation commission. The joint transportation committee should review the information provided by the utilities and transportation commission and should provide recommendations to the transportation committees of the legislature regarding such a consolidation of rail employee safety and regulatory functions.

(5) Within existing resources, during the interim periods between regular sessions of the legislature, the joint transportation committee shall include on its agendas work sessions on the Alaskan Way viaduct replacement project. These work sessions must include a report on current progress of the project, timelines for completion, outstanding claims, the financial status of the project, and any other information necessary for the legislature to maintain appropriate oversight of the project. The parties invited to present may include the department of transportation, the Seattle tunnel partners, and other appropriate stakeholders. The joint transportation committee shall have at least two such work sessions before December 31, 2015.

(6) \$450,000 of the motor vehicle account—state appropriation is for the design-build contracting review study established in chapter 18, Laws of 2015 3rd sp. sess. The department of transportation must provide technical assistance, as necessary.

(7) The joint transportation committee must study the issues surrounding minority and women-owned business contracting related to the transportation sector. The study should identify any best practices adopted in other states that encourage participation by minority and women-owned businesses. The joint transportation committee, with direction from the executive committee, may form a legislative task force at the conclusion of the study to help to inform the legislature of any best practices identified from other states that encourage minority and women-owned businesses' participation in the transportation sector.

Sec. 905. 2016 c 14 s 205 (uncodified) is amended to read as follows:

FOR THE TRANSPORTATION COMMISSION

Motor Vehicle Account—State Appropriation	((<u>\$2,667,000</u>))
	<u>\$2,516,000</u>
Motor Vehicle Account—Federal Appropriation	\$500,000
Multimodal Transportation Account—State Appropriation	\$112,000
TOTAL APPROPRIATION	((<u>\$3,279,000</u>))
	<u>\$3,128,000</u>

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

(1) \$300,000 of the motor vehicle account—state appropriation is provided solely to continue evaluating a road usage charge as an alternative to the motor vehicle fuel tax to fund investments in transportation. The evaluation must include monitoring and reviewing work that is underway in other states and nationally. The commission may coordinate with the department of transportation to jointly pursue any federal or other funds that are or might become available and eligible for road usage charge pilot projects. The commission must reconvene the road usage charge steering committee, with the same membership authorized in chapter 222, Laws of 2014, and report to the governor's office and the transportation committees of the house of representatives and the senate by December 15, 2015.

(2) \$150,000 of the motor vehicle account—state appropriation is provided solely for the commission to use an outside survey firm to conduct three transportation surveys during the 2015-2017 fiscal biennium. The commission must consult with the joint transportation committee when deciding on the survey topics and design to ensure the survey results will deliver the data, information, and analysis for future transportation policy and strategic planning decisions in a manner useful to the legislature.

(3)(a) The legislature finds that, while some travel times have improved through Interstate 405 between the junctions with Interstate 5 on the north end and NE 6th Street in the city of Bellevue on the south end, especially for transit trips, the implementation of the express toll lane system has made travel more difficult for a number of other drivers and trips. To provide some relief to drivers, the legislature encourages the commission to expedite consideration of the elimination of tolls during evening nonpeak hours, weekends, and holidays, to the extent that such a change will improve commuters' experience on this portion of Interstate 405. The legislature further finds that the commission, as the tolling authority of the state, should act swiftly, working in conjunction with

the department of transportation's comprehensive effort to tackle obstacles adversely affecting commutes on this portion of Interstate 405, to drive improved results for the users of this critical corridor as soon as is practicable.

(b) In accordance with the rule-making authority provided under RCW 34.05.350(1)(a), the legislature deems it necessary, for preservation of the general welfare, that operational changes be made to improve the express toll lane program on Interstate 405 and that the tolling authority use its emergency rule-making authority to effect such changes in accordance with RCW 47.56.850 and 47.56.880. The legislature finds that the need for improvements to the commuter experience on the portion of Interstate 405 identified in (a) of this subsection necessitates that such action be taken in an expedited fashion. The tolling authority, with input from the department of transportation, shall evaluate the hours and days of operation for the express toll lanes and the minimum high occupancy vehicle passenger requirements for using the express toll lanes, taking into consideration the goals of: Reducing travel time on this portion of Interstate 405, including in the general purpose lanes; reducing the cost of traveling within the express toll lanes on this portion of Interstate 405; and maintaining sufficient revenue to pay for this portion of Interstate 405's express toll lane operating costs. This subsection (3) does not create a private right of action.

(4)(a) \$500,000 of the motor vehicle account—federal appropriation is provided solely to advance the work completed since 2011 in evaluating a road usage charge as an alternative to the motor vehicle fuel tax to fund future investments in transportation by completing the work necessary to launch a road usage charge pilot project, with all implementation details for a pilot project identified and incorporated into a pilot project implementation plan.

(i) Pilot project implementation preparation must include identification of all essential agency roles and responsibilities for the pilot project, a selection of the technologies and methodologies to be included, a target number of participants and participant characteristics, rigorous specific evaluation criteria by which the pilot project will be assessed, a communication plan for the pilot project that consists of a participant recruitment plan and a plan for communicating information about the launch and ongoing progress of the pilot project, and pilot project expenditure and revenue estimates.

(ii) In developing the road usage charge pilot project implementation plan, the commission shall consult and coordinate with the department of transportation, the department of licensing, the department of revenue, and the office of the state treasurer to establish participation and coordination parameters for the project.

(b) The commission shall coordinate with the department of transportation to jointly pursue any federal or other funds that are or might become available to fund a road usage charge pilot project. Where feasible, grant application content prepared by the commission must reflect the direction provided by the road usage charge steering committee on the preferred road usage charge pilot project approach. One or more grant applications may be developed as part of the road usage charge pilot project implementation plan development work, but the pilot project implementation plan must nevertheless include any details necessary for a full launch of the pilot project not required to be included in any grant application.

(c) The commission shall reconvene the road usage charge steering committee, with the same membership authorized in chapter 222, Laws of 2014, as well as the addition of a representative from the Puget Sound regional council, and may obtain guidance from the steering committee when it reaches key pilot project implementation plan development milestones. The commission must provide a report on the road usage charge pilot project implementation plan that includes all implementation details for a road usage charge pilot project to the governor's office and the transportation committees of the house of representatives and the senate by November 1, 2016.

~~((5) \$150,000 of the motor vehicle account—state appropriation is provided solely for supporting the disadvantaged business enterprise advisory committee established in chapter . . . (Senate Bill No. 6180), Laws of 2016. If chapter . . . (Senate Bill No. 6180), Laws of 2016 is not enacted by June 30, 2016, the amount provided in this subsection lapses.))~~

Sec. 906. 2016 c 14 s 206 (uncodified) is amended to read as follows:
FOR THE FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD
Motor Vehicle Account—State Appropriation~~(\$1,024,000)~~
\$1,015,000

The appropriation in this section is subject to the following conditions and limitations: \$250,000 of the motor vehicle account—state appropriation is provided solely to conduct a study of freight infrastructure needs, including an update of the long-term marine cargo forecast. The board must work with the Washington public ports association to evaluate: (1) Forecasted cargo movement by commodity, type, and mode of land transport; and (2) current and projected freight infrastructure capacity needs. A report on the study must be delivered to the joint transportation committee by December 1, 2015.

Sec. 907. 2016 c 14 s 207 (uncodified) is amended to read as follows:
FOR THE WASHINGTON STATE PATROL
State Patrol Highway Account—State
Appropriation.~~(\$415,364,000)~~
\$407,845,000
State Patrol Highway Account—Federal
Appropriation. \$13,291,000
State Patrol Highway Account—Private/Local
Appropriation. \$3,823,000
Highway Safety Account—State Appropriation \$1,494,000
Multimodal Transportation Account—State
Appropriation. \$276,000
TOTAL APPROPRIATION~~(\$434,248,000)~~
\$426,729,000

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

(1) Washington state patrol officers engaged in off-duty uniformed employment providing traffic control services to the department of transportation or other state agencies may use state patrol vehicles for the purpose of that employment, subject to guidelines adopted by the chief of the Washington state patrol. The Washington state patrol must be reimbursed for the

use of the vehicle at the prevailing state employee rate for mileage and hours of usage, subject to guidelines developed by the chief of the Washington state patrol.

(2) \$510,000 of the highway safety account—state appropriation is provided solely for the ignition interlock program at the Washington state patrol to provide funding for two staff to work and provide support for the program in working with manufacturers, service centers, technicians, and participants in the program.

(3) \$23,000 of the state patrol highway account—state appropriation is provided solely for the implementation of chapter 3, Laws of 2015 2nd sp. sess. (impaired driving).

(4) \$5,000,000 of the state patrol highway account—state appropriation is provided solely for compensation increases for Washington state patrol troopers, sergeants, lieutenants, and captains. This increase is not subject to interest arbitration and is for salary and benefits that are in addition to the current interest arbitration award. It is the intent of the legislature that chapter . . . (Engrossed Second Substitute House Bill No. 2872), Laws of 2016 provide the revenue to support the ongoing costs associated with the compensation increases identified in this subsection in order to provide the means necessary to recruit and retain state patrol officers in subsequent biennia.

(5)(a) The department and the Washington state patrol must work collaboratively to develop a comprehensive plan for weigh station construction and preservation for the entire state. The plan must be submitted to the transportation committees of the legislature by January 1, 2017.

(b) As part of the 2017-2019 biennial budget submittal, the department and the Washington state patrol must jointly submit a prioritized list of weigh station projects for legislative approval.

(6) \$115,000 of the state patrol highway account—state appropriation is provided solely for the operation of the license investigation unit to enforce vehicle registration laws in southwestern Washington.

Sec. 908. 2016 c 14 s 208 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LICENSING

Marine Fuel Tax Refund Account—State	
Appropriation.	\$34,000
License Plate Technology Account—State	
Appropriation.	\$3,200,000
Motorcycle Safety Education Account—State	
Appropriation.	\$4,488,000
State Wildlife Account—State Appropriation	\$1,001,000
Highway Safety Account—State Appropriation.	(\$201,666,000)
	<u>\$198,735,000</u>
Highway Safety Account—Federal Appropriation	\$3,573,000
Motor Vehicle Account—State Appropriation	(\$92,044,000)
	<u>\$92,662,000</u>
Motor Vehicle Account—Federal Appropriation	\$362,000
Motor Vehicle Account—Private/Local Appropriation	(\$1,544,000)
	<u>\$1,859,000</u>
Ignition Interlock Device Revolving Account—State	
Appropriation.	\$5,142,000

Department of Licensing Services Account—State	
Appropriation . . . . .	..(((\$6,672,000))
	<u>\$6,671,000</u>
TOTAL APPROPRIATION . . . . .	..(((\$319,726,000))
	<u>\$317,727,000</u>

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

(1) (~~(\$30,954,000)~~ \$28,570,000 of the highway safety account—state appropriation and \$3,200,000 of the license plate technology account—state appropriation are provided solely for business and technology modernization. The department and the state chief information officer or his or her designee must provide a joint project status report to the transportation committees of the legislature on at least a calendar quarter basis. The report must include, but is not limited to: Detailed information about the planned and actual scope, schedule, and budget; status of key vendor and other project deliverables; and a description of significant changes to planned deliverables or system functions over the life of the project. Project staff will periodically brief the committees or the committees' staff on system security and data protection measures.

(2) \$5,059,000 of the motor vehicle account—state appropriation is provided solely for replacing prorated and fuel tax computer systems used to administer interstate licensing and the collection of fuel tax revenues.

(3) \$3,714,000 of the highway safety account—state appropriation is provided solely for the implementation of an updated central issuance system.

(4) \$3,082,000 of the highway safety account—state appropriation is provided solely for exam and licensing activities, including the workload associated with providing driver record abstracts, and is subject to the following additional conditions and limitations:

(a) The department may furnish driving record abstracts only to those persons or entities expressly authorized to receive the abstracts under Title 46 RCW;

(b) The department may furnish driving record abstracts only for an amount that does not exceed the specified fee amounts in RCW 46.52.130 (2)(e)(v) and (4); and

(c) The department may not enter into a contract, or otherwise participate in any arrangement, with a third party or other state agency for any service that results in an additional cost, in excess of the fee amounts specified in RCW 46.52.130 (2)(e)(v) and (4), to statutorily authorized persons or entities purchasing a driving record abstract.

(5) The department when modernizing its computer systems must place personal and company data elements in separate data fields to allow the department to select discrete data elements when providing information or data to persons or entities outside the department. This requirement must be included as part of the systems design in the department's business and technology modernization. A person's photo, social security number, or medical information must not be made available through public disclosure or data being provided under RCW 46.12.630 or 46.12.635.

(6) Within existing resources and in consultation with the traffic safety commission, the Washington state patrol, and a representative of the insurance

industry and the professional driving school association, the department must review options and make recommendations on strategies for addressing young and high-risk drivers. The recommendations must consider the findings of Washington state's strategic highway safety plan, Target Zero, and must include an analysis of expanding traffic safety education to eighteen to twenty-four year olds that have not taken a traffic safety course and drivers that have been convicted of high-risk behavior, such as driving under the influence of drugs and alcohol and reckless driving. An overview of the work conducted and the recommendations are due to the transportation committees of the legislature and the governor by December 31, 2015.

(7) \$57,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter 1, Laws of 2015 2nd sp. sess. (quick title service fees).

(8) \$283,000 of the highway safety account—state appropriation and \$33,000 of the ignition interlock device revolving account—state appropriation are provided solely for the implementation of chapter 3, Laws of 2015 2nd sp. sess. (impaired driving).

(9) \$4,000,000 of the motor vehicle account—state appropriation is provided solely for implementation of chapter 44, Laws of 2015 3rd sp. sess. (transportation revenue).

~~(10) ((\$335,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter . . . (Substitute House Bill No. 2942), Laws of 2016 or chapter . . . (Senate Bill No. 6591), Laws of 2016 (nondomiciled commercial drivers' licenses). If both chapter . . . (Substitute House Bill No. 2942), Laws of 2016 and chapter . . . (Senate Bill No. 6591), Laws of 2016 are not enacted by June 30, 2016, the amount provided in this subsection lapses.~~

~~(11))~~ \$2,421,000 of the highway safety account—state appropriation is provided solely for costs necessary to accommodate increased demand for enhanced drivers' licenses and enhanced identicards. The office of financial management shall place the entire amount provided in this subsection in unallotted status. The office of financial management may release portions of the funds when it determines that average wait times have increased by more than two minutes based on wait time and volume data provided by the department compared to average wait times and volume during the month of December 2015. The department and the office of financial management shall evaluate the use of these funds on a monthly basis and periodically report to the transportation committees of the legislature on average wait times and volume data for enhanced drivers' licenses and enhanced identicards.

~~((12))~~ (11) \$43,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (Senate Bill No. 6200), Laws of 2016 (Washington's fish collection license plate). If chapter . . . (Senate Bill No. 6200), Laws of 2016 is not enacted by June 30, 2016, the amount provided in this subsection lapses.

~~((13))~~ (12) \$388,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter . . . (Engrossed Substitute House Bill No. 2700), Laws of 2016 (impaired driving). If chapter . . . (Engrossed Substitute House Bill No. 2700), Laws of 2016 is not enacted by June 30, 2016, the amount provided in this subsection lapses.

((14)) (13) \$29,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (Substitute Senate Bill No. 6254), Laws of 2016 (Purple Heart license plate). If chapter . . . (Substitute Senate Bill No. 6254), Laws of 2016 is not enacted by June 30, 2016, the amount provided in this subsection lapses.

((15)) (14) \$20,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (Engrossed Substitute House Bill No. 2778), Laws of 2016 (alternative fuel vehicles). If chapter . . . (Engrossed Substitute House Bill No. 2778), Laws of 2016 is not enacted by June 30, 2016, the amount provided in this subsection lapses.

Sec. 909. 2016 c 14 s 209 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—TOLL OPERATIONS AND MAINTENANCE—PROGRAM B

High Occupancy Toll Lanes Operations Account—State

Appropriation.	((\$3,185,000))
	<u>\$3,175,000</u>
Motor Vehicle Account—State Appropriation	\$510,000
State Route Number 520 Corridor Account—State	
Appropriation.	\$39,029,000
State Route Number 520 Civil Penalties Account—State	
Appropriation.	\$6,008,000
Tacoma Narrows Toll Bridge Account—State	
Appropriation.	\$26,636,000
Interstate 405 Express Toll Lanes Operations	
Account—State Appropriation	\$15,552,000
TOTAL APPROPRIATION	((\$90,920,000))
	<u>\$90,910,000</u>

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

(1) \$1,300,000 of the Tacoma Narrows toll bridge account—state appropriation and \$8,157,000 of the state route number 520 corridor account—state appropriation are provided solely for the purposes of addressing unforeseen operations and maintenance costs on the Tacoma Narrows bridge and the state route number 520 bridge, respectively. The office of financial management shall place the amounts provided in this section, which represent a portion of the required minimum fund balance under the policy of the state treasurer, in unallotted status. The office may release the funds only when it determines that all other funds designated for operations and maintenance purposes have been exhausted.

(2) \$4,778,000 of the state route number 520 civil penalties account—state appropriation and \$2,065,000 of the Tacoma Narrows toll bridge account—state appropriation are provided solely for expenditures related to the toll adjudication process. The department shall report on the civil penalty process to the office of financial management and the house of representatives and senate transportation committees by the end of each calendar quarter. The reports must include a summary table for each toll facility that includes: The number of notices of civil penalty issued; the number of recipients who pay before the notice becomes a penalty; the number of recipients who request a hearing and the number who do

not respond; workload costs related to hearings; the cost and effectiveness of debt collection activities; and revenues generated from notices of civil penalty.

(3) The department shall make detailed quarterly expenditure reports available to the transportation commission and to the public on the department's web site using current department resources. The reports must include a summary of toll revenue by facility on all operating toll facilities and high occupancy toll lane systems, and an itemized depiction of the use of that revenue.

(4) \$3,100,000 of the Interstate 405 express toll lanes operations account—state appropriation, \$1,498,000 of the state route number 520 corridor account—state appropriation, and \$1,802,000 of the high occupancy toll lanes operations account—state appropriation are provided solely for the operation and maintenance of roadside toll collection systems. Due to underruns, the office of financial management shall place \$1,000,000 of the Interstate 405 express toll lanes operations account—state appropriation, \$360,000 of the state route number 520 corridor account—state appropriation, and \$1,000,000 of the high occupancy toll lanes operations account—state appropriation in unallotted status. The office of financial management may release portions of the funds if it determines operation and maintenance costs of the roadside toll collection systems exceed the allotted amounts.

(5) \$12,202,000 of the Interstate 405 express toll lanes operations account—state appropriation is provided solely for operational costs related to the express toll lane facility, including the customer service center vendor, transponders, credit card fees, printing and postage, rent, office supplies, telephone and communications equipment, computers, and vehicle operations. Within the amount provided in this subsection, the department must, to the greatest extent possible, without adding additional tolling gantries, continue to expand the length of the access and exit points to the express toll lanes, clarify signage and striping to eliminate confusion, and make other operational and customer service improvements to enhance the public's use of the toll facility. The office of financial management shall place \$5,371,000 of the amount provided in this subsection in unallotted status. The office of financial management may release funds to the department on a monthly basis beginning July 1, 2016; however, the amount to be released monthly must be calculated to address the department's projected expenditure need based on the previous month's actual expenditures, financial statement, actual toll transaction experience, and actual revenue collections for the Interstate 405 express toll lanes facility. Prior to releasing any funding from unallotted status, the office of financial management shall notify the joint transportation committee of the amount to be released and provide the documentation used in determining the amount.

(6) \$250,000 of the Interstate 405 express toll lanes operations account—state appropriation is provided solely for the identification and prioritization of projects that will help reduce congestion and provide added capacity on the Interstate 405 tolling corridor between state route number 522 and Interstate 5.

(7) The department must provide quarterly reports to the transportation committees of the legislature on the Interstate 405 express toll lane project performance measures listed in RCW 47.56.880(4). These reports must include:

(a) Information on the travel times and travel time reliability (at a minimum, average and 90th percentile travel times) maintained during peak and nonpeak

periods in the express toll lanes and general purpose lanes for both the entire corridor and commonly made trips in the corridor including, but not limited to, northbound from Bellevue to Rose Hill, state route number 520 at NE 148th to Interstate 405 at state route number 522, Bellevue to Bothell (both NE 8th to state route number 522 and NE 8th to state route number 527), and a trip internal to the corridor (such as NE 85th to NE 160th) and similar southbound trips;

(b) A month-to-month comparison of travel times and travel time reliability for the entire corridor and commonly made trips in the corridor as specified in (a) of this subsection since implementation of the express toll lanes and, to the extent available, a comparison to the travel times and travel time reliability prior to implementation of the express toll lanes;

(c) Total express toll lane and total general purpose lane traffic volumes, as well as per lane traffic volumes for each type of lane (i) compared to total express toll lane and total general purpose lane traffic volumes, as well as per lane traffic volumes for each type of lane, on this segment of Interstate 405 prior to implementation of the express toll lanes and (ii) compared to total express toll lane and total general purpose lane traffic volumes, as well as per lane traffic volumes for each type of lane, from month to month since implementation of the express toll lanes; and

(d) Underlying congestion measurements, that is, speeds, that are being used to generate the summary graphs provided, to be made available in a digital file format.

(8) \$56,000 of the high occupancy toll lanes operations account—state appropriation, \$1,124,000 of the state route number 520 corridor account—state appropriation, and \$596,000 of the Tacoma Narrows toll bridge account—state appropriation are provided solely for the department to develop a request for proposal for a new tolling customer service center.

(a) The department must address the replacement of the Wave2Go ferry ticketing system that is reaching the end of its useful life by developing functional and technical requirements that integrate Washington state ferries ticketing into the new tolling division customer service center toll collection system. The department shall continue to report quarterly to the governor, legislature, and state auditor on: (i) The department's effort to mitigate risk to the state, (ii) the development of a request for proposal, and (iii) the overall progress towards procuring a new tolling customer service center.

(b) The department shall release a request for proposal for a new tolling customer service toll collection system by December 1, 2016.

(i) During the request for proposal development process and prior to its release, the office of financial management shall review the request for proposal for a new tolling customer service toll collection system to ensure the request for proposal:

(A) Provides for the business needs of the state; and

(B) Mitigates risk to the state.

(ii) During development of the request for proposal and prior to its release, the office of the chief information officer shall review the request for proposal for a new tolling customer service toll collection system to ensure the request for proposal:

(A) Contains requirements that meet the security standards and policies of the office of the chief information officer; and

(B) Is flexible and adaptable to advances in technology.

(c)(i) Prior to commencement of the new tolling customer service toll collection system implementation, the department shall submit a draft project management plan to the office of financial management and the office of the chief information officer that includes a provision for independent verification and validation of contract deliverables from the successful bidder and a provision for quality assurance that includes reporting independently to the office of the chief information officer on an ongoing basis during system implementation;

(ii) The office of financial management and the office of the chief information officer shall review the draft project management plan to ensure that it contains adequate contract management and quality assurance measures.

(iii) The department shall submit the project management plan to the transportation committees of the legislature prior to the commencement of system implementation.

(9) The department shall make detailed quarterly reports to the governor and the transportation committees of the legislature on the following:

(a) The use of consultants in the tolling program, including the name of the contractor, the scope of work, the type of contract, timelines, deliverables, any new task orders, and any extensions to existing consultant contracts;

(b) The nonvendor costs of administering toll operations, including the costs of staffing the division, consultants and other personal service contracts required for technical oversight and management assistance, insurance, payments related to credit card processing, transponder purchases and inventory management, facility operations and maintenance, and other miscellaneous nonvendor costs; and

(c) The vendor-related costs of operating tolled facilities, including the costs of the customer service center, cash collections on the Tacoma Narrows bridge, electronic payment processing, and toll collection equipment maintenance, renewal, and replacement.

(10) \$5,000 of the motor vehicle account—state appropriation is provided solely for membership dues for the alliance for toll interoperability.

(11) \$1,230,000 of the state route number 520 civil penalties account—state appropriation and \$695,000 of the Tacoma Narrows toll bridge account—state appropriation are provided solely to implement chapter 292, Laws of 2015 (tolling customer service reform) to improve integration between the Good to Go! electronic tolling system with the pay-by-mail system through increased communication with customers and improvements to the Good to Go! web site allowing customers to manage all of their toll accounts regardless of method of payment. Within the amounts provided, the department must include in the request for proposals for a new customer service center the requirement that the new tolling customer service center link to the vehicle records system of the department of licensing to enable vehicle record updates that relate to tolling customer accounts to occur between the two systems seamlessly. The department must work with the department of licensing to develop the appropriate specifications to include in the request for proposals to allow the new tolling customer service center to link to the vehicle records system without cost to the department of licensing and report to the transportation committees of the legislature when the appropriate specifications have been completed. By

June 30, 2017, the department shall report how many people with Good to Go! accounts were issued civil penalties for each toll facility and whether the number was reduced each fiscal year in the biennium. The department shall also report on the number of customer contacts that occur, number of civil penalties reduced or waived, the amount of the total civil penalties that are waived, and the number of customers that are referred to the administrative law judge process during the biennium.

Sec. 910. 2016 c 14 s 210 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—INFORMATION TECHNOLOGY—PROGRAM C

Transportation Partnership Account—State	
Appropriation.	\$1,460,000
Motor Vehicle Account—State Appropriation	(\$69,291,000))
	<u>\$69,281,000</u>
Multimodal Transportation Account—State	
Appropriation.	\$2,883,000
Transportation 2003 Account (Nickel Account)—State	
Appropriation.	\$1,460,000
Puget Sound Ferry Operations Account—State	
Appropriation.	\$263,000
TOTAL APPROPRIATION	(\$75,357,000))
	<u>\$75,347,000</u>

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

(1) \$1,460,000 of the transportation partnership account—state appropriation and \$1,460,000 of the transportation 2003 account (nickel account)—state appropriation are provided solely for maintaining the department's project management reporting system.

(2) \$250,000 of the motor vehicle account—state appropriation is provided solely for the development of a timeline and funding plan for the labor system replacement project. As part of its 2017-2019 biennial budget submittal, and in coordination with the office of financial management and the office of the chief information officer, the department shall submit a timeline and funding plan for the labor system replacement project. The plan must identify a timeline and all one-time and ongoing costs for the integration of all headquarters, regional, and marine employees into the new labor system.

Sec. 911. 2016 c 14 s 211 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—FACILITY MAINTENANCE, OPERATIONS, AND CONSTRUCTION—PROGRAM D—OPERATING

Motor Vehicle Account—State Appropriation	
	(\$27,609,000))
	<u>\$27,592,000</u>
State Route Number 520 Corridor Account—State	
Appropriation.	\$34,000
TOTAL APPROPRIATION	(\$27,643,000))
	<u>\$27,626,000</u>

Sec. 912. 2016 c 14 s 212 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—AVIATION—PROGRAM F

Aeronautics Account—State Appropriation	(\$8,628,000)
	<u>\$8,632,000</u>
Aeronautics Account—Federal Appropriation	(\$4,100,000)
	<u>\$1,600,000</u>
Aeronautics Account—Private/Local Appropriation	\$60,000
TOTAL APPROPRIATION	(\$12,788,000)
	<u>\$10,292,000</u>

The appropriations in this section are subject to the following conditions and limitations: \$4,557,000 of the aeronautics account—state appropriation is provided solely for airport investment studies and the airport aid grant program, which provides competitive grants to public airports for pavement, safety, maintenance, planning, and security.

Sec. 913. 2016 c 14 s 213 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—PROGRAM DELIVERY MANAGEMENT AND SUPPORT—PROGRAM H

Motor Vehicle Account—State Appropriation	(\$53,911,000)
	<u>\$53,892,000</u>
Motor Vehicle Account—Federal Appropriation	\$500,000
Multimodal Transportation Account—State Appropriation	\$250,000
TOTAL APPROPRIATION	(\$54,661,000)
	<u>\$54,642,000</u>

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

(1) The real estate services division of the department must recover the cost of its efforts from sale proceeds and fund additional future sales from those proceeds.

(2) The legislature recognizes that the trail known as the Rocky Reach Trail, and its extensions, serve to separate motor vehicle traffic from pedestrians and bicyclists, increasing motor vehicle safety on state route number 2 and the coincident section of state route number 97. Consistent with chapter 47.30 RCW and pursuant to RCW 47.12.080, the legislature declares that transferring portions of WSDOT Inventory Control (IC) No. 2-09-04686 containing the trail and associated buffer areas to the Washington state parks and recreation commission is consistent with the public interest. The legislature directs the department to transfer the property to the Washington state parks and recreation commission.

(a) The department must be paid fair market value for any portions of the transferred real property that is later abandoned, vacated, or ceases to be publicly maintained for trail purposes.

(b) Prior to completing the transfer in this subsection (2), the department must ensure that provisions are made to accommodate private and public utilities and any facilities that predate the department's acquisition of the property, at no cost to those entities. Prior to completing the transfer, the department shall also ensure that provisions, by fair market assessment, are made to accommodate

other private and public utilities and any facilities that have been legally allowed by permit or other instrument.

(c) The department may sell any adjoining property that is not necessary to support the Rocky Reach Trail and adjacent buffer areas only after the transfer of trail-related property to the Washington state parks and recreation commission is complete. Adjoining property owners must be given the first opportunity to acquire such property that abuts their property, and applicable boundary line or other adjustments must be made to the legal descriptions for recording purposes.

(3) \$250,000 of the motor vehicle account—state appropriation is provided solely for training intended to retain a knowledgeable and competent core technical staff in the changing environment of highway project design and construction and to provide for the efficient and effective delivery and oversight of projects. The training must focus on the following areas:

(a) Training appropriate staff in regard to coordinating and administrating projects with private sector designers and builders for projects delivered by the design-build construction process;

(b) Training on community engagement to provide project managers with the skills necessary to develop personal relations with the leaders of the affected community to blend project needs with the needs of the community, while providing fair treatment and involvement of community groups and individuals regarding elements of a project subject to environmental regulations, laws, and policies;

(c) Training for partnering and team building skills to avoid conflict and reduce construction claims that arise in contract administration; and

(d) Technical design training required in the fields of hydraulics, hydrology, and storm water abatement, and other fields in support of projects dealing with the fish passage program and highway runoff treatment.

Sec. 914. 2016 c 14 s 214 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—ECONOMIC PARTNERSHIPS—PROGRAM K

Motor Vehicle Account—State Appropriation ~~(\$600,000)~~
\$604,000

~~((Electric Vehicle Charging Infrastructure~~
~~Account—State Appropriation \$1,000,000~~

~~TOTAL APPROPRIATION \$1,600,000))~~

The appropriation((s)) in this section ((are)) is subject to the following conditions and limitations: ~~((1))~~ The economic partnerships program must continue to explore retail partnerships at state-owned park and ride facilities, as authorized in RCW 47.04.295.

~~((3) \$1,000,000 of the electric vehicle charging infrastructure account—state appropriation is provided solely for the purpose of capitalizing the Washington electric vehicle infrastructure bank as provided in chapter 44, Laws of 2015 3rd sp. sess. (transportation revenue:))~~

Sec. 915. 2016 c 14 s 215 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—HIGHWAY MAINTENANCE—PROGRAM M

Motor Vehicle Account—State Appropriation ~~(\$418,524,000)~~
\$428,755,000

Motor Vehicle Account—Federal Appropriation	(\$7,000,000)
	<u>\$12,000,000</u>
Tacoma Narrows Toll Bridge Account—State	
Appropriation	\$1,235,000
State Route Number 520 Corridor Account—State	
Appropriation	\$4,448,000
TOTAL APPROPRIATION	(\$431,207,000)
	<u>\$446,438,000</u>

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

(1) ~~(\$6,091,000)~~ \$7,122,000 of the motor vehicle account—state appropriation is provided solely for utility fees assessed by local governments as authorized under RCW 90.03.525 for the mitigation of storm water runoff from state highways.

(2) \$4,448,000 of the state route number 520 corridor account—state appropriation is provided solely to maintain the state route number 520 floating bridge. These funds must be used in accordance with RCW 47.56.830(3).

(3) \$1,235,000 of the Tacoma Narrows toll bridge account—state appropriation is provided solely to maintain the new Tacoma Narrows bridge. These funds must be used in accordance with RCW 47.56.830(3).

(4) When regional transit authority construction activities are visible from a state highway, the department shall allow the regional transit authority to place safe and appropriate signage informing the public of the purpose of the construction activity.

(5) The department must make signage for low-height bridges a high priority.

(6) \$25,000 of the motor vehicle account—state appropriation is provided solely for the Northwest avalanche center for an additional forecaster. However, the amount in this subsection is contingent on the state parks and recreation commission receiving funding for its portion of the Northwest avalanche center forecaster in the omnibus appropriations act. If this funding is not provided by June 30, 2016, the appropriation provided in this subsection lapses.

(7) \$1,000,000 of the motor vehicle account—state appropriation is provided solely for safety improvements and operations relating to homeless encampments along Interstate 5 between milepost 162 and milepost 165. The department shall coordinate the timing of the safety improvements with the city of Seattle and King county to ensure that a collaborative and comprehensive approach is taken to address emergency conditions in support of the city's transitional services.

(8) \$5,000,000 of the motor vehicle account—state appropriation is provided solely for extraordinary snow and ice removal expenses and related road repair expenses incurred during the winter of 2016-2017.

(9) \$5,000,000 of the motor vehicle account—federal appropriation is provided solely for costs necessary to respond to federally reimbursable disasters. The office of financial management shall place the entire amount provided in this subsection in unallotted status. The office of financial management may release portions of the funds when it determines that a federally reimbursable disaster has occurred that requires maintenance funds.

(10) \$161,000 of the motor vehicle account—state appropriation is provided solely for electrical repairs on the Hood Canal bridge due to power surges that caused an electrical fire. The department shall continue to investigate the cause of the fire and pursue cost recovery from the company providing power at the time of the incident if it is determined the incident was the fault of the power company.

Sec. 916. 2016 c 14 s 216 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—TRAFFIC OPERATIONS—PROGRAM Q—OPERATING

Connecting Washington Account—State Appropriation	\$30,000
Motor Vehicle Account—State Appropriation	(\$57,622,000)
	<u>\$57,504,000</u>
Motor Vehicle Account—Federal Appropriation	\$2,050,000
Motor Vehicle Account—Private/Local Appropriation	\$250,000
TOTAL APPROPRIATION	(\$59,952,000)
	<u>\$59,834,000</u>

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

(1) \$6,000,000 of the motor vehicle account—state appropriation is provided solely for low-cost enhancements. The department shall give priority to low-cost enhancement projects that improve safety or provide congestion relief. The department shall prioritize low-cost enhancement projects on a statewide rather than regional basis. By September 1st of each even-numbered year, the department shall provide a report to the legislature listing all low-cost enhancement projects prioritized on a statewide rather than regional basis completed in the prior year.

(2) During the 2015-2017 fiscal biennium, the department shall continue a pilot program that expands private transportation providers' access to high occupancy vehicle lanes. Under the pilot program, when the department reserves a portion of a highway based on the number of passengers in a vehicle, the following vehicles must be authorized to use the reserved portion of the highway if the vehicle has the capacity to carry eight or more passengers, regardless of the number of passengers in the vehicle: (a) Auto transportation company vehicles regulated under chapter 81.68 RCW; (b) passenger charter carrier vehicles regulated under chapter 81.70 RCW, except marked or unmarked stretch limousines and stretch sport utility vehicles as defined under department of licensing rules; (c) private nonprofit transportation provider vehicles regulated under chapter 81.66 RCW; and (d) private employer transportation service vehicles. For purposes of this subsection, "private employer transportation service" means regularly scheduled, fixed-route transportation service that is offered by an employer for the benefit of its employees. Nothing in this subsection is intended to authorize the conversion of public infrastructure to private, for-profit purposes or to otherwise create an entitlement or other claim by private users to public infrastructure.

(3) The legislature recognizes that congestion is increasing on southbound Interstate 5 in Lynnwood, between the Lynnwood transit center and the Mountlake Terrace freeway station, and that allowing transit buses to operate on the shoulder would provide congestion relief and more reliable travel times.

Therefore, the department shall, within existing resources, implement a transit bus shoulder operations pilot project on southbound Interstate 5 in Lynnwood, between the Lynnwood transit center and the Mountlake Terrace freeway station. The department shall make all necessary changes to handle the increased traffic and provide a ten-foot shoulder for the transit bypass.

(4) \$30,000 of the connecting Washington account—state appropriation is provided solely for the department to create and install motorist information sign panels for the Jerry Taylor Veterans Plaza in Sunnyside along the state-owned right-of-way near exits 63, 67, and 69 on Interstate 182 and on state route number 241 near the junction with Yakima Valley highway and to install supplemental directional signs as permitted by the affected local government and in accordance with the "Manual on Uniform Traffic Control Devices" and chapter 47.36 RCW.

(5) The department shall implement Senate Joint Memorial No. 8019 within existing resources if Senate Joint Memorial No. 8019 is enacted by the legislature by June 30, 2016, and the Washington state transportation commission takes action to name the facility per Senate Joint Memorial No. 8019 by June 30, 2017.

Sec. 917. 2016 c 14 s 217 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—
TRANSPORTATION MANAGEMENT AND SUPPORT—PROGRAM S**

Motor Vehicle Account—State Appropriation((~~\$29,625,000~~))

\$29,622,000

Motor Vehicle Account—Federal Appropriation((~~\$1,205,000~~))

\$1,323,000

Multimodal Transportation Account—State

Appropriation. \$1,131,000

TOTAL APPROPRIATION((~~\$31,961,000~~))

\$32,076,000

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

(1) \$288,000 of the motor vehicle account—state appropriation is provided solely for enhanced disadvantaged business enterprise outreach to increase the pool of disadvantaged businesses available for department contracts and to collaborate with the department of labor and industries to recruit women and persons of color to participate in existing transportation apprenticeship programs. The department must submit a status report on disadvantaged business enterprise outreach and apprenticeship recruitment to the transportation committees of the legislature by November 15, 2015.

(2) \$3,000,000 of the motor vehicle account—state appropriation is provided solely for the headquarters communications office. Within the amount provided in this subsection, the department shall complete the web content management system and upgrade the department's web site.

(3) \$750,000 of the motor vehicle account—state appropriation is provided solely for a grant program that makes awards for the following: (a) Support for nonproject agencies, churches, and other entities to help provide outreach to populations underrepresented in the current apprenticeship programs; (b) preapprenticeship training; and (c) child care, transportation, and other supports

that are needed to help women and minorities enter and succeed in apprenticeship. The department must report on grants that have been awarded and the amount of funds disbursed by December 1, 2016, and annually thereafter.

(4)(a) During the 2015-2017 fiscal biennium, the department may proceed with the pilot project selling commercial advertising, including product placement, on department web sites and social media. In addition, the department may sell a version of its mobile application(s) to users who desire to have access to application(s) without advertising.

(b) The department shall deposit all moneys received from the sale of advertisements on web site and mobile applications into the motor vehicle fund created in RCW 46.68.070.

(c) The department shall adopt standards for advertising, product placement, and other forms of commercial recognition that require the department to define and prohibit, at a minimum, the content containing any of the following characteristics, which is not permitted: (i) Obscene, indecent, or discriminatory content; (ii) political or public issue advocacy content; (iii) products, services, or other materials that are offensive, insulting, disparaging, or degrading; or (iv) products, services, or messages that are contrary to the public interest, including any advertisements that encourage or depict unsafe behaviors or encourage unsafe or prohibited driving activities. Alcohol, tobacco, and cannabis are included among the products prohibited.

Sec. 918. 2016 c 14 s 218 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—
TRANSPORTATION PLANNING, DATA, AND RESEARCH—
PROGRAM T**

Motor Vehicle Account—State Appropriation	(\$22,717,000)	
		<u>\$22,707,000</u>
Motor Vehicle Account—Federal Appropriation	(\$26,342,000)	
		<u>\$28,217,000</u>
Multimodal Transportation Account—State Appropriation.	\$662,000	
Multimodal Transportation Account—Federal Appropriation.	\$2,809,000	
Multimodal Transportation Account—Private/Local Appropriation.	\$100,000	
TOTAL APPROPRIATION	(\$52,630,000)	<u>\$54,495,000</u>

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

(1) \$368,000 of the motor vehicle account—state appropriation is provided solely for the purchase of an economic impact model. The department shall work with appropriate local jurisdictions to improve consistency between existing and planned transportation demand models. The department shall report back to the transportation committees of the legislature and the office of financial management by December 31, 2015, with any recommendations requiring legislative action.

(2) \$1,000,000 of the motor vehicle account—federal appropriation is provided solely for the corridor sketch program. Priority must be given to the state route number 522 corridor between Maltby and the Snohomish river bridge. Initial corridors must also include state route number 195, Interstate 5 between Bellingham and the vicinity of Mount Vernon, state route number 160 in the vicinity of Port Orchard, and state route number 28 in the vicinity of East Wenatchee.

(3) Within existing resources, the department shall conduct a traffic and access study of the intersection of the Interurban trail and state route number 104. Options to improve safety at this location must include consideration of a pedestrian and bike overcrossing.

(4)(a) The department must update the state freight mobility plan to comply with the requirements in section 70202 of the federal fixing America's surface transportation act. In updating the state freight mobility plan, the department must involve key freight stakeholders, such as representatives of public ports, the trucking industry, railroads, the marine industry, local governments and planning organizations, the Washington state freight advisory committee, and other freight stakeholders. The updated plan must delete any obsolete project references from the prioritized freight project list.

(b) The department, in conjunction with the stakeholder group, must provide a list of prioritized projects for consideration for funding in the 2017-2019 fiscal biennium. The prioritized list must have approval from all impacted stakeholders. The prioritized list must be submitted to the office of financial management and the transportation committees of the legislature by November 1, 2016.

(5) Within existing resources, the department must evaluate how light pollution from state highways and facilities can be minimized while still meeting appropriate safety standards. Additionally, the department must evaluate how budget savings can be achieved through different types of lighting. To the extent practicable, the department must conduct this work in conjunction with other ongoing study and corridor planning efforts.

~~((7))~~ (6) \$150,000 of the motor vehicle account—state appropriation is provided solely for a safety study of state route number 169 from Jones Road to Cedar Grove. The department must consider collision data and work with local stakeholders to make recommendations for safety improvements in the corridor. A report on the study is due to the transportation committees of the legislature by December 31, 2016.

Sec. 919. 2016 c 14 s 219 (uncodified) is amended to read as follows:
FOR THE DEPARTMENT OF TRANSPORTATION—CHARGES FROM OTHER AGENCIES—PROGRAM U

Motor Vehicle Account—State Appropriation	(((\$74,666,000))
	<u>\$77,036,000</u>
Motor Vehicle Account—Federal Appropriation	\$500,000
Multimodal Transportation Account—State Appropriation	(((\$3,115,000))
	<u>\$3,213,000</u>
TOTAL APPROPRIATION	(((\$78,281,000))
	<u>\$80,749,000</u>

Sec. 920. 2016 c 14 s 220 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—PUBLIC TRANSPORTATION—PROGRAM V

State Vehicle Parking Account—State Appropriation	\$754,000
Regional Mobility Grant Program Account—State Appropriation.....	(\$74,976,000)
	<u>\$57,060,000</u>
Rural Mobility Grant Program Account—State Appropriation.....	\$20,438,000
Multimodal Transportation Account—State Appropriation.....	(\$72,930,000)
	<u>\$71,604,000</u>
Multimodal Transportation Account—Federal Appropriation.....	\$3,588,000
TOTAL APPROPRIATION	(\$172,686,000)
	<u>\$153,444,000</u>

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

(1) \$41,250,000 of the multimodal transportation account—state appropriation is provided solely for a grant program for special needs transportation provided by transit agencies and nonprofit providers of transportation. Of this amount:

(a) \$8,750,000 of the multimodal transportation account—state appropriation is provided solely for grants to nonprofit providers of special needs transportation. Grants for nonprofit providers must be based on need, including the availability of other providers of service in the area, efforts to coordinate trips among providers and riders, and the cost effectiveness of trips provided.

(b) \$32,500,000 of the multimodal transportation account—state appropriation is provided solely for grants to transit agencies to transport persons with special transportation needs. To receive a grant, the transit agency must, to the greatest extent practicable, have a maintenance of effort for special needs transportation that is no less than the previous year's maintenance of effort for special needs transportation. Grants for transit agencies must be prorated based on the amount expended for demand response service and route deviated service in calendar year 2013 as reported in the "Summary of Public Transportation - 2013" published by the department of transportation. No transit agency may receive more than thirty percent of these distributions.

(2) \$20,438,000 of the rural mobility grant program account—state appropriation is provided solely for grants to aid small cities in rural areas as prescribed in RCW 47.66.100.

(3)(a) \$6,969,000 of the multimodal transportation account—state appropriation is provided solely for a vanpool grant program for: (i) Public transit agencies to add vanpools or replace vans; and (ii) incentives for employers to increase employee vanpool use. The grant program for public transit agencies will cover capital costs only; operating costs for public transit agencies are not eligible for funding under this grant program. Additional employees may not be hired from the funds provided in this section for the

vanpool grant program, and supplanting of transit funds currently funding vanpools is not allowed. The department shall encourage grant applicants and recipients to leverage funds other than state funds.

(b) At least \$1,600,000 of the amount provided in this subsection must be used for vanpool grants in congested corridors.

(c) \$400,000 of the amount provided in this subsection is provided solely for the purchase of additional vans for use by vanpools serving or traveling through the Joint Base Lewis-McChord I-5 corridor between mile post 116 and 127.

(4) (~~(\$18,726,000)~~) \$13,010,000 of the regional mobility grant program account—state appropriation is reappropriated and provided solely for the regional mobility grant projects identified in LEAP Transportation Document (~~(2016-2)~~) 2017-2 ALL PROJECTS as developed (~~(March 7, 2016)~~) April 20, 2017, Program - Public Transportation Program (V).

(5)(a) (~~(\$56,250,000)~~) \$44,050,000 of the regional mobility grant program account—state appropriation is provided solely for the regional mobility grant projects identified in LEAP Transportation Document (~~(2016-2)~~) 2017-2 ALL PROJECTS as developed (~~(March 7, 2016)~~) April 20, 2017, Program - Public Transportation Program (V). The department shall review all projects receiving grant awards under this program at least semiannually to determine whether the projects are making satisfactory progress. Any project that has been awarded funds, but does not report activity on the project within one year of the grant award, must be reviewed by the department to determine whether the grant should be terminated. The department shall promptly close out grants when projects have been completed, and any remaining funds must be used only to fund projects identified in the LEAP transportation document referenced in this subsection. The department shall provide annual status reports on December 15, 2015, and December 15, 2016, to the office of financial management and the transportation committees of the legislature regarding the projects receiving the grants. It is the intent of the legislature to appropriate funds through the regional mobility grant program only for projects that will be completed on schedule. A grantee may not receive more than twenty-five percent of the amount appropriated in this subsection. The department shall not approve any increases or changes to the scope of a project for the purpose of a grantee expending remaining funds on an awarded grant.

(b) In order to be eligible to receive a grant under (a) of this subsection during the 2015-2017 fiscal biennium, a transit agency must establish a process for private transportation providers to apply for the use of park and ride facilities. For purposes of this subsection, (i) "private transportation provider" means: An auto transportation company regulated under chapter 81.68 RCW; a passenger charter carrier regulated under chapter 81.70 RCW, except marked or unmarked stretch limousines and stretch sport utility vehicles as defined under department of licensing rules; a private nonprofit transportation provider regulated under chapter 81.66 RCW; or a private employer transportation service provider; and (ii) "private employer transportation service" means regularly scheduled, fixed-route transportation service that is offered by an employer for the benefit of its employees.

(6) Funds provided for the commute trip reduction (CTR) program may also be used for the growth and transportation efficiency center program.

(7) \$5,670,000 of the multimodal transportation account—state appropriation and \$754,000 of the state vehicle parking account—state appropriation are provided solely for CTR grants and activities.

(8) \$200,000 of the multimodal transportation account—state appropriation is contingent on the timely development of an annual report summarizing the status of public transportation systems as identified under RCW 35.58.2796.

(9)(a) \$1,000,000 of the multimodal transportation account—state appropriation is provided solely for the Everett connector service for Island and Skagit transit agencies. The amount provided in this subsection is contingent on Island Transit charging fares that achieve a farebox recovery ratio similar to comparable transit systems.

(b) The amount provided in (a) of this subsection must be held in unallotted status until the office of financial management determines that fares have been both adopted and implemented by Island Transit that achieve a farebox recovery ratio similar to comparable transit systems. Island Transit must notify the office of financial management when it has met the requirements of this subsection.

(10)(a) ~~(((\$13,890,000))~~ \$12,565,000 of the multimodal transportation account—state appropriation is provided solely for projects identified in LEAP Transportation Document ~~((2016-3))~~ 2017-2 ALL PROJECTS as developed ~~((March 7, 2016. Except as provided otherwise in this subsection, funds must first be used for projects that are identified as priority one projects. As additional funds become available or if a priority one project is delayed, funding must be provided to priority two projects. If a higher priority project is bypassed, it must be funded when the project is ready. The department must submit a report annually with its budget submittal that, at a minimum, includes information about the listed transit projects that have been funded and projects that have been bypassed, including an estimated time frame for when the bypassed project will be funded))~~ April 20, 2017.

(b) \$831,000 of the amount provided in (a) of this subsection is provided solely for Skagit transit system enhancements for expenditure in 2015-2017.

(c) \$2,300,000 of the amount provided in (a) of this subsection is provided solely for Island transit's tri-county connector service for expenditure in 2015-2017.

(d) It is the intent of the legislature to provide \$6,000,000 in the 2017-2019 fiscal biennium and \$6,000,000 in the 2019-2021 fiscal biennium for the Spokane Central city line, in addition to the 2015-2017 fiscal biennium funding provided in the LEAP transportation document identified in (a) of this subsection. It is further the intent of the legislature to provide a total of \$10,000,000 over the 2017-2019 and 2019-2021 fiscal biennia for the Northgate transit center pedestrian bridge.

~~((c) Within existing resources, the public transportation program must develop recommendations regarding potential modifications to the process by which funding is provided to the projects listed in the LEAP transportation document identified in (a) of this subsection. These modifications should include, but are not limited to, options for accelerating the delivery of the listed projects and options for further prioritizing the listed projects. The department must submit a report regarding its recommendations to the transportation committees of the legislature by November 15, 2016.))~~

(11) \$1,000,000 of the multimodal transportation account—state appropriation is provided solely for transit coordination grants.

(12) Within the amounts provided in this section, the public transportation program must conduct a study of public transportation agencies in Washington that provide regional public transportation service outside the boundaries of the agency. The study must consider: (a) The cost to provide these existing regional services, the current source of funds for these services, and the applicable ridership data from these existing regional services; (b) the number of trips removed from the state highway system as a result of these regional services; (c) areas of the state highway system that do not have such regional service available; and (d) potential funding sources at the state level to support a portion of current and potential regional services. The public transportation program must provide a report on its findings and recommendations to the transportation committees of the legislature by November 15, 2016.

Sec. 921. 2016 c 14 s 221 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—MARINE—PROGRAM X

Puget Sound Ferry Operations Account—State

Appropriation.((~~\$478,319,000~~))
\$478,985,000

Puget Sound Ferry Operations Account—Federal

Appropriation.((~~\$5,908,000~~))
\$5,156,000

Puget Sound Ferry Operations Account—Private/Local

Appropriation. \$121,000
TOTAL APPROPRIATION((~~\$484,348,000~~))
\$484,262,000

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

(1) The office of financial management budget instructions require agencies to recast enacted budgets into activities. The Washington state ferries shall include a greater level of detail in its 2015-2017 supplemental and 2017-2019 omnibus transportation appropriations act requests, as determined jointly by the office of financial management, the Washington state ferries, and the transportation committees of the legislature. This level of detail must include the administrative functions in the operating as well as capital programs.

(2) Until a reservation system is operational on the San Juan islands inter-island route, the department shall provide the same priority loading benefits on the San Juan islands inter-island route to home health care workers as are currently provided to patients traveling for purposes of receiving medical treatment.

(3) For the 2015-2017 fiscal biennium, the department may enter into a distributor controlled fuel hedging program and other methods of hedging approved by the fuel hedging committee.

(4) ((~~\$78,306,000~~)) \$77,091,000 of the Puget Sound ferry operations account—state appropriation is provided solely for auto ferry vessel operating fuel in the 2015-2017 fiscal biennium, which reflect cost savings from a reduced biodiesel fuel requirement and, therefore, is contingent upon the enactment of

section 701, c 10, Laws of 2015 1st sp. sess. The amount provided in this subsection represents the fuel budget for the purposes of calculating any ferry fare fuel surcharge.

(5) When purchasing uniforms that are required by collective bargaining agreements, the department shall contract with the lowest cost provider.

(6) During the 2015-2017 fiscal biennium, the department shall not operate a winter sailing schedule for a time period longer than twelve weeks.

(7) \$496,000 of the Puget Sound ferry operations account—state appropriation is provided solely for ferry terminal traffic control at the Fauntleroy ferry terminal. The department shall utilize existing contracts to provide a uniformed officer to assist with ferry terminal traffic control at the Fauntleroy ferry terminal.

(8) \$1,551,000 of the Puget Sound ferry operations account—state appropriation is provided solely for improvements to the reservation system. The department shall actively encourage ferry reservation customers to use the online option for making and changing reservations and shall not use these funds for call center staff.

(9) \$30,000 of the Puget Sound ferry operations account—state appropriation is provided solely for the marine division assistant secretary's designee to the board of pilotage commissioners, who serves as the board chair. As the agency chairing the board, the department shall direct the board chair, in his or her capacity as chair, to require that the report to the governor and chairs of the transportation committees required under RCW 88.16.035(1)(f) be filed by September 1, 2015, and annually thereafter, and that the report include the establishment of policies and procedures necessary to increase the diversity of pilots, trainees, and applicants, including a diversity action plan. The diversity action plan must articulate a comprehensive vision of the board's diversity goals and the steps it will take to reach those goals.

(10) ~~(\$5,908,000)~~ \$5,156,000 of the Puget Sound ferry operations account—federal appropriation is provided solely for vessel maintenance.

(11) \$48,000 of the Puget Sound ferry operations account—state appropriation is provided solely for staff sufficient to allow passenger accessibility aboard the M/V Tokitae to the sun deck during daylight hours on Saturdays and Sundays of the summer sailing season.

Sec. 922. 2016 c 14 s 222 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—RAIL—PROGRAM Y—OPERATING

Multimodal Transportation Account—State	
Appropriation	(\$59,473,000)
	<u>\$59,476,000</u>
Multimodal Transportation Account—Private/Local	
Appropriation	\$45,000
TOTAL APPROPRIATION	(\$59,518,000)
	<u>\$59,521,000</u>

Sec. 923. 2016 c 14 s 223 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—LOCAL PROGRAMS—PROGRAM Z—OPERATING

Motor Vehicle Account—State Appropriation	(\$9,324,000)
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	<u>\$9,321,000</u>
Motor Vehicle Account—Federal Appropriation	\$2,567,000
Multiuse Roadway Safety Account—State Appropriation	\$131,000
TOTAL APPROPRIATION	<u>(\$12,022,000)</u>
	<u>\$12,019,000</u>

TRANSPORTATION AGENCIES—CAPITAL

Sec. 1001. 2016 c 14 s 301 (uncodified) is amended to read as follows:

FOR THE FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD

Freight Mobility Investment Account—State Appropriation	<u>(\$13,217,000)</u>
	<u>\$5,142,000</u>
Freight Mobility Multimodal Account—State Appropriation	<u>(\$11,859,000)</u>
	<u>\$3,315,000</u>

~~((Freight Mobility Multimodal Account—Private/Local
Appropriation \$1,320,000))~~

Highway Safety Account—State Appropriation	<u>(\$2,765,000)</u>
	<u>\$865,000</u>
Motor Vehicle Account—State Appropriation	\$83,000
((Motor Vehicle Account—Federal Appropriation	\$3,250,000)
TOTAL APPROPRIATION	<u>(\$32,494,000)</u>
	<u>\$9,405,000</u>

Sec. 1002. 2016 c 14 s 302 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE PATROL

State Patrol Highway Account—State Appropriation	<u>(\$5,895,000)</u>
	<u>\$5,815,000</u>

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

- (1) \$250,000 of the state patrol highway account—state appropriation is provided solely for unforeseen emergency repairs on facilities.
- (2) \$560,000 of the state patrol highway account—state appropriation is provided solely for the replacement of the roofs of the Shelton academy multipurpose building, Tacoma district office building, Kennewick detachment building, and Ridgefield and Plymouth weigh station buildings.
- (3) \$150,000 of the state patrol highway account—state appropriation is provided solely for upgrades to scales at Goldendale required to meet current certification requirements.
- (4) \$2,350,000 of the state patrol highway account—state appropriation is provided solely for funding to repair and replace the academy asphalt emergency vehicle operation course.
- (5) \$500,000 of the state patrol highway account—state appropriation is provided solely for replacement of generators at Marysville, Baw Faw, Gardner, Pilot Rock, and Ridpath.
- (6) \$150,000 of the state patrol highway account—state appropriation is provided solely for painting and caulking in several locations.
- (7) \$350,000 of the state patrol highway account—state appropriation is provided solely for pavement preservation at the Wenatchee district office and the Spokane district office.

(8) \$700,000 of the state patrol highway account—state appropriation is provided solely for energy upgrades at two district offices and two detachments.

(9) \$300,000 of the state patrol highway account—state appropriation is provided solely for repair of the academy training tank.

(10) \$130,000 of the state patrol highway account—state appropriation is provided solely for communication site roof repair to reroof equipment shelters at radio communication sites statewide.

(11) \$275,000 of the state patrol highway account—state appropriation is provided solely for the replacement of the broadcast tower at the Steptoe Butte radio communications site.

(12) \$100,000 of the state patrol highway account—state appropriation is provided solely for the dry-pipe fire suppression system rebuild at the Marysville district office.

Sec. 1003. 2016 c 14 s 303 (uncodified) is amended to read as follows:

FOR THE COUNTY ROAD ADMINISTRATION BOARD

Rural Arterial Trust Account—State

Appropriation.((~~\$56,094,000~~))
\$45,055,000

Motor Vehicle Account—State Appropriation \$10,706,000

County Arterial Preservation Account—State

Appropriation. \$32,344,000

TOTAL APPROPRIATION((~~\$99,144,000~~))
\$88,105,000

Sec. 1004. 2016 c 14 s 304 (uncodified) is amended to read as follows:

FOR THE TRANSPORTATION IMPROVEMENT BOARD

Small City Pavement and Sidewalk Account—State

Appropriation.((~~\$4,301,000~~))
\$2,551,000

Highway Safety Account—State Appropriation \$10,000,000

Transportation Improvement Account—State

Appropriation.((~~\$249,988,000~~))
\$218,488,000

Multimodal Transportation Account—State

Appropriation. \$3,313,000

TOTAL APPROPRIATION((~~\$267,602,000~~))
\$234,352,000

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

- (1) The highway safety account—state appropriation is provided solely for:
 - (a) The arterial preservation program to help low tax-based, medium-sized cities preserve arterial pavements;
 - (b) The small city pavement program to help cities meet urgent preservation needs; and
 - (c) The small city low-energy street light retrofit demonstration program.
- (2) \$3,313,000 of the multimodal transportation account—state appropriation is provided solely for the complete streets program.

Sec. 1005. 2016 c 14 s 305 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—FACILITIES—PROGRAM D—(DEPARTMENT OF TRANSPORTATION-ONLY PROJECTS)—CAPITAL

Transportation Partnership Account—State	
Appropriation	(\$1,043,000)
	<u>\$1,044,000</u>
Motor Vehicle Account—State Appropriation	(\$7,276,000)
	<u>\$7,387,000</u>
Connecting Washington Account—State Appropriation	(\$14,000,000)
	<u>\$4,847,000</u>
TOTAL APPROPRIATION	(\$22,319,000)
	<u>\$13,278,000</u>

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

(1) \$1,043,000 of the transportation partnership account—state appropriation is provided solely for completion of a new traffic management center in Shoreline, Washington. By September 30, 2015, the department shall report to the transportation committees of the legislature and the office of financial management on the resulting vacancy rate of the existing regional headquarters building in Shoreline, plans to consolidate department staff into the building, and the schedule for terminating the current lease of the Goldsmith building in Seattle, and provide an update on future plans to consolidate agency staff within the region.

(2) ~~(\$4,000,000)~~ \$934,000 of the connecting Washington account—state appropriation is provided solely for a new Olympic region maintenance and administration facility to be located on the department-owned site at the intersection of Marvin Road and 32nd Avenue. The property purchase was approved by the 2005 legislature for the site of the new Olympic region and the land was acquired by the department in August 2005. The department must work with the office of financial management's facilities oversight program to develop a revised predesign for a new Olympic region facility, with an estimated total cost of no more than forty million dollars. Priority must be given to accommodating the maintenance and operations functions of the Olympic region. The department must provide a copy of the revised predesign to the transportation committees of the legislature by December 2015.

(3) ~~(\$10,000,000)~~ \$3,913,000 of the connecting Washington account—state appropriation is provided solely for a new administration facility on Euclid Avenue in Wenatchee, Washington.

Sec. 1006. 2016 c 14 s 306 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—IMPROVEMENTS—PROGRAM I

Multimodal Transportation Account—State	
Appropriation	(\$19,181,000)
	<u>\$19,176,000</u>
Transportation Partnership Account—State	
Appropriation	(\$1,065,758,000)
	<u>\$994,147,000</u>
Motor Vehicle Account—State Appropriation	(\$71,841,000)

	<u>\$72,890,000</u>
Motor Vehicle Account—Federal Appropriation	((\$315,447,000))
	<u>\$293,164,000</u>
Motor Vehicle Account—Private/Local Appropriation	((\$177,022,000))
	<u>\$186,360,000</u>
Transportation 2003 Account (Nickel Account)—State Appropriation.	((\$79,064,000))
	<u>\$76,668,000</u>
State Route Number 520 Corridor Account—State Appropriation.	((\$368,121,000))
	<u>\$135,041,000</u>
State Route Number 520 Corridor Account—Federal Appropriation.	\$104,801,000
State Route Number 520 Civil Penalties Account— State Appropriation	\$14,000,000
Special Category C Account—State Appropriation	((\$6,000,000))
	<u>\$5,855,000</u>
<u>Interstate 405 Express Toll Lanes Operations</u> <u>Account—State Appropriation</u>	<u>\$9,500,000</u>
Connecting Washington Account—State Appropriation	((\$229,425,000))
	<u>\$181,837,000</u>
TOTAL APPROPRIATION	((\$2,450,660,000))
	<u>\$2,093,439,000</u>

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

(1) Except as provided otherwise in this section, the entire transportation 2003 account (nickel account) appropriation and the entire transportation partnership account appropriation are provided solely for the projects and activities as listed by fund, project, and amount in LEAP Transportation Document ((~~2016-1~~) 2017-1 as developed ((~~March 7, 2016~~) April 20, 2017, Program - Highway Improvements Program (I). However, limited transfers of specific line-item project appropriations may occur between projects for those amounts listed subject to the conditions and limitations in section 601 ((~~of this act~~)), chapter . . . (Engrossed Senate Bill No. 5096), Laws of 2017.

(2) Except as provided otherwise in this section, the entire motor vehicle account—state appropriation and motor vehicle account—federal appropriation are provided solely for the projects and activities listed in LEAP Transportation Document ((~~2016-2~~) 2017-2 ALL PROJECTS as developed ((~~March 7, 2016~~) April 20, 2017, Program - Highway Improvements Program (I). Any federal funds gained through efficiencies, adjustments to the federal funds forecast, additional congressional action not related to a specific project or purpose, or the federal funds redistribution process must then be applied to highway and bridge preservation activities. However, no additional federal funds may be allocated to the I-5/Columbia River Crossing project (400506A).

(3) Within the motor vehicle account—state appropriation and motor vehicle account—federal appropriation, the department may transfer funds between programs I and P, except for funds that are otherwise restricted in this act.

(4) The transportation 2003 account (nickel account)—state appropriation includes up to (~~(\$79,064,000)~~) \$76,666,000 in proceeds from the sale of bonds authorized by RCW 47.10.861.

(5) The transportation partnership account—state appropriation includes up to \$546,857,000 in proceeds from the sale of bonds authorized in RCW 47.10.873.

(6) (~~(\$4,359,000)~~) \$4,360,000 of the motor vehicle account—state appropriation is provided solely for the I-5/JBLM Early Corridor Design project (300596S) to complete an environmental impact statement for a project that creates additional general purpose lanes on Interstate 5 in the Joint Base Lewis-McChord corridor. The design of this project must be high occupancy vehicle lane ready for a future connection to the Interstate 5 high occupancy vehicle lane system that currently terminates in Tacoma.

(7) (~~(\$267,071,000)~~) \$266,277,000 of the transportation partnership account—state appropriation, (~~(\$55,389,000)~~) \$55,390,000 of the motor vehicle account—federal appropriation, (~~(\$156,423,000)~~) \$166,423,000 of the motor vehicle account—private/local appropriation, (~~(\$45,400,000)~~) \$45,401,000 of the transportation 2003 account (nickel account)—state appropriation, and \$2,139,000 of the multimodal transportation account—state appropriation are provided solely for the SR 99/Alaskan Way Viaduct Replacement project (809936Z).

(8) \$17,000,000 of the multimodal transportation account—state appropriation and \$1,676,000 of the transportation partnership account—state appropriation are provided solely for transit mitigation for the SR 99/Viaduct Project - Construction Mitigation project (809940B). The transportation partnership account—state appropriation must be placed in unallotted status and may only be released by the office of financial management for unpaid invoices from the 2013-2015 fiscal biennium.

(9) Within existing resources, during the regular sessions of the legislature, the department of transportation shall participate in work sessions, before the transportation committees of the house of representatives and senate, on the Alaskan Way viaduct replacement project. These work sessions must include a report on current progress of the project, timelines for completion, outstanding claims, the financial status of the project, and any other information necessary for the legislature to maintain appropriate oversight of the project. The parties invited to present may include the department of transportation, the Seattle tunnel partners, and other appropriate stakeholders.

(10) (~~(\$22,191,000)~~) \$21,463,000 of the transportation partnership account—state appropriation, (~~(\$5,576,000)~~) \$6,342,000 of the transportation 2003 account (nickel account)—state appropriation, (~~(\$42,000)~~) \$37,000 of the multimodal transportation account—state appropriation, (~~(\$6,000,000)~~) \$5,855,000 of the special category C account—state appropriation, \$368,000 of the motor vehicle account—state appropriation, (~~(\$13,000)~~) \$14,000 of the motor vehicle account—private/local appropriation, and (~~(\$12,976,000)~~) \$12,696,000 of the motor vehicle account—federal appropriation are provided solely for the US 395/North Spokane Corridor project (600010A). Any future savings on the project must stay on the US 395/Interstate 90 corridor and be made available to the current phase of the North Spokane corridor project or any future phase of the project in 2015-2017.

(11) (~~(\$34,732,000)~~) (a) \$31,225,000 of the transportation partnership account—state appropriation, (~~(\$7,329,000)~~) \$6,274,000 of the transportation 2003 account (nickel account)—state appropriation, and \$56,000 of the motor vehicle account—private/local appropriation are provided solely for the I-405/Kirkland Vicinity Stage 2 - Widening project (8BI1002). This project must be completed as soon as practicable as a design-build project. Any future savings on this project or other Interstate 405 corridor projects must stay on the Interstate 405 corridor and be made available to (~~either~~) the I-405/SR 167 Interchange - Direct Connector project (140504C) (~~or~~), the I-405 Renton to Bellevue project (M00900R), or the I-405/SR 522 to I-5 Capacity Improvements project (L2000234) in the 2015-2017 fiscal biennium.

(b) \$3,500,000 of the transportation partnership account—state appropriation is provided solely for preliminary engineering for adding capacity on Interstate 405 between state route number 522 and Interstate 5. The funding is a transfer from the I-405/Kirkland Vicinity Stage 2 - Widening project due to savings, and will start an additional phase of this I-405 project.

(12)(a) The SR 520 Bridge Replacement and HOV project (8BI1003) is supported over time from multiple sources, including a \$300,000,000 TIFIA loan, \$923,000,000 in Garvee bonds, toll revenues, state bonds, interest earnings, and other miscellaneous sources.

(b) The state route number 520 corridor account—state appropriation includes up to \$343,834,000 in proceeds from the sale of bonds authorized in RCW 47.10.879 and 47.10.886.

(c) The state route number 520 corridor account—federal appropriation includes up to \$104,801,000 in proceeds from the sale of bonds authorized in RCW 47.10.879 and 47.10.886.

(d) (~~(\$126,937,000)~~) \$45,680,000 of the transportation partnership account—state appropriation, \$104,801,000 of the state route number 520 corridor account—federal appropriation, and (~~(\$368,121,000)~~) \$110,910,000 of the state route number 520 corridor account—state appropriation are provided solely for the SR 520 Bridge Replacement and HOV project (8BI1003). (~~Of the amounts appropriated in this subsection (12)(d), \$233,085,000 of the state route number 520 corridor account—state appropriation must be put into unallotted status and is subject to review by the office of financial management. The director of the office of financial management shall consult with the joint transportation committee prior to making a decision to allot these funds.~~)

(e) When developing the financial plan for the project, the department shall assume that all maintenance and operation costs for the new facility are to be covered by tolls collected on the toll facility and not by the motor vehicle account.

(13) \$14,000,000 of the state route number 520 civil penalties account—state appropriation is provided solely for the department to continue to work with the Seattle department of transportation in their joint planning, design, right-of-way acquisition, outreach, and operation of the remaining west side elements including, but not limited to, the Montlake lid, the bicycle/pedestrian path, the effective network of transit connections, and the Portage Bay bridge of the SR 520 Bridge Replacement and HOV project.

(14) \$1,056,000 of the motor vehicle account—federal appropriation and \$38,000 of the motor vehicle account—state appropriation are provided solely for the 31st Ave SW Overpass Widening and Improvement project (L1100048).

(15) The legislature finds that there are sixteen companies involved in wood preserving in the state that employ four hundred workers and have an annual payroll of fifteen million dollars. Prior to the department's switch to steel guardrails, ninety percent of the twenty-five hundred mile guardrail system was constructed of preserved wood and one hundred ten thousand wood guardrail posts were produced annually for state use. Moreover, the policy of using steel posts requires the state to use imported steel. Given these findings, where practicable, and until June 30, 2017, the department shall include the design option to use wood guardrail posts, in addition to steel posts, in new guardrail installations. The selection of posts must be consistent with the agency design manual policy that existed before December 2009.

(16) For urban corridors that are all or partially within a metropolitan planning organization boundary, for which the department has not initiated environmental review, and that require an environmental impact statement, at least one alternative must be consistent with the goals set out in RCW 47.01.440.

(17) The department shall itemize all future requests for the construction of buildings on a project list and submit them through the transportation executive information system as part of the department's 2016 budget submittal. It is the intent of the legislature that new facility construction must be transparent and not appropriated within larger highway construction projects.

(18) (~~(\$52,869,000)~~) \$44,742,000 of the motor vehicle account—federal appropriation, (~~(\$4,439,000)~~) \$4,381,000 of the motor vehicle account—state appropriation, and (~~(\$1,085,000)~~) \$529,000 of the motor vehicle account—private/local appropriation are provided solely for fish passage barrier and chronic deficiency improvements (0B14001).

(19) Any new advisory group that the department convenes during the 2015-2017 fiscal biennium must consider the interests of the entire state of Washington.

(20) Except as provided otherwise in this section, the entire connecting Washington account appropriation is provided solely for the projects and activities as listed by fund, project, and amount in LEAP Transportation Document (~~(2016-1)~~) 2017-1 as developed (~~(March 7, 2016)~~) April 20, 2017, Program - Highway Improvements Program (I).

(21) It is the intent of the legislature that for the I-5 JBLM Corridor Improvements project (M00100R), the department shall actively pursue \$50,000,000 in federal funds to pay for this project to supplant state funds in the future. \$50,000,000 in connecting Washington account funding must be held in unallotted status during the 2021-2023 fiscal biennium. These funds may only be used after the department has provided notice to the office of financial management that it has exhausted all efforts to secure federal funds from the federal highway administration and the department of defense.

(22) Of the amounts allocated to the Puget Sound Gateway project (M00600R) in LEAP Transportation Document (~~(2016-1)~~) 2017-1 as developed (~~(March 7, 2016)~~) April 20, 2017, \$4,000,000 must be used to complete the bridge connection at 28th/24th Street over state route number 509 in the city of

SeaTac. The bridge connection must be completed prior to other construction on the state route number 509 segment of the project.

(23) In making budget allocations to the Puget Sound Gateway project, the department shall implement the project's construction as a single corridor investment. The department shall develop a coordinated corridor construction and implementation plan for state route number 167 and state route number 509 in collaboration with affected stakeholders. Specific funding allocations must be based on where and when specific project segments are ready for construction to move forward and investments can be best optimized for timely project completion. Emphasis must be placed on avoiding gaps in fund expenditures for either project.

(24) It is the intent of the legislature that, for the I-5/North Lewis County Interchange project (L2000204), the department develop and design the project with the objective of significantly improving access to the industrially zoned properties in north Lewis county. The design must consider the county's process of investigating alternatives to improve such access from Interstate 5 that began in March 2015.

(25) (~~(\$1,500,000)~~) \$901,000 of the motor vehicle account—state appropriation is provided solely for the department to (~~(complete)~~) continue to work on an interchange justification report (IJR) for the U.S. 2 trestle, covering the state route number 204 and 20th Street interchanges at the end of the westbound structure.

(a) The department shall develop the IJR in close collaboration with affected local jurisdictions, including Snohomish county and the cities of Everett, Lake Stevens, Marysville, Snohomish, and Monroe.

(b) Within the amount provided for the IJR, the department must address public outreach and the overall operational approval of the IJR.

(c) The department shall complete the IJR and submit the final report to the governor and the transportation committees of the legislature by July 1, 2018.

(26)(a) The department must conduct outreach to local transit agencies during the planning process for highway construction projects led by the department.

(b) The department must develop process recommendations for best practices in minimizing impacts to transit and freight during project construction. A report on best practices must be submitted to the transportation committees of the legislature by December 1, 2016.

(27) The legislature finds that project efficiencies and savings may be gained by combining the I-5 Marine Drive project (I5OTC1A1) and the SR 529/I-5 Interchange project (N52900R). The department must deliver them as one project, the I-5 Peak Hour Use Lanes and Interchange Improvements project (L2000229), using a design-build approach.

(28)(a) The legislature recognizes that the city of Mercer Island has unique access issues that require the use of Interstate 90 to leave the island and that this access may be impeded by the I-90/Two-Way Transit and HOV Improvements project. (~~(The department must continue to work with the city of Mercer Island to address potential access solutions as the project nears completion)~~) One of the most heavily traveled on-ramps from Mercer Island to the westbound Interstate 90 general purpose lanes is from Island Crest Way. The department must continue to consult with the city of Mercer Island and the other signatories to the

1976 memorandum of agreement to preserve access provided to Mercer Island by the Island Crest Way on-ramp, and thus grandfather-in the current use of the on-ramp for both high occupancy vehicles as well as vehicles seeking to access the general purpose lanes of Interstate 90. The department must consider all reasonable access solutions, including allowing all vehicles to use the Island Crest Way on-ramp to access the new high occupancy vehicle lane with a reasonable and safe distance provided for single-occupancy vehicles to merge into the general purpose lanes.

(b) A final access solution must consider the following criteria: Safety; operational effects on all users, including maintaining historic access to Interstate 90 provided from Mercer Island by Island Crest Way; enforcement requirements; and compliance with state and federal law.

(c) The department may not restrict by occupancy the westbound on-ramp from Island Crest Way until a final access solution that meets the criteria in (b) of this subsection has been reached.

(29) \$9,500,000 of the Interstate 405 express toll lanes operations account—state appropriation is provided solely for the I-405 NB Hard Shoulder Running - SR 527 to I-5 project (L1000163).

Sec. 1007. 2016 c 14 s 307 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—
PRESERVATION—PROGRAM P**

Transportation Partnership Account—State

Appropriation((~~\$6,489,000~~))
\$6,434,000

Motor Vehicle Account—State Appropriation((~~\$70,908,000~~))
\$68,694,000

Motor Vehicle Account—Federal Appropriation((~~\$475,025,000~~))
\$525,688,000

Motor Vehicle Account—Private/Local Appropriation((~~\$8,647,000~~))
\$8,092,000

Transportation 2003 Account (Nickel Account)—State
Appropriation((~~\$28,032,000~~))
\$26,654,000

Tacoma Narrows Toll Bridge Account—State
Appropriation((~~\$4,564,000~~))
\$1,038,000

Recreational Vehicle Account—State Appropriation((~~\$2,194,000~~))
\$2,197,000

High Occupancy Toll Lanes Operations Account—State
Appropriation \$1,000,000

State Route Number 520 Corridor Account—State
Appropriation((~~\$1,730,000~~))
\$1,460,000

Connecting Washington Account—State Appropriation((~~\$79,963,000~~))
\$77,134,000

TOTAL APPROPRIATION((~~\$678,552,000~~))
\$718,391,000

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

(1) Except as provided otherwise in this section, the entire transportation 2003 account (nickel account) appropriation and the entire transportation partnership account appropriation are provided solely for the projects and activities as listed by fund, project, and amount in LEAP Transportation Document (~~(2016-1)~~) 2017-1 as developed (~~(March 7, 2016)~~) April 20, 2017, Program - Highway Preservation Program (P). However, limited transfers of specific line-item project appropriations may occur between projects for those amounts listed subject to the conditions and limitations in section 601 (~~(of this act)~~), chapter . . . (Engrossed Senate Bill No. 5096), Laws of 2017.

(2) Except as provided otherwise in this section, the entire motor vehicle account—state appropriation and motor vehicle account—federal appropriation are provided solely for the projects and activities listed in LEAP Transportation Document (~~(2016-2)~~) 2017-2 ALL PROJECTS as developed (~~(March 7, 2016)~~) April 20, 2017, Program - Highway Preservation Program (P). Any federal funds gained through efficiencies, adjustments to the federal funds forecast, additional congressional action not related to a specific project or purpose, or the federal funds redistribution process must then be applied to highway and bridge preservation activities. However, no additional federal funds may be allocated to the I-5/Columbia River Crossing project (400506A).

(3) Within the motor vehicle account—state appropriation and motor vehicle account—federal appropriation, the department may transfer funds between programs I and P, except for funds that are otherwise restricted in this act.

(4) The transportation 2003 account (nickel account)—state appropriation includes up to (~~(\$28,032,000)~~) \$26,654,000 in proceeds from the sale of bonds authorized in RCW 47.10.861.

(5) The department shall examine the use of electric arc furnace slag for use as an aggregate for new roads and paving projects in high traffic areas and report back to the legislature by December 1, 2015, on its current use in other areas of the country and any characteristics that can provide greater wear resistance and skid resistance in new pavement construction.

(6) (~~(\$38,142,000)~~) \$6,545,000 of the motor vehicle account—federal appropriation and (~~(\$858,000)~~) \$188,000 of the motor vehicle account—state appropriation are provided solely for the preservation of structurally deficient bridges or bridges that are at risk of becoming structurally deficient. These funds must be used widely around the state of Washington. The department shall provide a report that identifies the scope, cost, and benefit of each project funded in this subsection as part of its 2016 agency budget request.

(7) Except as provided otherwise in this section, the entire connecting Washington account appropriation in this section is provided solely for the projects and activities as listed in LEAP Transportation Document (~~(2016-1)~~) 2017-1 as developed (~~(March 7, 2016)~~) April 20, 2017, Program - Highway Preservation Program (P).

(8) It is the intent of the legislature that, with respect to the amounts provided for highway preservation from the connecting Washington account, the department consider the preservation and rehabilitation of concrete roadway on

Interstate 5 from the Canadian border to the Oregon border to be a priority within the preservation program.

(9) \$5,000,000 of the motor vehicle account—state appropriation is provided solely for extraordinary costs incurred from litigation awards, settlements, or dispute mitigation activities not eligible for funding from the self-insurance fund. The amount provided in this subsection must be held in unallotted status until the department submits a request to the office of financial management that includes documentation detailing litigation-related expenses. The office of financial management may release the funds only when it determines that all other funds designated for litigation awards, settlements, and dispute mitigation activities have been exhausted. No funds provided in this subsection may be expended on any legal fees related to the SR99/Alaskan Way viaduct replacement project.

(10)(a) The department and the Washington state patrol must work collaboratively to develop a comprehensive plan for weigh station construction and preservation for the entire state. The plan must be submitted to the transportation committees of the legislature by January 1, 2017.

(b) As part of the 2017-2019 biennial budget submittal, the department and the Washington state patrol must jointly submit a prioritized list of weigh station projects for legislative approval.

(11) The department must consult with the Washington state patrol during the design phase of a department-led improvement or preservation project that could impact weigh station operations. The department must ensure that the designs of the projects do not prevent or interfere with weigh station operations.

Sec. 1008. 2016 c 14 s 308 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—TRAFFIC OPERATIONS—PROGRAM Q—CAPITAL

Motor Vehicle Account—State Appropriation	(\$7,190,000)
	<u>\$6,783,000</u>
Motor Vehicle Account—Federal Appropriation	(\$7,567,000)
	<u>\$6,716,000</u>
Motor Vehicle Account—Private/Local Appropriation	(\$200,000)
	<u>\$201,000</u>
TOTAL APPROPRIATION	(\$14,957,000)
	<u>\$13,700,000</u>

The appropriations in this section are subject to the following conditions and limitations: The department shall set aside a sufficient portion of the motor vehicle account—state appropriation for federally selected competitive grants or congressional earmark projects that require matching state funds. State funds set aside as matching funds for federal projects must be accounted for in project 000005Q and remain in unallotted status until needed for those federal projects.

Sec. 1009. 2016 c 14 s 309 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—WASHINGTON STATE FERRIES CONSTRUCTION—PROGRAM W

Puget Sound Capital Construction Account—State	
Appropriation	(\$57,764,000)
	<u>\$57,037,000</u>

Puget Sound Capital Construction Account—Federal

Appropriation.....	..((\$153,647,000))
	<u>\$136,346,000</u>
Puget Sound Capital Construction Account—Private/Local	
Appropriation.....	\$3,730,000
Transportation 2003 Account (Nickel Account)—State	
Appropriation.....	\$122,089,000
Connecting Washington Account—State Appropriation .....	..(\$68,805,000)
	<u>\$72,689,000</u>
TOTAL APPROPRIATION .....	..(\$406,035,000)
	<u>\$391,891,000</u>

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

(1) Except as provided otherwise in this section, the entire appropriations in this section are provided solely for the projects and activities as listed in LEAP Transportation Document ((~~2016-2~~) 2017-2) ALL PROJECTS as developed ((~~March 7, 2016~~) April 20, 2017, Program - Washington State Ferries Capital Program (W).

(2) \$90,545,000 of the transportation 2003 account (nickel account)—state appropriation is provided solely for the acquisition of a 144-car vessel (L1000063). The department shall use as much already procured equipment as practicable on the 144-car vessels.

(3) ((~~\$46,989,000~~) \$26,742,000 of the Puget Sound capital construction account—federal appropriation, ((~~\$2,000,000~~) \$5,884,000 of the connecting Washington account—state appropriation, \$562,000 of the transportation 2003 account (nickel account)—state appropriation, and ((~~\$490,000~~) \$491,000 of the Puget Sound capital construction account—state appropriation are provided solely for the Mukilteo ferry terminal (952515P). It is the intent of the legislature, over the sixteen-year investment program, to provide ((~~\$155,000,000~~) \$159,061,000 to complete the Mukilteo Terminal Replacement project (952515P). These funds are identified in the LEAP transportation document referenced in subsection (1) of this section. To the greatest extent practicable and within available resources, the department shall design the new terminal to be a net zero energy building. To achieve this goal, the department shall evaluate using highly energy efficient equipment and systems, and the most appropriate renewable energy systems for the needs and location of the terminal.

(4) \$7,000,000 of the Puget Sound capital construction account—state appropriation is provided solely for emergency capital repair costs (999910K). Funds may only be spent after approval by the office of financial management.

(5) Consistent with RCW 47.60.662, which requires the Washington state ferry system to collaborate with passenger-only ferry and transit providers to provide service at existing terminals, the department shall ensure that multimodal access, including for passenger-only ferries and transit service providers, is not precluded by any future terminal modifications.

(6) If the department pursues a conversion of the existing diesel powered Issaquah class fleet to a different fuel source or engine technology or the construction of a new vessel powered by a fuel source or engine technology that is not diesel powered, the department must use a design-build procurement process.

(7) Funding is included in the future biennia of the LEAP transportation document referenced in subsection (1) of this section for future vessel purchases. Given that the recent purchase of new vessels varies from the current long range plan, the department shall include in its updated long range plan revised estimates for new vessel costs, size, and purchase time frames. Additionally, the long range plan must include a vessel retirement schedule and associated reserve vessel policy recommendations.

(8) \$325,000 of the Puget Sound capital construction account—state appropriation is provided solely for the ferry system to participate in the development of one account-based system for customers of both the ferry system and tolling system. The current Wave2Go ferry ticketing system is reaching the end of its useful life and the department is expected to develop a replacement account-based system as part of the new tolling division customer service center toll collection system.

(9) Within existing resources, the department must evaluate the feasibility of utilizing the federal EB-5 immigrant investor program for financing the construction of a safety of life at sea (SOLAS) certificated vessel for the Anacortes-Sidney ferry route. The department must establish a group that includes, but is not limited to, the department of commerce and entities or individuals experienced with vessel engineering and EB-5 financing for assistance in evaluating the applicability of the EB-5 immigrant investor program. The department must deliver a report containing the results of the evaluation to the transportation committees of the legislature and the office of financial management by December 1, 2015.

(10) It is the intent of the legislature, over the sixteen-year investment program, to provide (~~(\$316,000,000)~~) \$349,500,000 to complete the Seattle Terminal Replacement project (900010L), including: (a) Design work and selection of a preferred plan, (b) replacing timber pilings with pilings sufficient to support a selected terminal design, (c) replacing the timber portion of the dock with a new and reconfigured steel and concrete dock, and (d) other staging and construction work as the amount allows. These funds are identified in the LEAP transportation document referenced in subsection (1) of this section.

(11) It is the intent of the legislature, over the sixteen-year new investment program, to provide \$122,000,000 in state funds to complete the acquisition of a fourth 144-car vessel (L2000109). These funds are identified in the LEAP transportation document referenced in subsection (1) of this section.

(12) \$300,000 of the Puget Sound capital construction account—state appropriation is provided solely to issue a request for proposals and purchase pilot program customer counting equipment. By June 30, 2017, the department must report to the governor and the transportation committees of the legislature on the most effective way to count ferry passengers.

(13) (~~(\$1,430,000)~~) \$1,255,000 of the Puget Sound capital construction account—federal appropriation and (~~(\$1,366,000)~~) \$889,000 of the Puget Sound capital construction—state appropriation are provided solely for installation of security access control and video monitoring systems, and for enhancing wireless network capacity to handle higher security usage, increase connectivity between vessels and land-based facilities, and isolate the security portion of the network from regular business (~~(project)~~) 998925A).

(14) The transportation 2003 account (nickel account)—state appropriation includes up to ~~((\$4,131,000))~~ \$17,817,000 in proceeds from the sale of bonds authorized in RCW 47.10.861.

(15) The department shall submit a cost estimate to procure a fifth 144-car vessel to the governor and the transportation committees of the legislature by June 30, 2017. The estimate must include, but is not limited to, construction costs, estimated operating costs, and any potential savings from replacing a currently operating vessel with a fifth 144-car vessel.

Sec. 1010. 2016 c 14 s 310 (uncodified) is amended to read as follows:
FOR THE DEPARTMENT OF TRANSPORTATION—RAIL—PROGRAM Y—CAPITAL

Essential Rail Assistance Account—State	
Appropriation.	\$1,459,000
Transportation Infrastructure Account—State	
Appropriation.	\$7,154,000
Multimodal Transportation Account—State	
Appropriation.	((<u>\$37,205,000</u>))
	<u>\$31,320,000</u>
Multimodal Transportation Account—Federal	
Appropriation.	((<u>\$492,217,000</u>))
	<u>\$491,591,000</u>
TOTAL APPROPRIATION	((<u>\$538,035,000</u>))
	<u>\$531,524,000</u>

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

(1) Except as provided otherwise in this section, the entire appropriations in this section are provided solely for the projects and activities as listed by project and amount in LEAP Transportation Document ~~((2016-2))~~ 2017-2 ALL PROJECTS as developed ~~((March 7, 2016))~~ April 20, 2017, Program - Rail Program (Y).

(2) \$5,000,000 of the transportation infrastructure account—state appropriation is provided solely for new low-interest loans approved by the department through the freight rail investment bank (FRIB) program. The department shall issue FRIB program loans with a repayment period of no more than ten years, and charge only so much interest as is necessary to recoup the department's costs to administer the loans. For the 2015-2017 fiscal biennium, the department shall first award loans to 2015-2017 FRIB loan applicants in priority order, and then offer loans to 2015-2017 unsuccessful freight rail assistance program grant applicants, if eligible. If any funds remain in the FRIB program, the department may reopen the loan program and shall evaluate new applications in a manner consistent with past practices as specified in section 309, chapter 367, Laws of 2011. The department shall report annually to the transportation committees of the legislature and the office of financial management on all FRIB loans issued.

(3)(a) ~~((\$5,484,000))~~ \$5,429,000 of the multimodal transportation account—state appropriation, \$270,000 of the essential rail assistance account—state appropriation, and \$455,000 of the transportation infrastructure account—state appropriation are provided solely for new statewide emergent freight rail

assistance projects identified in the LEAP transportation document referenced in subsection (1) of this section.

(b) Of the amounts provided in this subsection, \$367,000 of the transportation infrastructure account—state appropriation and \$1,100,000 of the multimodal transportation account—state appropriation are provided solely to reimburse Highline Grain, LLC for approved work completed on Palouse River and Coulee City (PCC) railroad track in Spokane county between the BNSF Railway Interchange at Cheney and Geiger Junction and must be administered in a manner consistent with freight rail assistance program projects. The value of the public benefit of this project is expected to meet or exceed the cost of this project in: Shipper savings on transportation costs; jobs saved in rail-dependent industries; and/or reduced future costs to repair wear and tear on state and local highways due to fewer annual truck trips (reduced vehicle miles traveled). The amounts provided in this subsection are not a commitment for future legislatures, but it is the legislature's intent that future legislatures will work to approve biennial appropriations until the full \$7,337,000 cost of this project is reimbursed.

(4) (~~(\$487,297,000)~~) \$487,163,000 of the multimodal transportation account—federal appropriation and (~~(\$13,679,000)~~) \$10,991,000 of the multimodal transportation account—state appropriation are provided solely for expenditures related to passenger high-speed rail grants. Except for the Mount Vernon project (P01101A), the multimodal transportation account—state funds reflect no more than one and one-half percent of the total project funds, and are provided solely for expenditures that are not eligible for federal reimbursement.

(5)(a) \$1,114,000 of the essential rail assistance account—state appropriation, \$766,000 of the multimodal transportation account—state appropriation, and \$68,000 of the transportation infrastructure account—state appropriation are provided solely for the purpose of the rehabilitation and maintenance of the Palouse river and Coulee City railroad line (F01111B).

(b) Expenditures from the essential rail assistance account—state in this subsection may not exceed the combined total of:

(i) Revenues deposited into the essential rail assistance account from leases and sale of property pursuant to RCW 47.76.290; and

(ii) Revenues transferred from the miscellaneous program account to the essential rail assistance account, pursuant to RCW 47.76.360, for the purpose of sustaining the grain train program by maintaining the Palouse river and Coulee City railroad.

(6) The department shall issue a call for projects for the freight rail assistance program, and shall evaluate the applications in a manner consistent with past practices as specified in section 309, chapter 367, Laws of 2011. By November 15, 2016, the department shall submit a prioritized list of recommended projects to the office of financial management and the transportation committees of the legislature.

Sec. 1011. 2016 c 14 s 311 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—LOCAL PROGRAMS—PROGRAM Z—CAPITAL

Highway Infrastructure Account—State Appropriation	\$790,000
Highway Infrastructure Account—Federal Appropriation	\$503,000

Transportation Partnership Account—State Appropriation	(\$4,054,000)	<u>\$2,911,000</u>
Highway Safety Account—State Appropriation	(\$11,647,000)	<u>\$9,259,000</u>
Motor Vehicle Account—State Appropriation	(\$1,271,000)	<u>\$1,171,000</u>
Motor Vehicle Account—Federal Appropriation	(\$28,043,000)	<u>\$17,571,000</u>
Multimodal Transportation Account—State Appropriation	(\$34,031,000)	<u>\$26,119,000</u>
Connecting Washington Account—State Appropriation	(\$47,669,000)	<u>\$27,069,000</u>
TOTAL APPROPRIATION	(\$128,008,000)	<u>\$85,393,000</u>

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

(1) Except as provided otherwise in this section, the entire appropriations in this section are provided solely for the projects and activities as listed by project and amount in LEAP Transportation Document ((2016-2)) 2017-2 ALL PROJECTS as developed ((March 7, 2016)) April 20, 2017, Program - Local Programs Program (Z).

(2) The amounts identified in the LEAP transportation document referenced under subsection (1) of this section for pedestrian safety/safe routes to school are as follows:

(a) (~~(\$20,653,000)~~) \$14,221,000 of the multimodal transportation account—state appropriation and (~~(\$3,579,000)~~) \$2,436,000 of the transportation partnership account—state appropriation are provided solely for pedestrian and bicycle safety program projects ((project)) L2000188).

(b) (~~(\$11,400,000)~~) \$6,303,000 of the motor vehicle account—federal appropriation, (~~(\$1,750,000)~~) \$925,000 of the multimodal transportation account—state appropriation, and (~~(\$6,750,000)~~) \$4,690,000 of the highway safety account—state appropriation are provided solely for newly selected safe routes to school projects. (~~(\$8,782,000)~~) \$7,507,000 of the motor vehicle account—federal appropriation, (~~(\$124,000)~~) \$26,000 of the multimodal transportation account—state appropriation, and (~~(\$4,897,000)~~) \$4,569,000 of the highway safety account—state appropriation are reappropriated for safe routes to school projects selected in the previous biennia (((project)) L2000189). The department may consider the special situations facing high-need areas, as defined by schools or project areas in which the percentage of the children eligible to receive free and reduced-price meals under the national school lunch program is equal to, or greater than, the state average as determined by the department, when evaluating project proposals against established funding criteria while ensuring continued compliance with federal eligibility requirements.

(3) The department shall submit a report to the transportation committees of the legislature by December 1, 2015, and December 1, 2016, on the status of

projects funded as part of the pedestrian safety/safe routes to school grant program. The report must include, but is not limited to, a list of projects selected and a brief description of each project's status.

(4) \$500,000 of the motor vehicle account—state appropriation is provided solely for the Edmonds waterfront at-grade train crossings alternatives analysis project (L2000135). The department shall work with the city of Edmonds and provide a preliminary report of key findings to the transportation committees of the legislature and the office of financial management by December 1, 2015.

(5)~~((a)—\$9,900,000))~~ \$9,343,000 of the multimodal transportation account—state appropriation is provided solely for bicycle and pedestrian projects listed in the LEAP transportation document ~~((2016-4 as developed March 7, 2016. Funds must first be used for projects that are identified as priority one projects. As additional funds become available or if a priority one project is delayed, funding must be provided to priority two projects and then to priority three projects. If a higher priority project is bypassed, it must be funded in the first round after the project is ready. If funds become available as a result of projects being removed from this list or completed under budget, the department may submit additional bicycle and pedestrian safety projects for consideration by the legislature. The department must submit a report annually with its budget submittal that, at a minimum, includes information about the listed bicycle and pedestrian projects that have been funded and projects that have been bypassed, including an estimated time frame for when the project will be funded.~~

~~(b) Within existing resources, the local programs division must develop recommendations regarding potential modifications to the process by which funding is provided to the projects listed in the LEAP transportation document identified in (a) of this subsection. These modifications should include, but are not limited to, options for accelerating delivery of the listed projects and options for further prioritizing the listed projects. The department must submit a report regarding its recommendations to the transportation committees of the legislature by November 15, 2016))~~ referenced in subsection (1) of this section.

TRANSFERS AND DISTRIBUTIONS

Sec. 1101. 2016 c 14 s 401 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALES DISCOUNTS AND DEBT TO BE PAID BY MOTOR VEHICLE ACCOUNT AND TRANSPORTATION FUND REVENUE

Transportation Partnership Account—State	
Appropriation	\$3,610,000
Highway Bond Retirement Account—State	
Appropriation	(\$1,176,906,000))
	<u>\$1,173,441,000</u>
Ferry Bond Retirement Account—State Appropriation	(\$29,230,000))
	<u>\$29,231,000</u>
Transportation Improvement Board Bond Retirement	
Account—State Appropriation	(\$16,129,000))
	<u>\$16,080,000</u>
State Route Number 520 Corridor Account—State	

Appropriation.....	\$559,000
Nondebt-Limit Reimbursable Bond Retirement Account— State Appropriation	(\$25,837,000)
	<u>\$25,332,000</u>
Toll Facility Bond Retirement Account—State Appropriation.....	(\$72,880,000)
	<u>\$67,850,000</u>
Motor Vehicle Account—State Appropriation	\$2,500,000
Transportation 2003 Account (Nickel Account)—State Appropriation.....	\$477,000
TOTAL APPROPRIATION	(\$1,328,128,000)
	<u>\$1,319,080,000</u>

The appropriations in this section are subject to the following conditions and limitations: \$2,500,000 of the motor vehicle account—state appropriation is provided solely for debt service payment and withholding for the Tacoma Narrows bridge, with the intent of forestalling the need for the Washington state transportation commission to raise toll rates for the Tacoma Narrows bridge for fiscal year 2017.

Sec. 1102. 2016 c 14 s 402 (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 AND FISCAL AGENT CHARGES

Transportation Partnership Account—State Appropriation.....	\$697,000
Transportation 2003 Account (Nickel Account)—State Appropriation.....	\$87,000
<u>State Route Number 520 Corridor Account—State Appropriation.....</u>	<u>\$134,000</u>
TOTAL APPROPRIATION	(\$784,000)
	<u>\$918,000</u>

Sec. 1103. 2016 c 14 s 403 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT TO BE PAID BY STATUTORILY PRESCRIBED REVENUE

Toll Facility Bond Retirement Account—Federal Appropriation.....	(\$200,215,000)
	<u>\$200,216,000</u>
(Toll Facility Bond Retirement Account—State Appropriation.....	\$12,009,000
TOTAL APPROPRIATION	\$212,224,000)

Sec. 1104. 2016 c 14 s 404 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—STATE REVENUES FOR DISTRIBUTION

Motor Vehicle Account—State Appropriation: For motor vehicle fuel tax distributions to cities and counties	(\$497,071,000)
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\$496,685,000

Sec. 1105. 2016 c 14 s 406 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—TRANSFERS

Motor Vehicle Account—State Appropriation: For
 motor vehicle fuel tax refunds and statutory
 transfers ((~~\$1,831,879,000~~))
\$1,856,065,000

Sec. 1106. 2016 c 14 s 407 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LICENSING—TRANSFERS

Motor Vehicle Account—State Appropriation:
 For motor vehicle fuel tax refunds and
 transfers ((~~\$182,730,000~~))
\$184,758,000

Sec. 1107. 2016 c 14 s 408 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—ADMINISTRATIVE TRANSFERS

(1) Multimodal Transportation Account—State
 Appropriation: For transfer to the Puget Sound
 Ferry Operations Account—State \$10,000,000

(2) Multimodal Transportation Account—State
 Appropriation: For transfer to the Puget Sound
 Capital Construction Account—State \$12,000,000

(3) State Route Number 520 Civil Penalties
 Account—State Appropriation: For transfer to the
 State Route Number 520 Corridor Account—State ((~~\$1,631,000~~))
\$1,630,000

(4) Highway Safety Account—State Appropriation:
 For transfer to the State Patrol Highway
 Account—State \$20,000,000

(5) Highway Safety Account—State
 Appropriation: For transfer to the Puget Sound Ferry
 Operations Account—State \$10,000,000

(6) Tacoma Narrows Toll Bridge Account—State
 Appropriation: For transfer to the Motor Vehicle
 Account—State \$950,000

(7) Motor Vehicle Account—State Appropriation:
 For transfer to the Puget Sound Capital Construction
 Account—State \$18,000,000

(8) Rural Mobility Grant Program Account—State
 Appropriation: For transfer to the Multimodal
 Transportation Account—State \$3,000,000,

(9) Motor Vehicle Account—State Appropriation:
 For transfer to the Puget Sound Ferry Operations
 Account—State \$10,000,000

(10) State Patrol Highway Account—State Appropriation:
 For transfer to the Connecting Washington Account—State \$9,690,000

(11) Transportation Partnership Account—State
 Appropriation: For transfer to the Connecting Washington
 Account—State \$4,998,000

(12) Motor Vehicle Account—State Appropriation: For transfer to the Connecting Washington Account— State	\$25,781,000
(13) Puget Sound Ferry Operations Account—State Appropriation: For transfer to the Connecting Washington Account—State	\$596,000
(14) Transportation 2003 Account (Nickel Account)—State Appropriation: For transfer to the Connecting Washington Account—State	\$2,270,000
(15) Highway Safety Account—State Appropriation: For transfer to the Multimodal Transportation Account—State	\$5,000,000
(16) Motor Vehicle Account—State Appropriation: For transfer to the Freight Mobility Investment Account—State	\$1,922,000
(17) Motor Vehicle Account—State Appropriation: For transfer to the Transportation Improvement Account—State	\$2,188,000
(18) Motor Vehicle Account—State Appropriation: For transfer to the Rural Arterial Trust Account—State	\$1,094,000
(19) Motor Vehicle Account—State Appropriation: For transfer to the County Arterial Preservation Account—State	\$1,094,000
(20) Multimodal Transportation Account—State Appropriation: For transfer to the Freight Mobility Multimodal Account—State	\$1,922,000
(21) Multimodal Transportation Account—State Appropriation: For transfer to the Regional Mobility Grant Program Account—State	\$6,250,000
(22) Multimodal Transportation Account—State Appropriation: For transfer to the Rural Mobility Grant Program Account—State	\$3,438,000
(23) Multimodal Transportation Account—State Appropriation: For transfer to the Electric Vehicle Charging Infrastructure Account—State	\$1,000,000
(24) Capital Vessel Replacement Account—State Appropriation: For transfer to the Connecting Washington Account—State	(\$59,000,000) <u>\$58,000,000</u>
(25) Multimodal Transportation Account—State Appropriation: For transfer to the Connecting Washington Account—State	\$8,000,000
(26) Multimodal Transportation Account—State Appropriation: For transfer to the Aeronautics Account—State	(\$250,000) <u>\$550,000</u>

MISCELLANEOUS 2015-2017 FISCAL BIENNIUM

NEW SECTION. **Sec. 1201.** A new section is added to 2016 c 14 (uncodified) to read as follows:

The appropriations to the department of transportation in chapter 14, Laws of 2016 and this act must be expended for the programs and in the amounts specified in this act. However, after May 1, 2017, unless specifically prohibited, the department may transfer state appropriations for the 2015-2017 fiscal biennium among operating programs after approval by the director of the office of financial management. However, the department shall not transfer state moneys that are provided solely for a specific purpose. The department shall not transfer funds, and the director of the office of financial management shall not approve the transfer, unless the transfer is consistent with the objective of conserving, to the maximum extent possible, the expenditure of state funds and not federal funds. The director of the office of financial management shall notify the transportation committees of the legislature in writing no fewer than seven days before approving any allotment modifications or transfers under this section. The written notification must include a narrative explanation and justification of the changes, along with expenditures and allotments by program and appropriation, both before and after any allotment modifications or transfers.

MISCELLANEOUS

NEW SECTION. Sec. 1301. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 1302. Except for sections 705 and 706 of this act, this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

***NEW SECTION. Sec. 1303.** Section 705 of this act takes effect if chapter . . . (Senate Bill No. 5037), Laws of 2017 is enacted by June 30, 2017.

**Sec. 1303 was vetoed. See message at end of chapter.*

NEW SECTION. Sec. 1304. Section 706 of this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2017.

Passed by the Senate April 21, 2017.

Passed by the House April 20, 2017.

Approved by the Governor May 16, 2017, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 16, 2017.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to Sections 209(9), 215(6), 306(17), 702, 705, and 1303, Engrossed Senate Bill No. 5096 entitled:

"AN ACT Relating to transportation funding and appropriations."

Section 209(9), pages 21-22, Department of Transportation, Toll Operations and Maintenance Section 209(9) directs the Department of Transportation's Toll Operations and Maintenance program to study and report to the legislative transportation committees on the potential of converting two staffed tollbooths on the Tacoma Narrows Bridge to unstaffed. No funding was provided for the study. For this reason, I have vetoed Section 209(9).

Section 215(6), page 27, Department of Transportation, Highway Maintenance Section 215(6) requires the department to create and maintain a separate maintenance budget for the Hood Canal Bridge. The department is not required to maintain separate budgets for other bridges

and roads, and this would limit the department's flexibility to manage its budget. For these reasons, I have vetoed Section 215(6).

Section 306(17), page 43, Department of Transportation, Improvements

Section 306(17) creates a new I-5/Exit 274 interchange project in Blaine to be funded with \$12,100,000 of Connecting Washington Account-State funds in the 2023-25 biennium. It directs the LEAP transportation document referenced in Section 306(1) to be modified accordingly. The I-5/Exit 274 interchange project in Blaine does not appear in LEAP Transportation Document 2017-1, nor is there any information about project scope. This LEAP transportation document should not be amended for a project without sufficient information about its scope and cost. For this reason, I have vetoed Section 306(17).

Section 702, pages 75-76, Settlement Funds Expenditure

Section 702 provides a legislative finding that it is appropriate to provide a framework for the administration of mitigation funds provided to the state as a beneficiary of the consent decree entered into between the United States, Volkswagen AG, and other parties that settle emission-related claims for certain models of diesel vehicles (commonly referred as the VW Settlement). Accordingly, the section provides that the omnibus capital budget for the Department of Ecology includes necessary provisions to administer the mitigation funds and development of the mitigation plan. The Legislature has not adopted an omnibus capital budget. Therefore, it is not possible to determine at this time what provisions the final capital budget may contain nor whether such provisions will be acceptable. For this reason, I have vetoed Section 702.

I will continue to work with the Legislature to ensure prompt administration of the settlement funds under the terms of the consent decree. I also have directed the departments of Ecology and Transportation to jointly develop the proposed mitigation plan for public comment and submittal to the trustee.

Section 705, pages 78-79, DUI Fee

Section 705 amends RCW 46.61.5054. This same statute was amended in two other bills—Section 5 of Senate Bill 5037 and Section 13 of Engrossed Second Substitute House Bill 1614, which I will sign into law on May 16, 2017. The amendment in Engrossed Second Substitute House Bill 1614 renders moot the amendment in Section 705. For this reason, I have vetoed Section 705.

Section 1303, page 157, Effective Date of Section 705

Section 1303 enables Section 705 of the transportation budget to take effect if Senate Bill 5037 is enacted by June 30, 2017. Since I am vetoing Section 705, this section is no longer required. For this reason, I have vetoed Section 1303.

For these reasons I have vetoed Sections 209(9), 215(6), 306(17), 702, 705, and 1303 of Engrossed Senate Bill No. 5096.

With the exception of Sections 209(9), 215(6), 306(17), 702, 705, and 1303, Engrossed Senate Bill No. 5096 is approved."

CHAPTER 314

[Senate Bill 5119]

WATER-SEWER DISTRICTS--WARRANTS--CONTRACTING--POLLUTION CONTROL FACILITIES

AN ACT Relating to water-sewer districts; amending RCW 70.95A.020; adding a new section to chapter 57.20 RCW; and adding a new section to chapter 57.08 RCW.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 57.20 RCW to read as follows:

(1) The board of commissioners of a district with revenues of five million dollars or more in each of the preceding three years that were audited in accordance with RCW 43.09.260 may by resolution adopt a policy to issue its own warrants for payment of claims or other obligations of the district. The board of commissioners, after auditing all payrolls and bills, may authorize the issuing of one general certificate to the county treasurer, to be signed by the president of the board of commissioners, authorizing the county treasurer to pay

all the warrants specified by date, number, name, and amount, and the accounting funds on which the warrants are drawn. The district may then issue the warrants specified in the general certificate.

(2) The board of commissioners of a district with revenues greater than two hundred fifty thousand dollars and less than five million dollars in each of the preceding three years that were audited in accordance with RCW 43.09.260 may upon agreement between the county treasurer and the district commission, with approval of the district commission by resolution, adopt a policy to issue its own warrants for payment of claims or other obligations of the district. The board of commissioners, after auditing all payrolls and bills, may authorize the issuing of one general certificate to the county treasurer, to be signed by the president of the board of commissioners, authorizing the county treasurer to pay all the warrants specified by date, number, name, and amount, and the accounting funds on which the warrants are drawn. The district may then issue the warrants specified in the general certificate.

NEW SECTION. Sec. 2. A new section is added to chapter 57.08 RCW to read as follows:

(1) Any water-sewer district may elect to contract for asset management service of its water storage assets in accordance with this section. If a water-sewer district elects to contract under this subsection for all, some, or one component of water storage asset management services for its water storage assets, each water-sewer district shall publish notice of its requirements to procure asset management service of its water storage assets. The announcement must concisely state the scope and nature of the water storage asset management service for which a contract is required and encourage firms to submit proposals to meet these requirements. If a water-sewer district chooses to negotiate a water storage asset management service contract under this section, no otherwise applicable statutory procurement requirement applies.

(2) The water-sewer district may negotiate a fair and reasonable water storage asset management service contract with the firm that submits the best proposal based on criteria that is established by the water-sewer district.

(3) If the water-sewer district is unable to negotiate a satisfactory water storage asset management service contract with the firm that submits the best proposal, negotiations with that firm must formally be terminated and the water-sewer district may select another firm in accordance with this section and continue negotiation until a water storage asset management service contract is reached or the selection process is terminated.

(4) For the purposes of this section:

(a) "Water storage asset management services" means the financing, designing, improving, operating, maintaining, repairing, testing, inspecting, cleaning, administering, or managing, or any combination thereof, of a water storage asset.

(b) "Water storage asset" means water storage structures and associated distribution systems, such as the water tank, tower, well, meter, or water filter.

Sec. 3. RCW 70.95A.020 and 1973 c 132 s 3 are each amended to read as follows:

As used in this chapter, unless the context otherwise requires:

(1) "Municipality" shall mean any city, town, county, ~~((or))~~ port district, or water-sewer district in the state;

(2) "Facility" or "facilities" shall mean any land, building, structure, machinery, system, fixture, appurtenance, equipment or any combination thereof, or any interest therein, and all real and personal properties deemed necessary in connection therewith whether or not now in existence, which is used or to be used by any person, corporation or municipality in furtherance of the purpose of abating, controlling or preventing pollution;

(3) "Pollution" shall mean any form of environmental pollution, including but not limited to water pollution, air pollution, land pollution, solid waste disposal, thermal pollution, radiation contamination, or noise pollution;

(4) "Governing body" shall mean the body or bodies in which the legislative powers of the municipality are vested;

(5) "Mortgage" shall mean a mortgage or a mortgage and deed of trust or other security device; and

(6) "Department" shall mean the state department of ecology.

Passed by the Senate April 17, 2017.

Passed by the House April 10, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 315

[Engrossed Senate Bill 5128]

ENERGY INDEPENDENCE ACT--INCREMENTAL ELECTRICAL PRODUCTION--CAPITAL IMPROVEMENTS

AN ACT Relating to allowing incremental electricity produced as a result of certain capital investment projects to qualify as an eligible renewable resource under the energy independence act; and amending RCW 19.285.030, 19.285.040, and 19.285.080.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 19.285.030 and 2014 c 45 s 1 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Attorney general" means the Washington state office of the attorney general.

(2) "Auditor" means: (a) The Washington state auditor's office or its designee for qualifying utilities under its jurisdiction that are not investor-owned utilities; or (b) an independent auditor selected by a qualifying utility that is not under the jurisdiction of the state auditor and is not an investor-owned utility.

(3)(a) "Biomass energy" includes: (i) Organic by-products of pulping and the wood manufacturing process; (ii) animal manure; (iii) solid organic fuels from wood; (iv) forest or field residues; (v) untreated wooden demolition or construction debris; (vi) food waste and food processing residuals; (vii) liquors derived from algae; (viii) dedicated energy crops; and (ix) yard waste.

(b) "Biomass energy" does not include: (i) Wood pieces that have been treated with chemical preservatives such as creosote, pentachlorophenol, or

copper-chrome-arsenic; (ii) wood from old growth forests; or (iii) municipal solid waste.

(4) "Coal transition power" has the same meaning as defined in RCW 80.80.010.

(5) "Commission" means the Washington state utilities and transportation commission.

(6) "Conservation" means any reduction in electric power consumption resulting from increases in the efficiency of energy use, production, or distribution.

(7) "Cost-effective" has the same meaning as defined in RCW 80.52.030.

(8) "Council" means the Washington state apprenticeship and training council within the department of labor and industries.

(9) "Customer" means a person or entity that purchases electricity for ultimate consumption and not for resale.

(10) "Department" means the department of commerce or its successor.

(11) "Distributed generation" means an eligible renewable resource where the generation facility or any integrated cluster of such facilities has a generating capacity of not more than five megawatts.

(12) "Eligible renewable resource" means:

(a) Electricity from a generation facility powered by a renewable resource other than freshwater that commences operation after March 31, 1999, where: (i) The facility is located in the Pacific Northwest; or (ii) the electricity from the facility is delivered into Washington state on a real-time basis without shaping, storage, or integration services;

(b) Incremental electricity produced as a result of efficiency improvements completed after March 31, 1999, to hydroelectric generation projects owned by a qualifying utility and located in the Pacific Northwest where the additional generation does not result in new water diversions or impoundments;

(c) Hydroelectric generation from a project completed after March 31, 1999, where the generation facility is located in irrigation pipes, irrigation canals, water pipes whose primary purpose is for conveyance of water for municipal use, and wastewater pipes located in Washington where the generation does not result in new water diversions or impoundments;

(d) Qualified biomass energy; ((e))

(e) For a qualifying utility that serves customers in other states, electricity from a generation facility powered by a renewable resource other than freshwater that commences operation after March 31, 1999, where: (i) The facility is located within a state in which the qualifying utility serves retail electrical customers; and (ii) the qualifying utility owns the facility in whole or in part or has a long-term contract with the facility of at least twelve months or more; or

(f)(i) Incremental electricity produced as a result of a capital investment completed after January 1, 2010, that increases, relative to a baseline level of generation prior to the capital investment, the amount of electricity generated in a facility that generates qualified biomass energy as defined under subsection (18)(c)(ii) of this section and that commenced operation before March 31, 1999.

(ii) Beginning January 1, 2007, the facility must demonstrate its baseline level of generation over a three-year period prior to the capital investment in order to calculate the amount of incremental electricity produced.

(iii) The facility must demonstrate that the incremental electricity resulted from the capital investment, which does not include expenditures on operation and maintenance in the normal course of business, through direct or calculated measurement.

(13) "Investor-owned utility" has the same meaning as defined in RCW 19.29A.010.

(14) "Load" means the amount of kilowatt-hours of electricity delivered in the most recently completed year by a qualifying utility to its Washington retail customers.

(15)(a) "Nonpower attributes" means all environmentally related characteristics, exclusive of energy, capacity reliability, and other electrical power service attributes, that are associated with the generation of electricity from a renewable resource, including but not limited to the facility's fuel type, geographic location, vintage, qualification as an eligible renewable resource, and avoided emissions of pollutants to the air, soil, or water, and avoided emissions of carbon dioxide and other greenhouse gases.

(b) "Nonpower attributes" does not include any aspects, claims, characteristics, and benefits associated with the on-site capture and destruction of methane or other greenhouse gases at a facility through a digester system, landfill gas collection system, or other mechanism, which may be separately marketable as greenhouse gas emission reduction credits, offsets, or similar tradable commodities. However, these separate avoided emissions may not result in or otherwise have the effect of attributing greenhouse gas emissions to the electricity.

(16) "Pacific Northwest" has the same meaning as defined for the Bonneville power administration in section 3 of the Pacific Northwest electric power planning and conservation act (94 Stat. 2698; 16 U.S.C. Sec. 839a).

(17) "Public facility" has the same meaning as defined in RCW 39.35C.010.

(18) "Qualified biomass energy" means electricity produced from a biomass energy facility that: (a) Commenced operation before March 31, 1999; (b) contributes to the qualifying utility's load; and (c) is owned either by: (i) A qualifying utility; or (ii) an industrial facility that is directly interconnected with electricity facilities that are owned by a qualifying utility and capable of carrying electricity at transmission voltage.

(19) "Qualifying utility" means an electric utility, as the term "electric utility" is defined in RCW 19.29A.010, that serves more than twenty-five thousand customers in the state of Washington. The number of customers served may be based on data reported by a utility in form 861, "annual electric utility report," filed with the energy information administration, United States department of energy.

(20) "Renewable energy credit" means a tradable certificate of proof of at least one megawatt-hour of an eligible renewable resource where the generation facility is not powered by freshwater. The certificate includes all of the nonpower attributes associated with that one megawatt-hour of electricity, and the certificate is verified by a renewable energy credit tracking system selected by the department.

(21) "Renewable resource" means: (a) Water; (b) wind; (c) solar energy; (d) geothermal energy; (e) landfill gas; (f) wave, ocean, or tidal power; (g) gas from sewage treatment facilities; (h) biodiesel fuel as defined in RCW 82.29A.135

that is not derived from crops raised on land cleared from old growth or first-growth forests where the clearing occurred after December 7, 2006; or (i) biomass energy.

(22) "Rule" means rules adopted by an agency or other entity of Washington state government to carry out the intent and purposes of this chapter.

(23) "Year" means the twelve-month period commencing January 1st and ending December 31st.

Sec. 2. RCW 19.285.040 and 2014 c 26 s 1 are each amended to read as follows:

(1) Each qualifying utility shall pursue all available conservation that is cost-effective, reliable, and feasible.

(a) By January 1, 2010, using methodologies consistent with those used by the Pacific Northwest electric power and conservation planning council in the most recently published regional power plan as it existed on June 12, 2014, or a subsequent date as may be provided by the department or the commission by rule, each qualifying utility shall identify its achievable cost-effective conservation potential through 2019. Nothing in the rule adopted under this subsection precludes a qualifying utility from using its utility specific conservation measures, values, and assumptions in identifying its achievable cost-effective conservation potential. At least every two years thereafter, the qualifying utility shall review and update this assessment for the subsequent ten-year period.

(b) Beginning January 2010, each qualifying utility shall establish and make publicly available a biennial acquisition target for cost-effective conservation consistent with its identification of achievable opportunities in (a) of this subsection, and meet that target during the subsequent two-year period. At a minimum, each biennial target must be no lower than the qualifying utility's pro rata share for that two-year period of its cost-effective conservation potential for the subsequent ten-year period.

(c)(i) Except as provided in (c)(ii) and (iii) of this subsection, beginning on January 1, 2014, cost-effective conservation achieved by a qualifying utility in excess of its biennial acquisition target may be used to help meet the immediately subsequent two biennial acquisition targets, such that no more than twenty percent of any biennial target may be met with excess conservation savings.

(ii) Beginning January 1, 2014, a qualifying utility may use single large facility conservation savings in excess of its biennial target to meet up to an additional five percent of the immediately subsequent two biennial acquisition targets, such that no more than twenty-five percent of any biennial target may be met with excess conservation savings allowed under all of the provisions of this section combined. For the purposes of this subsection (1)(c)(ii), "single large facility conservation savings" means cost-effective conservation savings achieved in a single biennial period at the premises of a single customer of a qualifying utility whose annual electricity consumption prior to the conservation savings exceeded five average megawatts.

(iii) Beginning January 1, 2012, and until December 31, 2017, a qualifying utility with an industrial facility located in a county with a population between ninety-five thousand and one hundred fifteen thousand that is directly interconnected with electricity facilities that are capable of carrying electricity at

transmission voltage(§) may use cost-effective conservation from that industrial facility in excess of its biennial acquisition target to help meet the immediately subsequent two biennial acquisition targets, such that no more than twenty-five percent of any biennial target may be met with excess conservation savings allowed under all of the provisions of this section combined.

(d) In meeting its conservation targets, a qualifying utility may count high-efficiency cogeneration owned and used by a retail electric customer to meet its own needs. High-efficiency cogeneration is the sequential production of electricity and useful thermal energy from a common fuel source, where, under normal operating conditions, the facility has a useful thermal energy output of no less than thirty-three percent of the total energy output. The reduction in load due to high-efficiency cogeneration shall be: (i) Calculated as the ratio of the fuel chargeable to power heat rate of the cogeneration facility compared to the heat rate on a new and clean basis of a best-commercially available technology combined-cycle natural gas-fired combustion turbine; and (ii) counted towards meeting the biennial conservation target in the same manner as other conservation savings.

(e) The commission may determine if a conservation program implemented by an investor-owned utility is cost-effective based on the commission's policies and practice.

(f) The commission may rely on its standard practice for review and approval of investor-owned utility conservation targets.

(2)(a) Except as provided in (j) of this subsection, each qualifying utility shall use eligible renewable resources or acquire equivalent renewable energy credits, or any combination of them, to meet the following annual targets:

(i) At least three percent of its load by January 1, 2012, and each year thereafter through December 31, 2015;

(ii) At least nine percent of its load by January 1, 2016, and each year thereafter through December 31, 2019; and

(iii) At least fifteen percent of its load by January 1, 2020, and each year thereafter.

(b) A qualifying utility may count distributed generation at double the facility's electrical output if the utility: (i) Owns or has contracted for the distributed generation and the associated renewable energy credits; or (ii) has contracted to purchase the associated renewable energy credits.

(c) In meeting the annual targets in (a) of this subsection, a qualifying utility shall calculate its annual load based on the average of the utility's load for the previous two years.

(d) A qualifying utility shall be considered in compliance with an annual target in (a) of this subsection if: (i) The utility's weather-adjusted load for the previous three years on average did not increase over that time period; (ii) after December 7, 2006, the utility did not commence or renew ownership or incremental purchases of electricity from resources other than coal transition power or renewable resources other than on a daily spot price basis and the electricity is not offset by equivalent renewable energy credits; and (iii) the utility invested at least one percent of its total annual retail revenue requirement that year on eligible renewable resources, renewable energy credits, or a combination of both.

(e) The requirements of this section may be met for any given year with renewable energy credits produced during that year, the preceding year, or the subsequent year. Each renewable energy credit may be used only once to meet the requirements of this section.

(f) In complying with the targets established in (a) of this subsection, a qualifying utility may not count:

(i) Eligible renewable resources or distributed generation where the associated renewable energy credits are owned by a separate entity; or

(ii) Eligible renewable resources or renewable energy credits obtained for and used in an optional pricing program such as the program established in RCW 19.29A.090.

(g) Where fossil and combustible renewable resources are cofired in one generating unit located in the Pacific Northwest where the cofiring commenced after March 31, 1999, the unit shall be considered to produce eligible renewable resources in direct proportion to the percentage of the total heat value represented by the heat value of the renewable resources.

(h)(i) A qualifying utility that acquires an eligible renewable resource or renewable energy credit may count that acquisition at one and two-tenths times its base value:

(A) Where the eligible renewable resource comes from a facility that commenced operation after December 31, 2005; and

(B) Where the developer of the facility used apprenticeship programs approved by the council during facility construction.

(ii) The council shall establish minimum levels of labor hours to be met through apprenticeship programs to qualify for this extra credit.

(i) A qualifying utility shall be considered in compliance with an annual target in (a) of this subsection if events beyond the reasonable control of the utility that could not have been reasonably anticipated or ameliorated prevented it from meeting the renewable energy target. Such events include weather-related damage, mechanical failure, strikes, lockouts, and actions of a governmental authority that adversely affect the generation, transmission, or distribution of an eligible renewable resource under contract to a qualifying utility.

(j)(i) Beginning January 1, 2016, only a qualifying utility that owns or is directly interconnected to a qualified biomass energy facility may use qualified biomass energy to meet its compliance obligation under this subsection.

(ii) A qualifying utility may no longer use electricity and associated renewable energy credits from a qualified biomass energy facility if the associated industrial pulping or wood manufacturing facility ceases operation other than for purposes of maintenance or upgrade.

(k) An industrial facility that hosts a qualified biomass energy facility may only transfer or sell renewable energy credits associated with qualified biomass energy generated at its facility to the qualifying utility with which it is directly interconnected with facilities owned by such a qualifying utility and that are capable of carrying electricity at transmission voltage. The qualifying utility may only use an amount of renewable energy credits associated with qualified biomass energy that are equivalent to the proportionate amount of its annual targets under (a)(ii) and (iii) of this subsection that was created by the load of the industrial facility. A qualifying utility that owns a qualified biomass energy

facility may not transfer or sell renewable energy credits associated with qualified biomass energy to another person, entity, or qualifying utility.

(3) Utilities that become qualifying utilities after December 31, 2006, shall meet the requirements in this section on a time frame comparable in length to that provided for qualifying utilities as of December 7, 2006.

Sec. 3. RCW 19.285.080 and 2007 c 1 s 8 are each amended to read as follows:

(1) The commission may adopt rules to ensure the proper implementation and enforcement of this chapter as it applies to investor-owned utilities.

(2) The department shall adopt rules concerning only process, timelines, and documentation to ensure the proper implementation of this chapter as it applies to qualifying utilities that are not investor-owned utilities. Those rules include, but are not limited to, rules associated with a qualifying utility's development of conservation targets under RCW 19.285.040(1); a qualifying utility's decision to pursue alternative compliance in RCW 19.285.040(2) (d) or (i) or 19.285.050(1); ~~((and))~~ the format and content of reports required in RCW 19.285.070; and the development of a methodology for calculating baseline levels of generation under RCW 19.285.030(12)(f). Nothing in this subsection may be construed to restrict the rate-making authority of the commission or a qualifying utility as otherwise provided by law.

(3) The commission and department may coordinate in developing rules related to process, timelines, and documentation that are necessary for implementation of this chapter.

(4) Pursuant to the administrative procedure act, chapter 34.05 RCW, rules needed for the implementation of this chapter must be adopted by December 31, 2007. These rules may be revised as needed to carry out the intent and purposes of this chapter.

Passed by the Senate March 1, 2017.

Passed by the House April 10, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 316

[Senate Bill 5130]

MARIJUANA LICENSE FEES--INCREASE--TEMPORARY FEE

AN ACT Relating to increasing marijuana license fees and adding a temporary additional fee on marijuana licenses issued by the Washington state liquor and cannabis board; amending RCW 69.50.325 and 69.50.372; creating a new section; providing an effective date; and providing an expiration date.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. (1) Beginning on the effective date of this section, a nonrefundable additional fee is imposed on all applications and renewals of licenses relating to marijuana required under chapter 69.50 RCW. The fee applies to all applications and license modifications received on or after the effective date of this section and renewals where the date of the license expiration is on or after June 30, 2017. The fee is four hundred eighty dollars.

This fee is to be used for the replacement of the state liquor and cannabis board's traceability system.

(2) This section expires June 30, 2018.

Sec. 2. RCW 69.50.325 and 2016 c 170 s 1 are each amended to read as follows:

(1) There shall be a marijuana producer's license to produce marijuana for sale at wholesale to marijuana processors and other marijuana producers and to produce marijuana plants for sale to cooperatives as described under RCW 69.51A.250, regulated by the state liquor and cannabis board and subject to annual renewal. The production, possession, delivery, distribution, and sale of marijuana in accordance with the provisions of this chapter and the rules adopted to implement and enforce it, by a validly licensed marijuana producer, shall not be a criminal or civil offense under Washington state law. Every marijuana producer's license shall be issued in the name of the applicant, shall specify the location at which the marijuana producer intends to operate, which must be within the state of Washington, and the holder thereof shall not allow any other person to use the license. The application fee for a marijuana producer's license shall be two hundred fifty dollars. The annual fee for issuance and renewal of a marijuana producer's license shall be one thousand three hundred dollars. A separate license shall be required for each location at which a marijuana producer intends to produce marijuana.

(2) There shall be a marijuana processor's license to process, package, and label marijuana concentrates, useable marijuana, and marijuana-infused products for sale at wholesale to marijuana processors and marijuana retailers, regulated by the state liquor and cannabis board and subject to annual renewal. The processing, packaging, possession, delivery, distribution, and sale of marijuana, useable marijuana, marijuana-infused products, and marijuana concentrates in accordance with the provisions of this chapter and chapter 69.51A RCW and the rules adopted to implement and enforce these chapters, by a validly licensed marijuana processor, shall not be a criminal or civil offense under Washington state law. Every marijuana processor's license shall be issued in the name of the applicant, shall specify the location at which the licensee intends to operate, which must be within the state of Washington, and the holder thereof shall not allow any other person to use the license. The application fee for a marijuana processor's license shall be two hundred fifty dollars. The annual fee for issuance and renewal of a marijuana processor's license shall be one thousand three hundred dollars. A separate license shall be required for each location at which a marijuana processor intends to process marijuana.

(3) There shall be a marijuana retailer's license to sell marijuana concentrates, useable marijuana, and marijuana-infused products at retail in retail outlets, regulated by the state liquor and cannabis board and subject to annual renewal. The possession, delivery, distribution, and sale of marijuana concentrates, useable marijuana, and marijuana-infused products in accordance with the provisions of this chapter and the rules adopted to implement and enforce it, by a validly licensed marijuana retailer, shall not be a criminal or civil offense under Washington state law. Every marijuana retailer's license shall be issued in the name of the applicant, shall specify the location of the retail outlet the licensee intends to operate, which must be within the state of Washington, and the holder thereof shall not allow any other person to use the license. The

application fee for a marijuana retailer's license shall be two hundred fifty dollars. The annual fee for issuance and renewal of a marijuana retailer's license shall be one thousand three hundred dollars. A separate license shall be required for each location at which a marijuana retailer intends to sell marijuana concentrates, useable marijuana, and marijuana-infused products.

Sec. 3. RCW 69.50.372 and 2016 sp.s. c 9 s 1 are each amended to read as follows:

(1) A marijuana research license is established that permits a licensee to produce, process, and possess marijuana for the following limited research purposes:

- (a) To test chemical potency and composition levels;
- (b) To conduct clinical investigations of marijuana-derived drug products;
- (c) To conduct research on the efficacy and safety of administering marijuana as part of medical treatment; and
- (d) To conduct genomic or agricultural research.

(2) As part of the application process for a marijuana research license, an applicant must submit to the liquor and cannabis board's designated scientific reviewer a description of the research that is intended to be conducted. The liquor and cannabis board must select a scientific reviewer to review an applicant's research project and determine that it meets the requirements of subsection (1) of this section, as well as assess the following:

- (a) Project quality, study design, value, or impact;
- (b) Whether applicants have the appropriate personnel, expertise, facilities/infrastructure, funding, and human/animal/other federal approvals in place to successfully conduct the project; and
- (c) Whether the amount of marijuana to be grown by the applicant is consistent with the project's scope and goals.

If the scientific reviewer determines that the research project does not meet the requirements of subsection (1) of this section, the application must be denied.

(3) A marijuana research licensee may only sell marijuana grown or within its operation to other marijuana research licensees. The liquor and cannabis board may revoke a marijuana research license for violations of this subsection.

(4) A marijuana research licensee may contract with the University of Washington or Washington State University to perform research in conjunction with the university. All research projects, not including those projects conducted pursuant to a contract entered into under RCW 28B.20.502(3), must be approved by the scientific reviewer and meet the requirements of subsection (1) of this section.

(5) In establishing a marijuana research license, the liquor and cannabis board may adopt rules on the following:

- (a) Application requirements;
- (b) Marijuana research license renewal requirements, including whether additional research projects may be added or considered;
- (c) Conditions for license revocation;
- (d) Security measures to ensure marijuana is not diverted to purposes other than research;
- (e) Amount of plants, useable marijuana, marijuana concentrates, or marijuana-infused products a licensee may have on its premises;

(f) Licensee reporting requirements;

(g) Conditions under which marijuana grown by marijuana processors may be donated to marijuana research licensees; and

(h) Additional requirements deemed necessary by the liquor and cannabis board.

(6) The production, processing, possession, delivery, donation, and sale of marijuana in accordance with this section and the rules adopted to implement and enforce it, by a validly licensed marijuana researcher, shall not be a criminal or civil offense under Washington state law. Every marijuana research license must be issued in the name of the applicant, must specify the location at which the marijuana researcher intends to operate, which must be within the state of Washington, and the holder thereof may not allow any other person to use the license.

(7) The application fee for a marijuana research license is two hundred fifty dollars. The annual fee for issuance and renewal of a marijuana research license is one thousand three hundred dollars. The applicant must pay the cost of the review process directly to the scientific reviewer as designated by the liquor and cannabis board.

(8) The scientific reviewer shall review any reports made by marijuana research licensees under liquor and cannabis board rule and provide the liquor and cannabis board with its determination on whether the research project continues to meet research qualifications under this section.

(9) For the purposes of this section, "scientific reviewer" means an organization that convenes or contracts with persons who have the training and experience in research practice and research methodology to determine whether a project meets the criteria for a marijuana research license under this section and to review any reports submitted by marijuana research licensees under liquor and cannabis board rule. "Scientific reviewers" include, but are not limited to, educational institutions, research institutions, peer review bodies, or such other organizations that are focused on science or research in its day-to-day activities.

NEW SECTION. **Sec. 4.** Sections 2 and 3 of this act take effect July 1, 2018.

Passed by the Senate March 31, 2017.

Passed by the House April 20, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 317

[Engrossed Substitute Senate Bill 5131]

MARIJUANA--VARIOUS CHANGES

AN ACT Relating to marijuana with respect to privileges for research licenses, local authority notifications, the retail licensing merit-based application process, certain transfers of plants and seeds, licensing agreements and contracts, advertising, and jurisdictional requirements; amending RCW 69.50.325, 69.50.331, 69.50.372, 66.08.100, 69.50.366, 69.50.382, 69.51A.250, 69.50.357, 69.50.369, and 69.50.4013; reenacting and amending RCW 69.50.101 and 42.56.270; adding new sections to chapter 15.120 RCW; adding a new section to chapter 69.51A RCW; adding a new section to chapter 69.50 RCW; adding a new chapter to Title 15 RCW; creating new sections; and prescribing penalties.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 69.50.325 and 2016 c 170 s 1 are each amended to read as follows:

(1) There shall be a marijuana producer's license regulated by the state liquor and cannabis board and subject to annual renewal. The licensee is authorized to produce: (a) Marijuana for sale at wholesale to marijuana processors and other marijuana producers ((and to produce marijuana)); (b) immature plants or clones and seeds for sale to cooperatives as described under RCW 69.51A.250((, regulated by the state liquor and cannabis board and subject to annual renewal)); and (c) immature plants or clones and seeds for sale to qualifying patients and designated providers as provided under section 11 of this act. The production, possession, delivery, distribution, and sale of marijuana in accordance with the provisions of this chapter and the rules adopted to implement and enforce it, by a validly licensed marijuana producer, shall not be a criminal or civil offense under Washington state law. Every marijuana producer's license shall be issued in the name of the applicant, shall specify the location at which the marijuana producer intends to operate, which must be within the state of Washington, and the holder thereof shall not allow any other person to use the license. The application fee for a marijuana producer's license shall be two hundred fifty dollars. The annual fee for issuance and renewal of a marijuana producer's license shall be one thousand dollars. A separate license shall be required for each location at which a marijuana producer intends to produce marijuana.

(2) There shall be a marijuana processor's license to process, package, and label marijuana concentrates, useable marijuana, and marijuana-infused products for sale at wholesale to marijuana processors and marijuana retailers, regulated by the state liquor and cannabis board and subject to annual renewal. The processing, packaging, possession, delivery, distribution, and sale of marijuana, useable marijuana, marijuana-infused products, and marijuana concentrates in accordance with the provisions of this chapter and chapter 69.51A RCW and the rules adopted to implement and enforce these chapters, by a validly licensed marijuana processor, shall not be a criminal or civil offense under Washington state law. Every marijuana processor's license shall be issued in the name of the applicant, shall specify the location at which the licensee intends to operate, which must be within the state of Washington, and the holder thereof shall not allow any other person to use the license. The application fee for a marijuana processor's license shall be two hundred fifty dollars. The annual fee for issuance and renewal of a marijuana processor's license shall be one thousand dollars. A separate license shall be required for each location at which a marijuana processor intends to process marijuana.

(3)(a) There shall be a marijuana retailer's license to sell marijuana concentrates, useable marijuana, and marijuana-infused products at retail in retail outlets, regulated by the state liquor and cannabis board and subject to annual renewal. The possession, delivery, distribution, and sale of marijuana concentrates, useable marijuana, and marijuana-infused products in accordance with the provisions of this chapter and the rules adopted to implement and enforce it, by a validly licensed marijuana retailer, shall not be a criminal or civil offense under Washington state law. Every marijuana retailer's license shall be issued in the name of the applicant, shall specify the location of the retail outlet

the licensee intends to operate, which must be within the state of Washington, and the holder thereof shall not allow any other person to use the license. The application fee for a marijuana retailer's license shall be two hundred fifty dollars. The annual fee for issuance and renewal of a marijuana retailer's license shall be one thousand dollars. A separate license shall be required for each location at which a marijuana retailer intends to sell marijuana concentrates, useable marijuana, and marijuana-infused products.

(b) An individual retail licensee and all other persons or entities with a financial or other ownership interest in the business operating under the license are limited, in the aggregate, to holding a collective total of not more than five retail marijuana licenses.

(c)(i) A marijuana retailer's license is subject to forfeiture in accordance with rules adopted by the state liquor and cannabis board pursuant to this section.

(ii) The state liquor and cannabis board shall adopt rules to establish a license forfeiture process for a licensed marijuana retailer that is not fully operational and open to the public within a specified period from the date of license issuance, as established by the state liquor and cannabis board, subject to the following restrictions:

(A) No marijuana retailer's license may be subject to forfeiture within the first nine months of license issuance; and

(B) The state liquor and cannabis board must require license forfeiture on or before twenty-four calendar months of license issuance if a marijuana retailer is not fully operational and open to the public, unless the board determines that circumstances out of the licensee's control are preventing the licensee from becoming fully operational and that, in the board's discretion, the circumstances warrant extending the forfeiture period beyond twenty-four calendar months.

(iii) The state liquor and cannabis board has discretion in adopting rules under this subsection (3)(c).

(iv) This subsection (3)(c) applies to marijuana retailer's licenses issued before and after the effective date of this section. However, no license of a marijuana retailer that otherwise meets the conditions for license forfeiture established pursuant to this subsection (3)(c) may be subject to forfeiture within the first nine calendar months of the effective date of this section.

(v) The state liquor and cannabis board may not require license forfeiture if the licensee has been incapable of opening a fully operational retail marijuana business due to actions by the city, town, or county with jurisdiction over the licensee that include any of the following:

(A) The adoption of a ban or moratorium that prohibits the opening of a retail marijuana business; or

(B) The adoption of an ordinance or regulation related to zoning, business licensing, land use, or other regulatory measure that has the effect of preventing a licensee from receiving an occupancy permit from the jurisdiction or which otherwise prevents a licensed marijuana retailer from becoming operational.

Sec. 2. RCW 69.50.331 and 2015 2nd sp.s. c 4 s 301 are each amended to read as follows:

(1) For the purpose of considering any application for a license to produce, process, research, transport, or deliver marijuana, useable marijuana, marijuana concentrates, or marijuana-infused products subject to the regulations

established under RCW 69.50.385, or sell marijuana, or for the renewal of a license to produce, process, research, transport, or deliver marijuana, useable marijuana, marijuana concentrates, or marijuana-infused products subject to the regulations established under RCW 69.50.385, or sell marijuana, the state liquor and cannabis board must conduct a comprehensive, fair, and impartial evaluation of the applications timely received.

~~(a) ((The state liquor and cannabis board must develop a competitive, merit-based application process that includes, at a minimum, the opportunity for an applicant to demonstrate experience and qualifications in the marijuana industry. The state liquor and cannabis board must give preference between competing applications in the licensing process to applicants that have the following experience and qualifications, in the following order of priority:~~

~~(i) First priority is given to applicants who:~~

~~(A) Applied to the state liquor and cannabis board for a marijuana retailer license prior to July 1, 2014;~~

~~(B) Operated or were employed by a collective garden before January 1, 2013;~~

~~(C) Have maintained a state business license and a municipal business license, as applicable in the relevant jurisdiction; and~~

~~(D) Have had a history of paying all applicable state taxes and fees;~~

~~(ii) Second priority must be given to applicants who:~~

~~(A) Operated or were employed by a collective garden before January 1, 2013;~~

~~(B) Have maintained a state business license and a municipal business license, as applicable in the relevant jurisdiction; and~~

~~(C) Have had a history of paying all applicable state taxes and fees; and~~

~~(iii) Third priority must be given to all other applicants who do not have the experience and qualifications identified in (a)(i) and (ii) of this subsection.~~

~~(b))~~ The state liquor and cannabis board may cause an inspection of the premises to be made, and may inquire into all matters in connection with the construction and operation of the premises. For the purpose of reviewing any application for a license and for considering the denial, suspension, revocation, or renewal or denial thereof, of any license, the state liquor and cannabis board may consider any prior criminal conduct of the applicant including an administrative violation history record with the state liquor and cannabis board and a criminal history record information check. The state liquor and cannabis board may submit the criminal history record information check to the Washington state patrol and to the identification division of the federal bureau of investigation in order that these agencies may search their records for prior arrests and convictions of the individual or individuals who filled out the forms. The state liquor and cannabis board must require fingerprinting of any applicant whose criminal history record information check is submitted to the federal bureau of investigation. The provisions of RCW 9.95.240 and of chapter 9.96A RCW do not apply to these cases. Subject to the provisions of this section, the state liquor and cannabis board may, in its discretion, grant or deny the renewal or license applied for. Denial may be based on, without limitation, the existence of chronic illegal activity documented in objections submitted pursuant to subsections (7)(c) and (10) of this section. Authority to approve an uncontested or unopposed license may be granted by the state liquor and cannabis board to

any staff member the board designates in writing. Conditions for granting this authority must be adopted by rule.

~~((e))~~(b) No license of any kind may be issued to:

- (i) A person under the age of twenty-one years;
- (ii) A person doing business as a sole proprietor who has not lawfully resided in the state for at least six months prior to applying to receive a license;
- (iii) A partnership, employee cooperative, association, nonprofit corporation, or corporation unless formed under the laws of this state, and unless all of the members thereof are qualified to obtain a license as provided in this section; or
- (iv) A person whose place of business is conducted by a manager or agent, unless the manager or agent possesses the same qualifications required of the licensee.

(2)(a) The state liquor and cannabis board may, in its discretion, subject to the provisions of RCW 69.50.334, suspend or cancel any license; and all protections of the licensee from criminal or civil sanctions under state law for producing, processing, researching, or selling marijuana, marijuana concentrates, useable marijuana, or marijuana-infused products thereunder must be suspended or terminated, as the case may be.

(b) The state liquor and cannabis board must immediately suspend the license of a person who has been certified pursuant to RCW 74.20A.320 by the department of social and health services as a person who is not in compliance with a support order. If the person has continued to meet all other requirements for reinstatement during the suspension, reissuance of the license is automatic upon the state liquor and cannabis board's receipt of a release issued by the department of social and health services stating that the licensee is in compliance with the order.

(c) The state liquor and cannabis board may request the appointment of administrative law judges under chapter 34.12 RCW who shall have power to administer oaths, issue subpoenas for the attendance of witnesses and the production of papers, books, accounts, documents, and testimony, examine witnesses, and to receive testimony in any inquiry, investigation, hearing, or proceeding in any part of the state, under rules and regulations the state liquor and cannabis board may adopt.

(d) Witnesses must be allowed fees and mileage each way to and from any inquiry, investigation, hearing, or proceeding at the rate authorized by RCW 34.05.446. Fees need not be paid in advance of appearance of witnesses to testify or to produce books, records, or other legal evidence.

(e) In case of disobedience of any person to comply with the order of the state liquor and cannabis board or a subpoena issued by the state liquor and cannabis board, or any of its members, or administrative law judges, or on the refusal of a witness to testify to any matter regarding which he or she may be lawfully interrogated, the judge of the superior court of the county in which the person resides, on application of any member of the board or administrative law judge, compels obedience by contempt proceedings, as in the case of disobedience of the requirements of a subpoena issued from said court or a refusal to testify therein.

(3) Upon receipt of notice of the suspension or cancellation of a license, the licensee must forthwith deliver up the license to the state liquor and cannabis

board. Where the license has been suspended only, the state liquor and cannabis board must return the license to the licensee at the expiration or termination of the period of suspension. The state liquor and cannabis board must notify all other licensees in the county where the subject licensee has its premises of the suspension or cancellation of the license; and no other licensee or employee of another licensee may allow or cause any marijuana, marijuana concentrates, useable marijuana, or marijuana-infused products to be delivered to or for any person at the premises of the subject licensee.

(4) Every license issued under this chapter is subject to all conditions and restrictions imposed by this chapter or by rules adopted by the state liquor and cannabis board to implement and enforce this chapter. All conditions and restrictions imposed by the state liquor and cannabis board in the issuance of an individual license must be listed on the face of the individual license along with the trade name, address, and expiration date.

(5) Every licensee must post and keep posted its license, or licenses, in a conspicuous place on the premises.

(6) No licensee may employ any person under the age of twenty-one years.

(7)(a) Before the state liquor and cannabis board issues a new or renewed license to an applicant it must give notice of the application to the chief executive officer of the incorporated city or town, if the application is for a license within an incorporated city or town, or to the county legislative authority, if the application is for a license outside the boundaries of incorporated cities or towns, or to the tribal government if the application is for a license within Indian country, or to the port authority if the application for a license is located on property owned by a port authority.

(b) The incorporated city or town through the official or employee selected by it, ~~((or))~~ the county legislative authority or the official or employee selected by it, the tribal government, or port authority has the right to file with the state liquor and cannabis board within twenty days after the date of transmittal of the notice for applications, or at least thirty days prior to the expiration date for renewals, written objections against the applicant or against the premises for which the new or renewed license is asked. The state liquor and cannabis board may extend the time period for submitting written objections upon request from the authority notified by the state liquor and cannabis board.

(c) The written objections must include a statement of all facts upon which the objections are based, and in case written objections are filed, the city or town or county legislative authority may request, and the state liquor and cannabis board may in its discretion hold, a hearing subject to the applicable provisions of Title 34 RCW. If the state liquor and cannabis board makes an initial decision to deny a license or renewal based on the written objections of an incorporated city or town or county legislative authority, the applicant may request a hearing subject to the applicable provisions of Title 34 RCW. If a hearing is held at the request of the applicant, state liquor and cannabis board representatives must present and defend the state liquor and cannabis board's initial decision to deny a license or renewal.

(d) Upon the granting of a license under this title the state liquor and cannabis board must send written notification to the chief executive officer of the incorporated city or town in which the license is granted, or to the county

legislative authority if the license is granted outside the boundaries of incorporated cities or towns.

(8)(a) Except as provided in (b) through (d) of this subsection, the state liquor and cannabis board may not issue a license for any premises within one thousand feet of the perimeter of the grounds of any elementary or secondary school, playground, recreation center or facility, child care center, public park, public transit center, or library, or any game arcade admission to which is not restricted to persons aged twenty-one years or older.

(b) A city, county, or town may permit the licensing of premises within one thousand feet but not less than one hundred feet of the facilities described in (a) of this subsection, except elementary schools, secondary schools, and playgrounds, by enacting an ordinance authorizing such distance reduction, provided that such distance reduction will not negatively impact the jurisdiction's civil regulatory enforcement, criminal law enforcement interests, public safety, or public health.

(c) A city, county, or town may permit the licensing of research premises allowed under RCW 69.50.372 within one thousand feet but not less than one hundred feet of the facilities described in (a) of this subsection by enacting an ordinance authorizing such distance reduction, provided that the ordinance will not negatively impact the jurisdiction's civil regulatory enforcement, criminal law enforcement, public safety, or public health.

(d) The state liquor and cannabis board may license premises located in compliance with the distance requirements set in an ordinance adopted under (b) or (c) of this subsection. Before issuing or renewing a research license for premises within one thousand feet but not less than one hundred feet of an elementary school, secondary school, or playground in compliance with an ordinance passed pursuant to (c) of this subsection, the board must ensure that the facility:

(i) Meets a security standard exceeding that which applies to marijuana producer, processor, or retailer licensees;

(ii) Is inaccessible to the public and no part of the operation of the facility is in view of the general public; and

(iii) Bears no advertising or signage indicating that it is a marijuana research facility.

(e) The state liquor and cannabis board may not issue a license for any premises within Indian country, as defined in 18 U.S.C. Sec. 1151, including any fee patent lands within the exterior boundaries of a reservation, without the consent of the federally recognized tribe associated with the reservation or Indian country.

~~(9) ((Subject to section 1601 of this act.))~~ A city, town, or county may adopt an ordinance prohibiting a marijuana producer or marijuana processor from operating or locating a business within areas zoned primarily for residential use or rural use with a minimum lot size of five acres or smaller.

(10) In determining whether to grant or deny a license or renewal of any license, the state liquor and cannabis board must give substantial weight to objections from an incorporated city or town or county legislative authority based upon chronic illegal activity associated with the applicant's operations of the premises proposed to be licensed or the applicant's operation of any other licensed premises, or the conduct of the applicant's patrons inside or outside the

licensed premises. "Chronic illegal activity" means (a) a pervasive pattern of activity that threatens the public health, safety, and welfare of the city, town, or county including, but not limited to, open container violations, assaults, disturbances, disorderly conduct, or other criminal law violations, or as documented in crime statistics, police reports, emergency medical response data, calls for service, field data, or similar records of a law enforcement agency for the city, town, county, or any other municipal corporation or any state agency; or (b) an unreasonably high number of citations for violations of RCW 46.61.502 associated with the applicant's or licensee's operation of any licensed premises as indicated by the reported statements given to law enforcement upon arrest.

Sec. 3. RCW 69.50.372 and 2016 sp.s. c 9 s 1 are each amended to read as follows:

(1) A marijuana research license is established that permits a licensee to produce, process, and possess marijuana for the following limited research purposes:

- (a) To test chemical potency and composition levels;
- (b) To conduct clinical investigations of marijuana-derived drug products;
- (c) To conduct research on the efficacy and safety of administering marijuana as part of medical treatment; and
- (d) To conduct genomic or agricultural research.

(2) As part of the application process for a marijuana research license, an applicant must submit to the liquor and cannabis board's designated scientific reviewer a description of the research that is intended to be conducted. The liquor and cannabis board must select a scientific reviewer to review an applicant's research project and determine that it meets the requirements of subsection (1) of this section, as well as assess the following:

- (a) Project quality, study design, value, or impact;
- (b) Whether applicants have the appropriate personnel, expertise, facilities/infrastructure, funding, and human/animal/other federal approvals in place to successfully conduct the project; and
- (c) Whether the amount of marijuana to be grown by the applicant is consistent with the project's scope and goals.

If the scientific reviewer determines that the research project does not meet the requirements of subsection (1) of this section, the application must be denied.

(3) A marijuana research licensee may only sell marijuana grown or within its operation to other marijuana research licensees. The liquor and cannabis board may revoke a marijuana research license for violations of this subsection.

(4) A marijuana research licensee may contract with the University of Washington or Washington State University to perform research in conjunction with the university. All research projects, not including those projects conducted pursuant to a contract entered into under RCW 28B.20.502(3), must be approved by the scientific reviewer and meet the requirements of subsection (1) of this section.

(5) In establishing a marijuana research license, the liquor and cannabis board may adopt rules on the following:

- (a) Application requirements;
- (b) Marijuana research license renewal requirements, including whether additional research projects may be added or considered;

- (c) Conditions for license revocation;
- (d) Security measures to ensure marijuana is not diverted to purposes other than research;
- (e) Amount of plants, useable marijuana, marijuana concentrates, or marijuana-infused products a licensee may have on its premises;
- (f) Licensee reporting requirements;
- (g) Conditions under which marijuana grown by licensed marijuana producers and other product types from licensed marijuana processors may be donated to marijuana research licensees; and
- (h) Additional requirements deemed necessary by the liquor and cannabis board.

(6) The production, processing, possession, delivery, donation, and sale of marijuana, including immature plants or clones and seeds, in accordance with this section, RCW 69.50.366(3), and the rules adopted to implement and enforce ~~((#))this section and RCW 69.50.366(3)~~, by a validly licensed marijuana researcher, shall not be a criminal or civil offense under Washington state law. Every marijuana research license must be issued in the name of the applicant, must specify the location at which the marijuana researcher intends to operate, which must be within the state of Washington, and the holder thereof may not allow any other person to use the license.

(7) The application fee for a marijuana research license is two hundred fifty dollars. The annual fee for issuance and renewal of a marijuana research license is one thousand dollars. The applicant must pay the cost of the review process directly to the scientific reviewer as designated by the liquor and cannabis board.

(8) The scientific reviewer shall review any reports made by marijuana research licensees under liquor and cannabis board rule and provide the liquor and cannabis board with its determination on whether the research project continues to meet research qualifications under this section.

(9) For the purposes of this section, "scientific reviewer" means an organization that convenes or contracts with persons who have the training and experience in research practice and research methodology to determine whether a project meets the criteria for a marijuana research license under this section and to review any reports submitted by marijuana research licensees under liquor and cannabis board rule. "Scientific reviewers" include, but are not limited to, educational institutions, research institutions, peer review bodies, or such other organizations that are focused on science or research in its day-to-day activities.

Sec. 4. RCW 66.08.100 and 2012 c 117 s 269 are each amended to read as follows:

No court of the state of Washington other than the superior court of Thurston county shall have jurisdiction over any action or proceeding against the board or any member thereof for anything done or omitted to be done in or arising out of the performance of his or her or their duties under this title. Neither the board nor any member or members thereof shall be personally liable in any action at law for damages sustained by any person because of any acts performed or done or omitted to be done by the board or any employee of the board in the performance of his or her duties and in the administration of this title or chapter 69.50 or 69.51A RCW.

Sec. 5. RCW 69.50.101 and 2015 2nd sp.s. c 4 s 901 are each reenacted and amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(a) "Administer" means to apply a controlled substance, whether by injection, inhalation, ingestion, or any other means, directly to the body of a patient or research subject by:

(1) a practitioner authorized to prescribe (or, by the practitioner's authorized agent); or

(2) the patient or research subject at the direction and in the presence of the practitioner.

(b) "Agent" means an authorized person who acts on behalf of or at the direction of a manufacturer, distributor, or dispenser. It does not include a common or contract carrier, public warehouseperson, or employee of the carrier or warehouseperson.

(c) "CBD concentration" has the meaning provided in RCW 69.51A.010.

(d) "Commission" means the pharmacy quality assurance commission.

(e) "Controlled substance" means a drug, substance, or immediate precursor included in Schedules I through V as set forth in federal or state laws, or federal or commission rules.

(f)(1) "Controlled substance analog" means a substance the chemical structure of which is substantially similar to the chemical structure of a controlled substance in Schedule I or II and:

(i) that has a stimulant, depressant, or hallucinogenic effect on the central nervous system substantially similar to the stimulant, depressant, or hallucinogenic effect on the central nervous system of a controlled substance included in Schedule I or II; or

(ii) with respect to a particular individual, that the individual represents or intends to have a stimulant, depressant, or hallucinogenic effect on the central nervous system substantially similar to the stimulant, depressant, or hallucinogenic effect on the central nervous system of a controlled substance included in Schedule I or II.

(2) The term does not include:

(i) a controlled substance;

(ii) a substance for which there is an approved new drug application;

(iii) a substance with respect to which an exemption is in effect for investigational use by a particular person under Section 505 of the federal Food, Drug and Cosmetic Act, 21 U.S.C. Sec. 355, to the extent conduct with respect to the substance is pursuant to the exemption; or

(iv) any substance to the extent not intended for human consumption before an exemption takes effect with respect to the substance.

(g) "Deliver" or "delivery((;))" means the actual or constructive transfer from one person to another of a substance, whether or not there is an agency relationship.

(h) "Department" means the department of health.

(i) "Designated provider" has the meaning provided in RCW 69.51A.010.

(j) "Dispense" means the interpretation of a prescription or order for a controlled substance and, pursuant to that prescription or order, the proper

selection, measuring, compounding, labeling, or packaging necessary to prepare that prescription or order for delivery.

(k) "Dispenser" means a practitioner who dispenses.

(l) "Distribute" means to deliver other than by administering or dispensing a controlled substance.

(m) "Distributor" means a person who distributes.

(n) "Drug" means (1) a controlled substance recognized as a drug in the official United States pharmacopoeia/national formulary or the official homeopathic pharmacopoeia of the United States, or any supplement to them; (2) controlled substances intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease in individuals or animals; (3) controlled substances (other than food) intended to affect the structure or any function of the body of individuals or animals; and (4) controlled substances intended for use as a component of any article specified in (1), (2), or (3) of this subsection. The term does not include devices or their components, parts, or accessories.

(o) "Drug enforcement administration" means the drug enforcement administration in the United States Department of Justice, or its successor agency.

(p) "Electronic communication of prescription information" means the transmission of a prescription or refill authorization for a drug of a practitioner using computer systems. The term does not include a prescription or refill authorization verbally transmitted by telephone nor a facsimile manually signed by the practitioner.

(q) "Immature plant or clone" means a plant or clone that has no flowers, is less than twelve inches in height, and is less than twelve inches in diameter.

(r) "Immediate precursor" means a substance:

(1) that the commission has found to be and by rule designates as being the principal compound commonly used, or produced primarily for use, in the manufacture of a controlled substance;

(2) that is an immediate chemical intermediary used or likely to be used in the manufacture of a controlled substance; and

(3) the control of which is necessary to prevent, curtail, or limit the manufacture of the controlled substance.

((+))~~(s)~~ "Isomer" means an optical isomer, but in subsection ((+))~~(ee)~~(5) of this section, RCW 69.50.204(a) (12) and (34), and 69.50.206(b)(4), the term includes any geometrical isomer; in RCW 69.50.204(a) (8) and (42), and 69.50.210(c) the term includes any positional isomer; and in RCW 69.50.204(a)(35), 69.50.204(c), and 69.50.208(a) the term includes any positional or geometric isomer.

((+))~~(t)~~ "Lot" means a definite quantity of marijuana, marijuana concentrates, useable marijuana, or marijuana-infused product identified by a lot number, every portion or package of which is uniform within recognized tolerances for the factors that appear in the labeling.

((+))~~(u)~~ "Lot number" must identify the licensee by business or trade name and Washington state unified business identifier number, and the date of harvest or processing for each lot of marijuana, marijuana concentrates, useable marijuana, or marijuana-infused product.

((+))~~(v)~~ "Manufacture" means the production, preparation, propagation, compounding, conversion, or processing of a controlled substance, either

directly or indirectly or by extraction from substances of natural origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, and includes any packaging or repackaging of the substance or labeling or relabeling of its container. The term does not include the preparation, compounding, packaging, repackaging, labeling, or relabeling of a controlled substance:

(1) by a practitioner as an incident to the practitioner's administering or dispensing of a controlled substance in the course of the practitioner's professional practice; or

(2) by a practitioner, or by the practitioner's authorized agent under the practitioner's supervision, for the purpose of, or as an incident to, research, teaching, or chemical analysis and not for sale.

~~((v))~~(w) "Marijuana" or "marihuana" means all parts of the plant *Cannabis*, whether growing or not, with a THC concentration greater than 0.3 percent on a dry weight basis; the seeds thereof; the resin extracted from any part of the plant; and every compound, manufacture, salt, derivative, mixture, or preparation of the plant, its seeds or resin. The term does not include the mature stalks of the plant, fiber produced from the stalks, oil or cake made from the seeds of the plant, any other compound, manufacture, salt, derivative, mixture, or preparation of the mature stalks (except the resin extracted therefrom), fiber, oil, or cake, or the sterilized seed of the plant which is incapable of germination.

~~((w))~~(x) "Marijuana concentrates" means products consisting wholly or in part of the resin extracted from any part of the plant *Cannabis* and having a THC concentration greater than ten percent.

~~((x))~~(y) "Marijuana processor" means a person licensed by the state liquor and cannabis board to process marijuana into marijuana concentrates, useable marijuana, and marijuana-infused products, package and label marijuana concentrates, useable marijuana, and marijuana-infused products for sale in retail outlets, and sell marijuana concentrates, useable marijuana, and marijuana-infused products at wholesale to marijuana retailers.

~~((y))~~(z) "Marijuana producer" means a person licensed by the state liquor and cannabis board to produce and sell marijuana at wholesale to marijuana processors and other marijuana producers.

~~((z))~~(aa) "Marijuana products" means useable marijuana, marijuana concentrates, and marijuana-infused products as defined in this section.

~~((aa))~~(bb) "Marijuana researcher" means a person licensed by the state liquor and cannabis board to produce, process, and possess marijuana for the purposes of conducting research on marijuana and marijuana-derived drug products.

~~((bb))~~(cc) "Marijuana retailer" means a person licensed by the state liquor and cannabis board to sell marijuana concentrates, useable marijuana, and marijuana-infused products in a retail outlet.

~~((cc))~~(dd) "Marijuana-infused products" means products that contain marijuana or marijuana extracts, are intended for human use, are derived from marijuana as defined in subsection ~~((v))~~(w) of this section, and have a THC concentration no greater than ten percent. The term "marijuana-infused products" does not include either useable marijuana or marijuana concentrates.

~~((dd))~~(ee) "Narcotic drug" means any of the following, whether produced directly or indirectly by extraction from substances of vegetable origin, or

independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis:

(1) Opium, opium derivative, and any derivative of opium or opium derivative, including their salts, isomers, and salts of isomers, whenever the existence of the salts, isomers, and salts of isomers is possible within the specific chemical designation. The term does not include the isoquinoline alkaloids of opium.

(2) Synthetic opiate and any derivative of synthetic opiate, including their isomers, esters, ethers, salts, and salts of isomers, esters, and ethers, whenever the existence of the isomers, esters, ethers, and salts is possible within the specific chemical designation.

(3) Poppy straw and concentrate of poppy straw.

(4) Coca leaves, except coca leaves and extracts of coca leaves from which cocaine, ecgonine, and derivatives or ecgonine or their salts have been removed.

(5) Cocaine, or any salt, isomer, or salt of isomer thereof.

(6) Cocaine base.

(7) Ecgonine, or any derivative, salt, isomer, or salt of isomer thereof.

(8) Any compound, mixture, or preparation containing any quantity of any substance referred to in subparagraphs (1) through (7).

~~((ee))~~(ff) "Opiate" means any substance having an addiction-forming or addiction-sustaining liability similar to morphine or being capable of conversion into a drug having addiction-forming or addiction-sustaining liability. The term includes opium, substances derived from opium (opium derivatives), and synthetic opiates. The term does not include, unless specifically designated as controlled under RCW 69.50.201, the dextrorotatory isomer of 3-methoxy-n-methylmorphinan and its salts (dextromethorphan). The term includes the racemic and levorotatory forms of dextromethorphan.

~~((ff))~~(gg) "Opium poppy" means the plant of the species *Papaver somniferum* L., except its seeds.

~~((gg))~~(hh) "Person" means individual, corporation, business trust, estate, trust, partnership, association, joint venture, government, governmental subdivision or agency, or any other legal or commercial entity.

~~((hh))~~(ii) "Plant" has the meaning provided in RCW 69.51A.010.

~~((ii))~~(jj) "Poppy straw" means all parts, except the seeds, of the opium poppy, after mowing.

~~((jj))~~(kk) "Practitioner" means:

(1) A physician under chapter 18.71 RCW; a physician assistant under chapter 18.71A RCW; an osteopathic physician and surgeon under chapter 18.57 RCW; an osteopathic physician assistant under chapter 18.57A RCW who is licensed under RCW 18.57A.020 subject to any limitations in RCW 18.57A.040; an optometrist licensed under chapter 18.53 RCW who is certified by the optometry board under RCW 18.53.010 subject to any limitations in RCW 18.53.010; a dentist under chapter 18.32 RCW; a podiatric physician and surgeon under chapter 18.22 RCW; a veterinarian under chapter 18.92 RCW; a registered nurse, advanced registered nurse practitioner, or licensed practical nurse under chapter 18.79 RCW; a naturopathic physician under chapter 18.36A RCW who is licensed under RCW 18.36A.030 subject to any limitations in RCW 18.36A.040; a pharmacist under chapter 18.64 RCW or a scientific investigator under this chapter, licensed, registered or otherwise permitted

insofar as is consistent with those licensing laws to distribute, dispense, conduct research with respect to or administer a controlled substance in the course of their professional practice or research in this state.

(2) A pharmacy, hospital or other institution licensed, registered, or otherwise permitted to distribute, dispense, conduct research with respect to or to administer a controlled substance in the course of professional practice or research in this state.

(3) A physician licensed to practice medicine and surgery, a physician licensed to practice osteopathic medicine and surgery, a dentist licensed to practice dentistry, a podiatric physician and surgeon licensed to practice podiatric medicine and surgery, a licensed physician assistant or a licensed osteopathic physician assistant specifically approved to prescribe controlled substances by his or her state's medical quality assurance commission or equivalent and his or her supervising physician, an advanced registered nurse practitioner licensed to prescribe controlled substances, or a veterinarian licensed to practice veterinary medicine in any state of the United States.

~~((kk))~~(ll) "Prescription" means an order for controlled substances issued by a practitioner duly authorized by law or rule in the state of Washington to prescribe controlled substances within the scope of his or her professional practice for a legitimate medical purpose.

~~((hh))~~(mm) "Production" includes the manufacturing, planting, cultivating, growing, or harvesting of a controlled substance.

~~((mm))~~(nn) "Qualifying patient" has the meaning provided in RCW 69.51A.010.

~~((nn))~~(oo) "Recognition card" has the meaning provided in RCW 69.51A.010.

~~((oo))~~(pp) "Retail outlet" means a location licensed by the state liquor and cannabis board for the retail sale of marijuana concentrates, useable marijuana, and marijuana-infused products.

~~((pp))~~(qq) "Secretary" means the secretary of health or the secretary's designee.

~~((qq))~~(rr) "State," unless the context otherwise requires, means a state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or a territory or insular possession subject to the jurisdiction of the United States.

~~((rr))~~(ss) "THC concentration" means percent of delta-9 tetrahydrocannabinol content per dry weight of any part of the plant *Cannabis*, or per volume or weight of marijuana product, or the combined percent of delta-9 tetrahydrocannabinol and tetrahydrocannabinolic acid in any part of the plant *Cannabis* regardless of moisture content.

~~((ss))~~(tt) "Ultimate user" means an individual who lawfully possesses a controlled substance for the individual's own use or for the use of a member of the individual's household or for administering to an animal owned by the individual or by a member of the individual's household.

~~((tt))~~(uu) "Useable marijuana" means dried marijuana flowers. The term "useable marijuana" does not include either marijuana-infused products or marijuana concentrates.

Sec. 6. RCW 69.50.366 and 2015 c 207 s 8 are each amended to read as follows:

The following acts, when performed by a validly licensed marijuana producer or employee of a validly licensed marijuana producer in compliance with rules adopted by the state liquor ~~((control))~~ and cannabis board to implement and enforce this chapter (~~((3, Laws of 2013))~~), do not constitute criminal or civil offenses under Washington state law:

(1) Production or possession of quantities of marijuana that do not exceed the maximum amounts established by the state liquor ~~((control))~~ and cannabis board under RCW 69.50.345(3);

(2) Delivery, distribution, and sale of marijuana to a marijuana processor or another marijuana producer validly licensed under this chapter (~~((3, Laws of 2013))~~); ~~((and))~~

(3) Delivery, distribution, and sale of immature plants or clones and marijuana seeds to a licensed marijuana researcher, and to receive or purchase immature plants or clones and seeds from a licensed marijuana researcher; and

(4) Delivery, distribution, and sale of marijuana or useable marijuana to a federally recognized Indian tribe as permitted under an agreement between the state and the tribe entered into under RCW 43.06.490.

Sec. 7. RCW 69.50.382 and 2015 2nd sp.s. c 4 s 501 are each amended to read as follows:

(1) A licensed marijuana producer, marijuana processor, marijuana researcher, or marijuana retailer, or their employees, in accordance with the requirements of this chapter and the administrative rules adopted thereunder, may use the services of a common carrier subject to regulation under chapters 81.28 and 81.29 RCW and licensed in compliance with the regulations established under RCW 69.50.385, to physically transport or deliver, as authorized under this chapter, marijuana, useable marijuana, marijuana concentrates, immature plants or clones, marijuana seeds, and marijuana-infused products between licensed marijuana businesses located within the state.

(2) An employee of a common carrier engaged in marijuana-related transportation or delivery services authorized under subsection (1) of this section is prohibited from carrying or using a firearm during the course of providing such services, unless:

(a) Pursuant to RCW 69.50.385, the state liquor and cannabis board explicitly authorizes the carrying or use of firearms by such employee while engaged in the transportation or delivery services;

(b) The employee has an armed private security guard license issued pursuant to RCW 18.170.040; and

(c) The employee is in full compliance with the regulations established by the state liquor and cannabis board under RCW 69.50.385.

(3) A common carrier licensed under RCW 69.50.385 may, for the purpose of transporting and delivering marijuana, useable marijuana, marijuana concentrates, and marijuana-infused products, utilize Washington state ferry routes for such transportation and delivery.

(4) The possession of marijuana, useable marijuana, marijuana concentrates, and marijuana-infused products being physically transported or delivered within the state, in amounts not exceeding those that may be established under RCW 69.50.385(3), by a licensed employee of a common carrier when performing the duties authorized under, and in accordance with, this section and RCW

69.50.385, is not a violation of this section, this chapter, or any other provision of Washington state law.

Sec. 8. RCW 69.51A.250 and 2016 c 170 s 2 are each amended to read as follows:

(1) Qualifying patients or designated providers may form a cooperative and share responsibility for acquiring and supplying the resources needed to produce and process marijuana only for the medical use of members of the cooperative. No more than four qualifying patients or designated providers may become members of a cooperative under this section and all members must hold valid recognition cards. All members of the cooperative must be at least twenty-one years old. The designated provider of a qualifying patient who is under twenty-one years old may be a member of a cooperative on the qualifying patient's behalf. All plants grown in the cooperative must be ~~((purchased or cloned))~~ from an immature plant or clone purchased from a licensed marijuana producer as defined in RCW 69.50.101. Cooperatives may also purchase marijuana seeds from a licensed marijuana producer.

(2) Qualifying patients and designated providers who wish to form a cooperative must register the location with the state liquor and cannabis board and this is the only location where cooperative members may grow or process marijuana. This registration must include the names of all participating members and copies of each participant's recognition card. Only qualifying patients or designated providers registered with the state liquor and cannabis board in association with the location may participate in growing or receive useable marijuana or marijuana-infused products grown at that location.

(3) No cooperative may be located in any of the following areas:

(a) Within one mile of a marijuana retailer;

(b) Within the smaller of either:

(i) One thousand feet of the perimeter of the grounds of any elementary or secondary school, playground, recreation center or facility, child care center, public park, public transit center, library, or any game arcade that admission to which is not restricted to persons aged twenty-one years or older; or

(ii) The area restricted by ordinance, if the cooperative is located in a city, county, or town that has passed an ordinance pursuant to RCW 69.50.331(8); or

(c) Where prohibited by a city, town, or county zoning provision.

(4) The state liquor and cannabis board must deny the registration of any cooperative if the location does not comply with the requirements set forth in subsection (3) of this section.

(5) If a qualifying patient or designated provider no longer participates in growing at the location, he or she must notify the state liquor and cannabis board within fifteen days of the date the qualifying patient or designated provider ceases participation. The state liquor and cannabis board must remove his or her name from connection to the cooperative. Additional qualifying patients or designated providers may not join the cooperative until sixty days have passed since the date on which the last qualifying patient or designated provider notifies the state liquor and cannabis board that he or she no longer participates in that cooperative.

(6) Qualifying patients or designated providers who participate in a cooperative under this section:

(a) May grow up to the total amount of plants for which each participating member is authorized on their recognition cards, up to a maximum of sixty plants. At the location, the qualifying patients or designated providers may possess the amount of useable marijuana that can be produced with the number of plants permitted under this subsection, but no more than seventy-two ounces;

(b) May only participate in one cooperative;

(c) May only grow plants in the cooperative and if he or she grows plants in the cooperative may not grow plants elsewhere;

(d) Must provide assistance in growing plants. A monetary contribution or donation is not to be considered assistance under this section. Participants must provide nonmonetary resources and labor in order to participate; and

(e) May not sell, donate, or otherwise provide marijuana, marijuana concentrates, useable marijuana, or marijuana-infused products to a person who is not participating under this section.

(7) The location of the cooperative must be the domicile of one of the participants. Only one cooperative may be located per property tax parcel. A copy of each participant's recognition card must be kept at the location at all times.

(8) The state liquor and cannabis board may adopt rules to implement this section including:

(a) Any security requirements necessary to ensure the safety of the cooperative and to reduce the risk of diversion from the cooperative;

(b) A seed to sale traceability model that is similar to the seed to sale traceability model used by licensees that will allow the state liquor and cannabis board to track all marijuana grown in a cooperative.

(9) The state liquor and cannabis board or law enforcement may inspect a cooperative registered under this section to ensure members are in compliance with this section. The state liquor and cannabis board must adopt rules on reasonable inspection hours and reasons for inspections.

NEW SECTION. Sec. 9. A new section is added to chapter 15.120 RCW to read as follows:

The department and the state liquor and cannabis board must collaboratively study the feasibility and practicality of implementing a legislatively authorized regulatory framework allowing industrial hemp produced in accordance with the requirements of this chapter to be sold or transferred to marijuana processors, licensed under chapter 69.50 RCW, for processing into industrial hemp or marijuana products to be sold at retail for human consumption.

NEW SECTION. Sec. 10. A new section is added to chapter 15.120 RCW to read as follows:

The department is granted the rule-making authority necessary to implement and enforce the provisions of this chapter. This includes the authority to impose monetary penalties, license suspension or forfeiture, or other sanctions for violations of statutory and regulatory requirements. The rules adopted by the department must be consistent with section 7606 of the federal agricultural act of 2014 (128 Stat. 649, 912; 7 U.S.C. Sec. 5940).

NEW SECTION. Sec. 11. A new section is added to chapter 69.51A RCW to read as follows:

Qualifying patients and designated providers, who hold a recognition card and have been entered into the medical marijuana authorization database, may purchase immature plants or clones from a licensed marijuana producer as defined in RCW 69.50.101. Qualifying patients and designated providers may also purchase marijuana seeds from a licensed marijuana producer.

NEW SECTION. Sec. 12. The legislature finds that protecting the state's children, youth, and young adults under the legal age to purchase and consume marijuana, by establishing limited restrictions on the advertising of marijuana and marijuana products, is necessary to assist the state's efforts to discourage and prevent underage consumption and the potential risks associated with underage consumption. The legislature finds that these restrictions assist the state in maintaining a strong and effective regulatory and enforcement system as specified by the federal government. The legislature finds this act leaves ample opportunities for licensed marijuana businesses to market their products to those who are of legal age to purchase them, without infringing on the free speech rights of business owners. Finally, the legislature finds that the state has a substantial and compelling interest in enacting this act aimed at protecting Washington's children, youth, and young adults.

Sec. 13. RCW 69.50.357 and 2016 c 171 s 1 are each amended to read as follows:

(1) Retail outlets may not sell products or services other than marijuana concentrates, useable marijuana, marijuana-infused products, or paraphernalia intended for the storage or use of marijuana concentrates, useable marijuana, or marijuana-infused products.

(2) Licensed marijuana retailers may not employ persons under twenty-one years of age or allow persons under twenty-one years of age to enter or remain on the premises of a retail outlet. However, qualifying patients between eighteen and twenty-one years of age with a recognition card may enter and remain on the premises of a retail outlet holding a medical marijuana endorsement and may purchase products for their personal medical use. Qualifying patients who are under the age of eighteen with a recognition card and who accompany their designated providers may enter and remain on the premises of a retail outlet holding a medical marijuana endorsement, but may not purchase products for their personal medical use.

(3)(a) Licensed marijuana retailers must ensure that all employees are trained on the rules adopted to implement this chapter, identification of persons under the age of twenty-one, and other requirements adopted by the state liquor and cannabis board to ensure that persons under the age of twenty-one are not permitted to enter or remain on the premises of a retail outlet.

(b) Licensed marijuana retailers with a medical marijuana endorsement must ensure that all employees are trained on the subjects required by (a) of this subsection as well as identification of authorizations and recognition cards. Employees must also be trained to permit qualifying patients who hold recognition cards and are between the ages of eighteen and twenty-one to enter the premises and purchase marijuana for their personal medical use and to permit qualifying patients who are under the age of eighteen with a recognition card to enter the premises if accompanied by their designated providers.

(4) (~~(Licensed marijuana retailers may not display any signage outside of the licensed premises, other than two signs identifying the retail outlet by the licensee's business or trade name. Each sign must be no larger than one thousand six hundred square inches, be permanently affixed to a building or other structure, and be posted not less than one thousand feet from any elementary school, secondary school, or playground.~~

(5)) Except for the purposes of disposal as authorized by the state liquor and cannabis board, no licensed marijuana retailer or employee of a retail outlet may open or consume, or allow to be opened or consumed, any marijuana concentrates, useable marijuana, or marijuana-infused product on the outlet premises.

(~~(6)~~)(5) The state liquor and cannabis board must fine a licensee one thousand dollars for each violation of any subsection of this section. Fines collected under this section must be deposited into the dedicated marijuana account created under RCW 69.50.530.

Sec. 14. RCW 69.50.369 and 2015 2nd sp.s. c 4 s 204 are each amended to read as follows:

(1) No licensed marijuana producer, processor, researcher, or retailer may place or maintain, or cause to be placed or maintained, (~~(a)~~)any sign or other advertisement (~~(b)~~)for a marijuana(~~(c)~~)business or marijuana product, including useable marijuana, marijuana concentrates, or (~~(d)~~) marijuana-infused product, in any form or through any medium whatsoever(~~(e)~~

(~~(f)~~)within one thousand feet of the perimeter of a school grounds, playground, recreation center or facility, child care center, public park, or library, or any game arcade admission to which is not restricted to persons aged twenty-one years or older(~~(g)~~

(~~(h)~~)On or in a public transit vehicle or public transit shelter; or

(~~(i)~~)On or in a publicly owned or operated property)).

(2) Except for the use of billboards as authorized under this section, licensed marijuana retailers may not display any signage outside of the licensed premises, other than two signs identifying the retail outlet by the licensee's business or trade name, stating the location of the business, and identifying the nature of the business. Each sign must be no larger than one thousand six hundred square inches and be permanently affixed to a building or other structure. The location and content of the retail marijuana signs authorized under this subsection are subject to all other requirements and restrictions established in this section for indoor signs, outdoor signs, and other marijuana-related advertising methods.

(3) A marijuana licensee may not utilize transit advertisements for the purpose of advertising its business or product line. "Transit advertisements" means advertising on or within private or public vehicles and all advertisements placed at, on, or within any bus stop, taxi stand, transportation waiting area, train station, airport, or any similar transit-related location.

(4) A marijuana licensee may not engage in advertising or other marketing practice that specifically targets persons residing outside of the state of Washington.

(5) All signs, billboards, or other print advertising for marijuana businesses or marijuana products must contain text stating that marijuana products may be purchased or possessed only by persons twenty-one years of age or older.

(6) A marijuana licensee may not:

(a) Take any action, directly or indirectly, to target youth in the advertising, promotion, or marketing of marijuana and marijuana products, or take any action the primary purpose of which is to initiate, maintain, or increase the incidence of youth use of marijuana or marijuana products;

(b) Use objects such as toys or inflatables, movie or cartoon characters, or any other depiction or image likely to be appealing to youth, where such objects, images, or depictions indicate an intent to cause youth to become interested in the purchase or consumption of marijuana products; or

(c) Use or employ a commercial mascot outside of, and in proximity to, a licensed marijuana business. A "commercial mascot" means live human being, animal, or mechanical device used for attracting the attention of motorists and passersby so as to make them aware of marijuana products or the presence of a marijuana business. Commercial mascots include, but are not limited to, inflatable tube displays, persons in costume, or wearing, holding, or spinning a sign with a marijuana-related commercial message or image, where the intent is to draw attention to a marijuana business or its products.

(7) A marijuana licensee that engages in outdoor advertising is subject to the advertising requirements and restrictions set forth in this subsection (7) and elsewhere in this chapter.

(a) All outdoor advertising signs, including billboards, are limited to text that identifies the retail outlet by the licensee's business or trade name, states the location of the business, and identifies the type or nature of the business. Such signs may not contain any depictions of marijuana plants, marijuana products, or images that might be appealing to children. The state liquor and cannabis board is granted rule-making authority to regulate the text and images that are permissible on outdoor advertising. Such rule making must be consistent with other administrative rules generally applicable to the advertising of marijuana businesses and products.

(b) Outdoor advertising is prohibited:

(i) On signs and placards in arenas, stadiums, shopping malls, fairs that receive state allocations, farmers markets, and video game arcades, whether any of the foregoing are open air or enclosed, but not including any such sign or placard located in an adult only facility; and

(ii) Billboards that are visible from any street, road, highway, right-of-way, or public parking area are prohibited, except as provided in (c) of this subsection.

(c) Licensed retail outlets may use a billboard or outdoor sign solely for the purpose of identifying the name of the business, the nature of the business, and providing the public with directional information to the licensed retail outlet. Billboard advertising is subject to the same requirements and restrictions as set forth in (a) of this subsection.

(d) Advertising signs within the premises of a retail marijuana business outlet that are visible to the public from outside the premises must meet the signage regulations and requirements applicable to outdoor signs as set forth in this section.

(e) The restrictions and regulations applicable to outdoor advertising under this section are not applicable to:

(i) An advertisement inside a licensed retail establishment that sells marijuana products that is not placed on the inside surface of a window facing outward; or

(ii) An outdoor advertisement at the site of an event to be held at an adult only facility that is placed at such site during the period the facility or enclosed area constitutes an adult only facility, but in no event more than fourteen days before the event, and that does not advertise any marijuana product other than by using a brand name to identify the event.

(8) Merchandising within a retail outlet is not advertising for the purposes of this section.

~~((3))~~(9) This section does not apply to a noncommercial message.

~~((4))~~(10)(a) The state liquor and cannabis board must:

(i) Adopt rules implementing this section and specifically including provisions regulating the billboards and outdoor signs authorized under this section; and

(ii) Fine a licensee one thousand dollars for each violation of ~~((subsection (1) of))~~ this section until the state liquor and cannabis board adopts rules prescribing penalties for violations of this section. The rules must establish escalating penalties including fines and up to suspension or revocation of a marijuana license for subsequent violations.

(b) Fines collected under this subsection must be deposited into the dedicated marijuana account created under RCW 69.50.530.

(11) A city, town, or county may adopt rules of outdoor advertising by licensed marijuana retailers that are more restrictive than the advertising restrictions imposed under this chapter. Enforcement of restrictions to advertising by a city, town, or county is the responsibility of the city, town, or county.

Sec. 15. RCW 69.50.4013 and 2015 2nd sp.s. c 4 s 503 are each amended to read as follows:

(1) It is unlawful for any person to possess a controlled substance unless the substance was obtained directly from, or pursuant to, a valid prescription or order of a practitioner while acting in the course of his or her professional practice, or except as otherwise authorized by this chapter.

(2) Except as provided in RCW 69.50.4014, any person who violates this section is guilty of a class C felony punishable under chapter 9A.20 RCW.

(3)(a) The possession, by a person twenty-one years of age or older, of useable marijuana, marijuana concentrates, or marijuana-infused products in amounts that do not exceed those set forth in RCW 69.50.360(3) is not a violation of this section, this chapter, or any other provision of Washington state law.

(b) The possession of marijuana, useable marijuana, marijuana concentrates, and marijuana-infused products being physically transported or delivered within the state, in amounts not exceeding those that may be established under RCW 69.50.385(3), by a licensed employee of a common carrier when performing the duties authorized in accordance with RCW 69.50.382 and 69.50.385, is not a violation of this section, this chapter, or any other provision of Washington state law.

(4)(a) The delivery by a person twenty-one years of age or older to one or more persons twenty-one years of age or older, during a single twenty-four hour

period, for noncommercial purposes and not conditioned upon or done in connection with the provision or receipt of financial consideration, of any of the following marijuana products, is not a violation of this section, this chapter, or any other provisions of Washington state law:

(i) One-half ounce of useable marijuana;

(ii) Eight ounces of marijuana-infused product in solid form;

(iii) Thirty-six ounces of marijuana-infused product in liquid form; or

(iv) Three and one-half grams of marijuana concentrates.

(b) The act of delivering marijuana or a marijuana product as authorized under this subsection (4) must meet one of the following requirements:

(i) The delivery must be done in a location outside of the view of general public and in a nonpublic place; or

(ii) The marijuana or marijuana product must be in the original packaging as purchased from the marijuana retailer.

(5) No person under twenty-one years of age may possess, manufacture, sell, or distribute marijuana, marijuana-infused products, or marijuana concentrates, regardless of THC concentration. This does not include qualifying patients with a valid authorization.

((5))(6) The possession by a qualifying patient or designated provider of marijuana concentrates, useable marijuana, marijuana-infused products, or plants in accordance with chapter 69.51A RCW is not a violation of this section, this chapter, or any other provision of Washington state law.

NEW SECTION. Sec. 16. A new section is added to chapter 69.50 RCW to read as follows:

(1) A licensed marijuana business may enter into a licensing agreement, or consulting contract, with any individual, partnership, employee cooperative, association, nonprofit corporation, or corporation, for:

(a) Any goods or services that are registered as a trademark under federal law or under chapter 19.77 RCW;

(b) Any unregistered trademark, trade name, or trade dress; or

(c) Any trade secret, technology, or proprietary information used to manufacture a cannabis product or used to provide a service related to a marijuana business.

(2) All agreements or contracts entered into by a licensed marijuana business, as authorized under this section, must be disclosed to the state liquor and cannabis board.

Sec. 17. RCW 42.56.270 and 2016 sp.s. c 9 s 3, 2016 sp.s. c 8 s 1, and 2016 c 178 s 1 are each reenacted and amended to read as follows:

The following financial, commercial, and proprietary information is exempt from disclosure under this chapter:

(1) Valuable formulae, designs, drawings, computer source code or object code, and research data obtained by any agency within five years of the request for disclosure when disclosure would produce private gain and public loss;

(2) Financial information supplied by or on behalf of a person, firm, or corporation for the purpose of qualifying to submit a bid or proposal for (a) a ferry system construction or repair contract as required by RCW 47.60.680 through 47.60.750 or (b) highway construction or improvement as required by RCW 47.28.070;

(3) Financial and commercial information and records supplied by private persons pertaining to export services provided under chapters 43.163 and 53.31 RCW, and by persons pertaining to export projects under RCW 43.23.035;

(4) Financial and commercial information and records supplied by businesses or individuals during application for loans or program services provided by chapters 43.325, 43.163, 43.160, 43.330, and 43.168 RCW, or during application for economic development loans or program services provided by any local agency;

(5) Financial information, business plans, examination reports, and any information produced or obtained in evaluating or examining a business and industrial development corporation organized or seeking certification under chapter 31.24 RCW;

(6) Financial and commercial information supplied to the state investment board by any person when the information relates to the investment of public trust or retirement funds and when disclosure would result in loss to such funds or in private loss to the providers of this information;

(7) Financial and valuable trade information under RCW 51.36.120;

(8) Financial, commercial, operations, and technical and research information and data submitted to or obtained by the clean Washington center in applications for, or delivery of, program services under chapter 70.95H RCW;

(9) Financial and commercial information requested by the public stadium authority from any person or organization that leases or uses the stadium and exhibition center as defined in RCW 36.102.010;

(10)(a) Financial information, including but not limited to account numbers and values, and other identification numbers supplied by or on behalf of a person, firm, corporation, limited liability company, partnership, or other entity related to an application for a horse racing license submitted pursuant to RCW 67.16.260(1)(b), marijuana producer, processor, or retailer license, liquor license, gambling license, or lottery retail license;

(b) Internal control documents, independent auditors' reports and financial statements, and supporting documents: (i) Of house-banked social card game licensees required by the gambling commission pursuant to rules adopted under chapter 9.46 RCW; or (ii) submitted by tribes with an approved tribal/state compact for class III gaming;

(11) Proprietary data, trade secrets, or other information that relates to: (a) A vendor's unique methods of conducting business; (b) data unique to the product or services of the vendor; or (c) determining prices or rates to be charged for services, submitted by any vendor to the department of social and health services for purposes of the development, acquisition, or implementation of state purchased health care as defined in RCW 41.05.011;

(12)(a) When supplied to and in the records of the department of commerce:

(i) Financial and proprietary information collected from any person and provided to the department of commerce pursuant to RCW 43.330.050(8); and

(ii) Financial or proprietary information collected from any person and provided to the department of commerce or the office of the governor in connection with the siting, recruitment, expansion, retention, or relocation of that person's business and until a siting decision is made, identifying information of any person supplying information under this subsection and the locations being considered for siting, relocation, or expansion of a business;

(b) When developed by the department of commerce based on information as described in (a)(i) of this subsection, any work product is not exempt from disclosure;

(c) For the purposes of this subsection, "siting decision" means the decision to acquire or not to acquire a site;

(d) If there is no written contact for a period of sixty days to the department of commerce from a person connected with siting, recruitment, expansion, retention, or relocation of that person's business, information described in (a)(ii) of this subsection will be available to the public under this chapter;

(13) Financial and proprietary information submitted to or obtained by the department of ecology or the authority created under chapter 70.95N RCW to implement chapter 70.95N RCW;

(14) Financial, commercial, operations, and technical and research information and data submitted to or obtained by the life sciences discovery fund authority in applications for, or delivery of, grants under chapter 43.350 RCW, to the extent that such information, if revealed, would reasonably be expected to result in private loss to the providers of this information;

(15) Financial and commercial information provided as evidence to the department of licensing as required by RCW 19.112.110 or 19.112.120, except information disclosed in aggregate form that does not permit the identification of information related to individual fuel licensees;

(16) Any production records, mineral assessments, and trade secrets submitted by a permit holder, mine operator, or landowner to the department of natural resources under RCW 78.44.085;

(17)(a) Farm plans developed by conservation districts, unless permission to release the farm plan is granted by the landowner or operator who requested the plan, or the farm plan is used for the application or issuance of a permit;

(b) Farm plans developed under chapter 90.48 RCW and not under the federal clean water act, 33 U.S.C. Sec. 1251 et seq., are subject to RCW 42.56.610 and 90.64.190;

(18) Financial, commercial, operations, and technical and research information and data submitted to or obtained by a health sciences and services authority in applications for, or delivery of, grants under RCW 35.104.010 through 35.104.060, to the extent that such information, if revealed, would reasonably be expected to result in private loss to providers of this information;

(19) Information gathered under chapter 19.85 RCW or RCW 34.05.328 that can be identified to a particular business;

(20) Financial and commercial information submitted to or obtained by the University of Washington, other than information the university is required to disclose under RCW 28B.20.150, when the information relates to investments in private funds, to the extent that such information, if revealed, would reasonably be expected to result in loss to the University of Washington consolidated endowment fund or to result in private loss to the providers of this information;

(21) Market share data submitted by a manufacturer under RCW 70.95N.190(4);

(22) Financial information supplied to the department of financial institutions or to a portal under RCW 21.20.883, when filed by or on behalf of an issuer of securities for the purpose of obtaining the exemption from state securities registration for small securities offerings provided under RCW

21.20.880 or when filed by or on behalf of an investor for the purpose of purchasing such securities;

(23) Unaggregated or individual notices of a transfer of crude oil that is financial, proprietary, or commercial information, submitted to the department of ecology pursuant to RCW 90.56.565(1)(a), and that is in the possession of the department of ecology or any entity with which the department of ecology has shared the notice pursuant to RCW 90.56.565;

(24) Financial institution and retirement account information, and building security plan information, supplied to the liquor and cannabis board pursuant to RCW 69.50.325, 69.50.331, 69.50.342, and 69.50.345, when filed by or on behalf of a licensee or prospective licensee for the purpose of obtaining, maintaining, or renewing a license to produce, process, transport, or sell marijuana as allowed under chapter 69.50 RCW; ~~((and))~~

(25) Marijuana transport information, vehicle and driver identification data, and account numbers or unique access identifiers issued to private entities for traceability system access, submitted by an individual or business to the liquor and cannabis board under the requirements of RCW 69.50.325, 69.50.331, 69.50.342, and 69.50.345 for the purpose of marijuana product traceability. Disclosure to local, state, and federal officials is not considered public disclosure for purposes of this section; ~~((and))~~

(26) Financial and commercial information submitted to or obtained by the retirement board of any city that is responsible for the management of an employees' retirement system pursuant to the authority of chapter 35.39 RCW, when the information relates to investments in private funds, to the extent that such information, if revealed, would reasonably be expected to result in loss to the retirement fund or to result in private loss to the providers of this information except that (a) the names and commitment amounts of the private funds in which retirement funds are invested and (b) the aggregate quarterly performance results for a retirement fund's portfolio of investments in such funds are subject to disclosure; ~~((and))~~

(27) Proprietary financial, commercial, operations, and technical and research information and data submitted to or obtained by the liquor and cannabis board in applications for marijuana research licenses under RCW 69.50.372, or in reports submitted by marijuana research licensees in accordance with rules adopted by the liquor and cannabis board under RCW 69.50.372; and

(28) Trade secrets, technology, proprietary information, and financial considerations contained in any agreements or contracts, entered into by a licensed marijuana business under section 16 of this act, which may be submitted to or obtained by the state liquor and cannabis board.

NEW SECTION. Sec. 18. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Board" means the state liquor and cannabis board.

(2) "Licensee facilities" means any premises regulated by the board for producing, processing, or retailing marijuana or marijuana products.

(3) "Marijuana" has the meaning provided in RCW 69.50.101.

(4) "Marijuana processor" has the meaning provided in RCW 69.50.101.

(5) "Marijuana producer" has the meaning provided in RCW 69.50.101.

(6) "Marijuana products" has the meaning provided in RCW 69.50.101.

(7) "Marijuana retailer" has the meaning provided in RCW 69.50.101.

(8) "Person" means any natural person, firm, partnership, association, private or public corporation, governmental entity, or other business entity.

NEW SECTION. Sec. 19. (1) The department may adopt rules establishing:

(a) Standards for marijuana and marijuana products produced and processed in a manner consistent with, to the extent practicable, 7 C.F.R. Part 205;

(b) A self-sustaining program for certifying marijuana producers and marijuana processors as meeting the standards established under (a) of this subsection; and

(c) Other rules as necessary for administration of this chapter.

(2) To the extent practicable, the program must be consistent with the program established by the director under chapter 15.86 RCW.

(3) The rules must include a fee schedule that will provide for the recovery of the full cost of the program including, but not limited to, application processing, inspections, sampling and testing, notifications, public awareness programs, and enforcement.

NEW SECTION. Sec. 20. (1) No marijuana or marijuana product may be labeled, sold, or represented as produced or processed under the standards established under this chapter unless produced or processed by a person certified by the department under the program established under this chapter.

(2) No person may represent, sell, or offer for sale any marijuana or marijuana products as produced or processed under standards adopted under this chapter if the person knows, or has reason to know, that the marijuana or marijuana product has not been produced or processed in conformance with the standards established under this chapter.

(3) No person may represent, sell, or offer for sale any marijuana or marijuana products as "organic products" as that term has meaning under chapter 15.86 RCW.

NEW SECTION. Sec. 21. (1) The department may inspect licensee facilities to verify compliance with this chapter and rules adopted under it.

(2) The department may deny, suspend, or revoke a certification provided for in this chapter if the department determines that an applicant or certified person has violated this chapter or rules adopted under it.

(3) The department may impose on and collect from any person who has violated this chapter or rules adopted under it a civil fine not exceeding the total of:

(a) The state's estimated costs of investigating and taking appropriate administrative and enforcement actions for the violation; and

(b) One thousand dollars.

(4) The board may take enforcement actions against a marijuana producer, marijuana processor, or marijuana retailer license issued by the board, including suspension or revocation of the license, when a licensee continues to violate this chapter after revocation of its certification or, if uncertified, receiving written notice from the department of certification requirements.

(5) The provisions of this chapter are cumulative and nonexclusive and do not affect any other remedy at law.

NEW SECTION. Sec. 22. Information about marijuana producers, marijuana processors, and marijuana retailers otherwise exempt from public

inspection and copying under chapter 42.56 RCW is also exempt from public inspection and copying if submitted to or used by the department.

NEW SECTION. Sec. 23. All fees collected under this chapter must be deposited in an account within the agricultural local fund. The revenue from the fees must be used solely for carrying out the provisions of this chapter, and no appropriation is required for disbursement from the fund.

NEW SECTION. Sec. 24. (1) The state liquor and cannabis board must conduct a study of regulatory options for the legalization of marijuana plant possession and cultivation by recreational marijuana users. In conducting the study, the state liquor and cannabis board must consider the federal guidelines provided by the Cole memorandum, issued by the United States department of justice on August 29, 2013, which allows individual states to implement marijuana legalization policies, provided such states enact strong and effective regulatory and enforcement systems that address public safety, public health, and law enforcement concerns as outlined in the memorandum.

(2) Not later than December 1, 2017, the state liquor and cannabis board must provide the appropriate committees of the legislature written findings and recommendations regarding the adoption and implementation of a regulatory and enforcement system for the legalization of marijuana plant possession and cultivation by recreational marijuana users, in light of the guidelines set forth in the federal Cole memorandum.

(3) The study, findings, and recommendations required under this section must be done through the use of the existing resources of the state liquor and cannabis board.

NEW SECTION. Sec. 25. This act applies prospectively only and not retroactively. It applies only to causes of action that arise (if change is substantive) or that are commenced (if change is procedural) on or after the effective date of this section.

NEW SECTION. Sec. 26. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 27. Sections 18 through 23 of this act constitute a new chapter in Title 15 RCW.

Passed by the Senate April 20, 2017.

Passed by the House April 20, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 318

[Engrossed Substitute Senate Bill 5173]

STATE AGENCY LOSS PREVENTION REVIEWS--REVIEW TEAMS

AN ACT Relating to loss prevention reviews by state agencies; and amending RCW 43.19.003, 43.19.782, and 43.19.783.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 43.19.003 and 2011 1st sp.s. c 43 s 102 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Department" means the department of enterprise services.

(2) "Director" means the director of enterprise services.

(3) "State agency" means every state agency, office, officer, board, commission, institution, and institution of higher education, including all state universities, regional universities, The Evergreen State College, and community and technical colleges.

Sec. 2. RCW 43.19.782 and 2011 1st sp.s. c 43 s 508 are each amended to read as follows:

(1) ~~((The director))~~ In consultation with the department and upon delegation, a state agency shall appoint a loss prevention review team when the death of a person, serious injury to a person, or other substantial loss is alleged or suspected to be caused at least in part by the actions of a state agency~~((unless the director in his or her discretion determines that the incident does not merit review))~~ except when the death, injury, or substantial loss is already being investigated by another federal or state agency, or by the affected state agency, pursuant to the federal or state agency requirements. Any review conducted by another agency or under other requirements must contain elements of subsection (3) of this section and must comply with section 3 of this act to the extent section 3 of this act does not conflict with statutes or rules governing those reviews. The department may also direct a state agency to conduct a loss prevention review~~((team may also be appointed when any other substantial loss occurs as a result of agency policies, litigation or defense practices, or other management practices. When the director decides not to appoint a loss prevention review team he or she shall issue a statement of the reasons for the director's decision. The statement shall be made available on the department's web site. The director's decision pursuant to this section to appoint or not appoint a loss prevention review team shall not be admitted into evidence in a civil or administrative proceeding.))~~ after consultation with the affected agency as to the purpose, scope, necessary resources, and intended outcomes of the loss prevention review. The department may provide guidance to the state agency conducting the loss prevention review as requested by the state agency.

(2) A loss prevention review team shall consist of at least three ~~((but no more than five))~~ persons, and may include independent consultants, contractors, or state employees, but it shall not include any person ~~((employed by the agency))~~ directly involved in the loss or risk of loss giving rise to the review, nor any person with testimonial knowledge of the incident to be reviewed. At least one member of the review team shall have expertise relevant to the matter under review, but no more than half of the review team members may be employees of the affected agency.

(3) The loss prevention review team shall review the death, serious injury, or other incident and the circumstances surrounding it, evaluate its causes, and recommend steps to reduce the risk of such incidents occurring in the future. The loss prevention review team shall accomplish these tasks by reviewing relevant documents~~((s))~~ and interviewing persons with relevant knowledge~~((and reporting its recommendations)).~~ The loss prevention review team must submit a report in writing to the director and the~~((director))~~ head of the state agency involved in the loss or risk of loss~~((within the time requested by the director)).~~

The report must include the teams' findings, analyze the causes and contributing factors, analyze future risk, include methods that the agency will use to address and mitigate the risks identified, which may include changes to policies or procedures, and any legislative recommendation necessary to address and carry out the risk treatment strategies identified in the subject report and include the manner in which the agency will measure the effectiveness of its changes. The final report shall not disclose the contents of any documents required by law or regulation to be kept private or confidential, or that are subject to legal privilege or exemption.

(4) ~~((Pursuant to guidelines established by the director,))~~ The director may develop and enact rules to implement the provisions of this chapter that apply to all state agency loss prevention review teams. State agencies must notify the department immediately upon becoming aware of a death, serious injury, or other substantial loss that is alleged or suspected to be caused at least in part by the actions of the state agency.

(5) All state agencies shall provide the loss prevention review team ready access to relevant documents in their possession and ready access to their employees.

(6) The director shall submit an annual report to the legislature identifying the reviews conducted in the past year, providing appropriate metrics on effectiveness and efficiency of the loss prevention review team and programs, and summarizing any determinations of trends in incidents such as reductions or increases in the frequency or magnitude of losses and innovative approaches to mitigating risks identified.

Sec. 3. RCW 43.19.783 and 2011 1st sp.s. c 43 s 509 are each amended to read as follows:

(1) The final report from ~~((**the**))~~ the state agency's loss prevention review team to the director shall be made public by the director promptly ~~((upon receipt))~~ after review, and shall be subject to public disclosure. The final report shall be subject to discovery in a civil or administrative proceeding. However, the final report shall not be admitted into evidence or otherwise used in a civil or administrative proceeding except pursuant to subsection (2) of this section.

(2) The relevant excerpt or excerpts from the final report of a loss prevention review team may be used to impeach a fact witness in a civil or administrative proceeding only if the party wishing to use the excerpt or excerpts from the report first shows the court by clear and convincing evidence that the witness, in testimony provided in deposition or at trial in the present proceeding, has contradicted his or her previous statements to the loss prevention review team on an issue of fact material to the present proceeding. In that case, the party may use only the excerpt or excerpts necessary to demonstrate the contradiction. This section shall not be interpreted as expanding the scope of material that may be used to impeach a witness.

(3) No member of a loss prevention review team may be examined in a civil or administrative proceeding as to (a) the work of the loss prevention review team, (b) the incident under review, (c) his or her statements, deliberations, thoughts, analyses, or impressions relating to the work of the loss prevention review team or the incident under review, or (d) the statements, deliberations, thoughts, analyses, or impressions of any other member of the loss prevention

review team, or any person who provided information to it, relating to the work of the loss prevention review team or the incident under review.

(4) Any document that exists prior to the appointment of a loss prevention review team, or that is created independently of such a team, does not become inadmissible merely because it is reviewed or used by the loss prevention review team. A person does not become unavailable as a witness merely because the person has been interviewed by or has provided a statement to a loss prevention review team. However, if called as a witness, the person may not be examined regarding the person's interactions with the loss prevention review team, including without limitation whether the loss prevention review team interviewed the person, what questions the loss prevention review team asked, and what answers the person provided to the loss prevention review team. This section shall not be construed as restricting the person from testifying fully in any proceeding regarding his or her knowledge of the incident under review.

(5) Documents prepared by or for the loss prevention review team are inadmissible and may not be used in a civil or administrative proceeding, except that excerpts may be used to impeach the credibility of a witness under the same circumstances that excerpts of the final report may be used pursuant to subsection (2) of this section.

(6) The restrictions set forth in this section shall not apply in a licensing or disciplinary proceeding arising from an agency's effort to revoke or suspend the license of any licensed professional based in whole or in part upon allegations of wrongdoing in connection with the death, injury, or other incident reviewed by the loss prevention review team.

~~(7) ((Within one hundred twenty days after completion of the final report of a loss prevention review team, the agency under review shall issue to the department a response to the report. The response will indicate (a) which of the report's recommendations the agency hopes to implement, (b) whether implementation of those recommendations will require additional funding or legislation, and (c) whatever other information the director may require. This response shall be considered part of the final report and shall be subject to all provisions of this section that apply to the final report, including without limitation the restrictions on admissibility and use in civil or administrative proceedings and the obligation of the director to make the final report public.~~

~~(8))~~ Nothing in RCW ~~((43.41.370))~~ 43.19.782 or this section is intended to limit the scope of a legislative inquiry into or review of an incident that is the subject of a loss prevention review.

~~((9))~~ ~~(8)~~ Nothing in RCW ~~((43.41.370))~~ 43.19.782 or in this section affects chapter 70.41 RCW and application of that chapter to state-owned or managed hospitals licensed under chapter 70.41 RCW.

Passed by the Senate April 17, 2017.

Passed by the House April 5, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 319

[Engrossed Substitute Senate Bill 5198]

FIRE SUPPRESSION METHODOLOGIES--DEPARTMENT OF NATURAL RESOURCES--FIRE RETARDANTS--REPORT

AN ACT Relating to fire suppression methodologies; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. (1) The legislature finds that the record 2015 fire season saw over one million acres burned across the state. The legislature further finds that in addition to the devastating effect on our land and economy, wildfires destroyed four hundred ninety-nine structures, including three hundred seven primary residences, twenty-one commercial structures, and one hundred seventy-seven outbuildings. The legislature finds that the state must employ the best firefighting techniques, products, and technologies to prevent the unnecessary destruction of structures during future wildfire incidents.

(2) Subject to the availability of amounts appropriated for this specific purpose, by December 31, 2017, the department of natural resources must report the following to the legislature:

(a) A complete list of the types of long-term fire retardants, foams, and gels used by the department;

(b) An overview of the department's criteria in determining when, where, and how to apply long-term fire retardants, foams, and gels;

(c) A list of each instance the department has used long-term fire retardants, foams, and gels in fire suppression activities in the last three years;

(d) A description of public outreach and education activities the department has conducted relating to the use of foams or gels to protect structures during wildfire incidents, if any;

(e) An analysis of national fire suppression best practices relating to the use of long-term fire retardants, foams, and gels;

(f) An examination of how to update the department's policy on the use of long-term fire retardants, foams, and gels to match the best practices identified in (e) of this subsection;

(g) An analysis of relevant material safety data sheets and impacts to human health, and natural resources, including forests, from long-term fire retardants, foams, and gels; and

(h) Recommendations for any legislative actions necessary to improve the protection of structures from wildfires.

Passed by the Senate March 2, 2017.

Passed by the House April 12, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 320

[Substitute Senate Bill 5322]

DENTAL PRACTICE--THIRD PARTY SUPPORT SERVICES

AN ACT Relating to patient safeguards in agreements between dentists and third parties that provide support services to dentists; amending RCW 18.32.675 and 18.32.091; adding new sections to chapter 18.32 RCW; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that Washington law should allow dentists to determine, based on their individual circumstances, which dental practice model would allow them to best serve the needs of their patients. Dentists should have the option to contract for administrative support services and dentists should also be able to lease real or personal property in a manner that meets their individual business needs. The legislature intends that these contract decisions must not interfere with the independent clinical judgment of the dentist entering the contract.

Sec. 2. RCW 18.32.675 and 2003 c 53 s 124 are each amended to read as follows:

(1) No corporation shall practice dentistry or shall solicit through itself, or its agent, officers, employees, directors or trustees, dental patronage for any dentists or dental surgeon employed by any corporation: PROVIDED, That nothing contained in this chapter shall prohibit a corporation from employing a dentist or dentists to render dental services to its employees: PROVIDED, FURTHER, That such dental services shall be rendered at no cost or charge to the employees; nor shall it apply to corporations or associations in which the dental services were originated and are being conducted upon a purely charitable basis for the worthy poor (~~nor shall it apply to corporations or associations furnishing information or clerical services which can be furnished by persons not licensed to practice dentistry, to any person lawfully engaged in the practice of dentistry, when such dentist assumes full responsibility for such information and services~~).

(2) Nothing in this chapter precludes a person or entity not licensed by the commission from:

(a) Ownership or leasehold of any assets used by a dental practice, including real property, furnishings, equipment, instruments, materials, supplies, and inventory, excluding dental records of patients;

(b) Employing or contracting for the services of personnel other than licensed dentists, licensed dental hygienists, licensed expanded function dental auxiliaries, certified dental anesthesia assistants, and registered dental assistants;

(c) Providing business support and management services to a dental practice, including as a sole provider of such services; and

(d) Receiving fees for the services in (a) through (c) of this subsection provided to a dental practice calculated as agreed to by the dental practice owner or owners.

(3) Any corporation violating this section is guilty of a gross misdemeanor, and each day that this chapter is violated shall be considered a separate offense.

NEW SECTION. Sec. 3. A new section is added to chapter 18.32 RCW to read as follows:

(1) A person that is not licensed under this chapter or an entity that is not a professional entity practices dentistry in violation of this chapter, and subject to enforcement under RCW 18.130.190, if the person or entity interferes with a licensed dentist's independent clinical judgment by:

(a) Limiting or imposing requirements on the length of time a dentist spends with a patient or performing dental services, or otherwise placing conditions on the number of patients a dentist must treat in a certain period of time or the

number of certain types of procedures a dentist must complete in a certain time period;

(b) Limiting or imposing requirements on the decision of a dentist regarding a course or alternative course of treatment for a patient or the manner in which a course of treatment is carried out by the dentist;

(c) Limiting or imposing requirements on the manner in which a dentist uses dental equipment or materials for the provision of dental treatment;

(d) Limiting or imposing requirements on the use of a laboratory or the materials, supplies, instruments, or equipment deemed reasonably necessary by a dentist to provide diagnoses and treatment consistent with the standard of care;

(e) Limiting or imposing requirements for the professional training deemed reasonably necessary by a dentist to properly serve the dentist's patients;

(f) Limiting or imposing requirements on the referrals by a dentist to another licensed dentist specialist or any other practitioner the dentist determines is necessary;

(g) Interfering with a dentist's right to access patient records at any time;

(h) Interfering with a dentist's decision to refund any payment made by a patient for dental services performed by the dentist;

(i) Limiting or imposing requirements on the advertising of a dental practice if it would result in a violation of this chapter or RCW 18.130.020(12)(b) by the dental practice; or

(j) Limiting or imposing requirements on communications with a dentist's patients.

(2) For the purpose of this section, "dentist" means a dentist licensed under this chapter.

(3) Violations of this section shall be enforced pursuant to RCW 18.130.190, including the authority to issue subpoenas pursuant to RCW 18.130.050(4). Communication of complaints or information to a state agency pursuant to RCW 4.24.500 through 4.24.520 are covered by those provisions.

NEW SECTION. Sec. 4. A new section is added to chapter 18.32 RCW to read as follows:

(1) The attending dentist, without reasonable cause, must not neglect, ignore, abandon, or refuse to complete the current procedure for a patient. If the dentist chooses to withdraw responsibility for a patient of record, the dentist shall:

(a) Advise the patient that termination of treatment is contemplated and that another dentist should be sought to complete the current procedure and for future care; and

(b) Advise the patient that the dentist will remain reasonably available under the circumstances for up to fifteen days from the date of such notice to render emergency care related to that current procedure.

(2) If a dentist provides dental services as an employee or contractor of another dentist or an entity authorized to render dental services pursuant to chapter 18.100, 25.05, or 25.15 RCW or to operate a dental office pursuant to RCW 18.32.675(1), the other dentist or entity shall be responsible for the continuing treatment of patients and a dentist who ceases to be an employee or contractor of such other dentist or entity is not deemed to have abandoned any patient, and is not obligated to advise any patient as provided in this section, with respect to which the continuing treatment responsibility is retained by the

other dentist or entity. If an entity is responsible for the continuing treatment of patients, any licensed dentist who is the owner of the entity is considered the attending dentist responsible for ensuring compliance by the entity with this section.

(3) A dental practice owner who is discontinuing a dental practice or moving a dental practice to a new location must comply with the requirements of subsection (1) of this section, or must make reasonable arrangements for the transfer of the patient records of active patients of the dental practice, or copies of the records, to a licensed dentist or professional entity, or at the written request of any patient, transfer of the patient's records, or copies of the records, to the patient. An unlicensed person or entity shall not intentionally prevent a dental practice owner from complying with this subsection.

Sec. 5. RCW 18.32.091 and 1987 c 150 s 18 are each amended to read as follows:

No person, unless previously licensed to practice dentistry in this state, shall begin the practice of dentistry in this state without first applying to, and obtaining a license.

Passed by the Senate February 27, 2017.

Passed by the House April 7, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 321

[Senate Bill 5331]

IRRIGATION DISTRICTS--TOLLS AND CHARGES--ANNEXATION CHARGES--DISTRICT PROPERTY

AN ACT Relating to irrigation district administration; and amending RCW 87.03.240, 87.03.445, 87.03.565, and 87.03.820.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 87.03.240 and 1933 c 43 s 3 are each amended to read as follows:

(1) Assessments made in order to carry out the purpose of this act shall be made in proportion to the benefits accruing to the lands assessed and equitable credit shall be given to the lands having a partial or full water right: PROVIDED, That nothing herein shall be construed to affect or impair the obligation of any existing contract providing for a water supply to lands so assessed, unless the right under such contract shall first have been acquired by said district, and in acquiring such rights, the district may exercise the right of eminent domain.

(2) The secretary must between the first Monday in March and the first Tuesday in November each year prepare an assessment roll with appropriate headings in which must be listed all the lands within the district. In such book must be specified, in separate columns, under the appropriate headings:

(a) First, the name of the person to whom the property is assessed. If the name is not known to the secretary, the property shall be assessed to "unknown owners."

(b)(i) Second, land by township, range and section or fractional section, and when such land is not a legal subdivision, by metes and bounds, or other description sufficient to identify it, giving an estimate of the number of acres, city and town lots, naming the city or town, and the number and block according to the system of numbering in such city or town.

(ii) Assessors' plat tax numbers used by county assessors for general state and county taxes in the county where such land is situate may be used for such identification in such assessment roll.

(c) Third, in further columns with appropriate headings shall be specified the ratio of benefits, or, when deemed by the secretary more practicable, the per acre value, or the amount of benefits, for general and special district and local improvement district purposes, and the total amount assessed against each tract of land.

(3) Any property which may have escaped assessment for any year or years, shall in addition to the assessment for the then current year, be assessed for such year or years with the same effect and with the same penalties as are provided for such current year and any property delinquent in any year may be directly assessed during the current year for any expenses caused the district on account of such delinquency.

(4) Where the district embraces lands lying in more than one county the assessment roll shall be so arranged that the lands lying in each county shall be segregated and grouped according to the county in which the same are situated.

Sec. 2. RCW 87.03.445 and 2001 c 149 s 4 are each amended to read as follows:

(1) The cost and expense of purchasing and acquiring property, and construction, reconstruction, extension, and betterment of the works and improvements herein provided for, and the expenses incidental thereto, and indebtedness to the United States for district lands assumed by the district, and for the carrying out of the purposes of this chapter, may be paid for by the board of directors out of the funds received from bond sales as well as other district funds.

(2) For the purpose of defraying the costs and expenses of the organization of the district, and of the care, operation, management, maintenance, repair, and improvement of the district and its irrigation water, domestic water, electric power, drainage, or sewer facilities or of any portion thereof, or for the payment of any indebtedness due the United States or the state of Washington, or for the payment of district bonds, the board may either fix reasonable rates or tolls and charges, and collect the same from all persons for whom district service is made available for irrigation water, domestic water, electric power, drainage or sewerage, and other purposes, or it may provide for the payment of said costs and expenses by a levy of assessment therefor, or by both said rates or tolls and charges and assessment.

(3) If the assessment method is utilized, the levy of assessments shall be made on the completion and equalization of the assessment roll each year, and the board shall have the same powers and functions for the purpose of said levy as possessed by it in case of levy to pay bonds of the district. The procedure for the collection of assessments by such levy shall in all respects conform with the provisions of this chapter, relating to the collection of assessments for the

payment of principal and interest of bonds herein provided for, and shall be made at the same time.

(4) If the rates or tolls and charges method is adopted in whole or in part, the secretary shall deliver to the board of directors, within the time for filing the assessment roll, a schedule containing the names of the owners or reputed owners, as shown on the rolls of the county treasurer as of the first Tuesday in November of each year such a schedule is filed of the various parcels of land against which rates or tolls and charges are to be levied, the description of each such parcel of land and the amount to be charged against each parcel for irrigation water, domestic water, electric power, drainage, sewerage, and other district costs and expenses. Said schedule of rates or tolls and charges shall be equalized pursuant to the same notice, in the same manner, at the same time and with the same legal effect as in the case of assessments. Such schedule of rates or tolls and charges for a given year shall be filed with the proper county treasurer within the same time as that provided by law for the filing of the annual assessment roll, and the county treasurer shall collect and receipt for the payment of said rates or tolls and charges and credit them to the proper funds of the district. The board may designate the time and manner of making such collections and shall require the same to be paid in advance of delivery of water and other service. For the purposes of collection and enforcement, all tolls and charges levied shall also at once become and constitute an assessment upon and against the lands for which they are levied, with the same force and effect, and the same manner of enforcement, and with the same rate of interest from date of delinquency, in case of nonpayment, as other district assessments. Any tolls and charges constituting an assessment for collection and enforcement purposes under this section are not subject to the provisions of RCW 87.03.240(1).

(5) As an alternative method of imposing, collecting, and enforcing such rates or tolls and charges, the board may also base such rates or tolls and charges upon the quantity of irrigation water, domestic water, or electric power delivered, or drainage or sewage disposed of, and may fix a minimum rate or toll and charge to be paid by each parcel of land or use within the district for the delivery or disposal of a stated quantity of each such service with a graduated charge for additional quantities of such services delivered or disposed of. If the board elects to utilize this alternative method of imposing, collecting, and enforcing such rates or tolls and charges, there shall be no requirement that the schedule referred to in the preceding paragraph be prepared, be filed with the board of directors by the secretary, be equalized, or be filed with a county treasurer. The board shall enforce collection of such rates or tolls and charges against property to which and its owners to whom the service is available, such rates or tolls and charges being deemed charges and a lien against the property to which the service is available, until paid in full. Prior to furnishing services, a board may require a deposit to guarantee payment for services. However, failure to require a deposit does not affect the validity of any lien authorized by this section.

(6) The board may provide by resolution that where such rates or tolls and charges are delinquent for any specified period of time, the district shall certify the delinquencies to the treasurer of the county in which the real property is located, and the charges and any penalties added thereto and interest thereon at the rate not to exceed twelve percent per annum fixed by resolution shall be a

lien against the property to which the service was available, subject only to the lien for general taxes. The district may, at any time after such rates or tolls and charges and penalties provided for herein are delinquent for a period of one year, bring suit in foreclosure by civil action in the superior court of the county in which the real property is situated.

(7) A board may determine how to apply partial payments on past due accounts.

(8) A board may provide a real property owner or the owner's designee with duplicate bills for service to tenants, or may notify an owner or the owner's designee that a tenant's service account is delinquent. However, if an owner or the owner's designee notifies the board in writing that a property served by the board is a rental property, asks to be notified of a tenant's delinquency, and has provided, in writing, a complete and accurate mailing address, the board shall notify the owner or the owner's designee of a tenant's delinquency at the same time and in the same manner the board notifies the tenant of the tenant's delinquency or by mail. When a district provides a real property owner or the owner's designee with duplicates of tenant utility service bills or notice that a tenant's utility account is delinquent, the district shall notify the tenant that it is providing the duplicate bills or delinquency notice to the owner or the owner's designee. After January 1, 1999, if a board fails to notify the owner of a tenant's delinquency after receiving a written request to do so and after receiving the other information required by this subsection (8), the board shall have no lien against the premises for the tenant's delinquent and unpaid charges.

(9) The court may allow, in addition to the costs and disbursements provided by statute, such attorneys' fees as it may adjudge reasonable. The action shall be in rem against the property, and in addition may be brought in the name of the district against an individual, or against all of those who are delinquent, in one action, and the rules of the court shall control as in other civil actions. The board may in the same year use the assessment method for part of the lands in the district and the rates or tolls and charges method for the remaining lands in the district in such proportion as it may deem advisable for the best interest of the district.

(10) The procedures herein provided for the collection and enforcement of rates, tolls, and charges also shall be applicable and available to the districts board of directors for the collection and enforcement of charges for water imposed by contract entered into or administered by the district's board of directors.

Sec. 3. RCW 87.03.565 and 1963 c 68 s 3 are each amended to read as follows:

The secretary of the board of directors shall cause a notice of the filing of such petition to be published in the same manner and for the same time that notice of special elections for the issue of bonds are required by this chapter to be given. The notice shall state the filing of such petition and the names of the petitioners, a description of the lands mentioned in said petition, and the prayer of said petition, and it shall notify all persons interested in or that may be affected by such change of the boundaries of the district to appear at the office of said board at a time named in said notice, and show cause in writing, if any they have, why the change in the boundaries of said district, as proposed in said petition, should not be made. The time to be specified in the notice at which they

shall be required to show cause shall be the regular meeting of the board next after the expiration of the time for the publication of the notice. The petitioners shall advance to the secretary sufficient money to pay the estimated costs of all proceedings under this chapter, however should the board of directors determine that the annexation would be of benefit to the irrigation district as a whole, the board of directors may waive payment and deposits in whole or in part for the cost of the annexation proceedings.

Sec. 4. RCW 87.03.820 and 2013 c 23 s 510 are each amended to read as follows:

Whenever as the result of abandonment of an irrigation district right-of-way real property held by an irrigation district is to be sold or otherwise disposed of, notice shall be given to the owners of lands adjoining that real property and such owners shall have a right of first refusal to purchase at the appraised price all or any part of the real property to be sold or otherwise disposed of which adjoins or is adjacent to their land.

Real property to be sold or otherwise disposed of under this section shall have been first appraised by the county assessor or by a person designated by him or her.

Notice under this section shall be sufficient if sent by registered mail to the owner, and at the address, as shown in the tax records of the county in which the land is situated. Notice under this section shall be in addition to any other notice required by law.

After sixty days from the date of sending of notice, if no applications for purchase have been received by the irrigation district or other person or entity sending notice, the rights of first refusal of owners of adjoining lands shall be deemed to have been waived, and the real property may be sold or otherwise disposed of. When no applications for purchase have been received, if the irrigation district board of directors determines that due to the configuration of the abandoned right-of-way, or other facts, it appears unlikely that the property, or a portion of the property, can be sold for the appraised price, and the property is considered a burden to the irrigation district, the real property may be sold at a negotiated price, including a transfer for no payment, without further publication or notice to all adjoining owners.

If two or more owners of adjoining lands apply to purchase the same real property, or apply to purchase overlapping parts of the real property, the respective rights of the applicants may be determined in the superior court of the county in which the real property is situated; and the court may divide the real property in question between some or all of the applicants or award the whole to one applicant, as justice may require.

Any sale or other disposal of real property pursuant to chapters 87.52, 87.53, and 87.56 RCW shall be made in accordance with the requirements of this section.

Passed by the Senate March 6, 2017.

Passed by the House April 11, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 322

[Substitute Senate Bill 5346]

LEGISLATIVE PAGE SCHOLARSHIP PROGRAM

AN ACT Relating to creating a legislative page scholarship program; reenacting and amending RCW 43.79A.040; adding new sections to chapter 44.04 RCW; and adding a new section to chapter 42.52 RCW.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. A new section is added to chapter 44.04 RCW to read as follows:

The secretary of the senate and the chief clerk of the house of representatives may administer and conduct a legislative page scholarship program to provide resources for Washington students who participate in the page programs of the senate or house of representatives. The scholarship program should provide assistance to students, based on financial need, who qualify for a page program. The program is called the Gina Grant Bull memorial legislative page scholarship program.

NEW SECTION. Sec. 2. A new section is added to chapter 44.04 RCW to read as follows:

(1) The secretary of the senate and the chief clerk of the house of representatives may solicit and accept gifts, grants, conveyances, bequests, and devises of real or personal property, or both, in trust or otherwise, and sell, lease, exchange, or expend these donations or the proceeds, rents, profits, and income from the donations except as limited by the donor's terms. Any legislative member or legislative employee may solicit the same types of contributions for the secretary of the senate and the chief clerk of the house of representatives.

(2) Moneys received under this section may be used only for establishing and operating the legislative page scholarship program authorized in section 1 of this act.

(3) Moneys received under this section must be deposited in the Gina Grant Bull memorial legislative page scholarship account established in section 3 of this act.

(4) The secretary of the senate and the chief clerk of the house of representatives must adopt joint rules to govern and protect the receipt and expenditure of the proceeds.

NEW SECTION. Sec. 3. A new section is added to chapter 44.04 RCW to read as follows:

The Gina Grant Bull memorial legislative page scholarship account is created in the custody of the state treasurer. All moneys received under section 1 of this act must be deposited in the account. Expenditures from the account may be made only for the purposes of the legislative page scholarship program in section 1 of this act. Only the secretary of the senate or the chief clerk of the house of representatives or their designee may authorize expenditures from the account. An appropriation is not required for expenditures, but the account is subject to allotment procedures under chapter 43.88 RCW.

NEW SECTION. Sec. 4. A new section is added to chapter 42.52 RCW to read as follows:

This chapter does not prohibit the secretary of the senate, the chief clerk of the house of representatives, or their designee from soliciting and accepting

contributions to the Gina Grant Bull memorial legislative page scholarship account created in section 3 of this act. Furthermore, this chapter does not prohibit any legislative member or legislative employee from soliciting gifts for the Gina Grant Bull memorial legislative page scholarship account.

Sec. 5. RCW 43.79A.040 and 2016 c 203 s 2, 2016 c 173 s 10, 2016 c 69 s 21, and 2016 c 39 s 7 are each reenacted and amended to read as follows:

(1) Money in the treasurer's trust fund may be deposited, invested, and reinvested by the state treasurer in accordance with RCW 43.84.080 in the same manner and to the same extent as if the money were in the state treasury, and may be commingled with moneys in the state treasury for cash management and cash balance purposes.

(2) All income received from investment of the treasurer's trust fund must be set aside in an account in the treasury trust fund to be known as the investment income account.

(3) The investment income account may be utilized for the payment of purchased banking services on behalf of treasurer's trust funds including, but not limited to, depository, safekeeping, and disbursement functions for the state treasurer or affected state agencies. The investment income account is subject in all respects to chapter 43.88 RCW, but no appropriation is required for payments to financial institutions. Payments must occur prior to distribution of earnings set forth in subsection (4) of this section.

(4)(a) Monthly, the state treasurer must distribute the earnings credited to the investment income account to the state general fund except under (b), (c), and (d) of this subsection.

(b) The following accounts and funds must receive their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The 24/7 sobriety account, the Washington promise scholarship account, the Gina Grant Bull memorial legislative page scholarship account, the Washington advanced college tuition payment program account, the Washington college savings program account, the accessible communities account, the Washington achieving a better life experience program account, the community and technical college innovation account, the agricultural local fund, the American Indian scholarship endowment fund, the foster care scholarship endowment fund, the foster care endowed scholarship trust fund, the contract harvesting revolving account, the Washington state combined fund drive account, the commemorative works account, the county enhanced 911 excise tax account, the toll collection account, the developmental disabilities endowment trust fund, the energy account, the fair fund, the family leave insurance account, the food animal veterinarian conditional scholarship account, the fruit and vegetable inspection account, the future teachers conditional scholarship account, the game farm alternative account, the GET ready for math and science scholarship account, the Washington global health technologies and product development account, the grain inspection revolving fund, the industrial insurance rainy day fund, the juvenile accountability incentive account, the law enforcement officers' and firefighters' plan 2 expense fund, the local tourism promotion account, the multiagency permitting team account, the pilotage account, the produce railcar pool account, the regional transportation investment district account, the rural rehabilitation account, the Washington sexual assault kit account, the stadium and exhibition center account, the youth athletic facility

account, the self-insurance revolving fund, the children's trust fund, the Washington horse racing commission Washington bred owners' bonus fund and breeder awards account, the Washington horse racing commission class C purse fund account, the individual development account program account, the Washington horse racing commission operating account, the life sciences discovery fund, the Washington state heritage center account, the reduced cigarette ignition propensity account, the center for childhood deafness and hearing loss account, the school for the blind account, the Millersylvania park trust fund, the public employees' and retirees' insurance reserve fund, and the radiation perpetual maintenance fund.

(c) The following accounts and funds must receive eighty percent of their proportionate share of earnings based upon each account's or fund's average daily balance for the period: The advanced right-of-way revolving fund, the advanced environmental mitigation revolving account, the federal narcotics asset forfeitures account, the high occupancy vehicle account, the local rail service assistance account, and the miscellaneous transportation programs account.

(d) Any state agency that has independent authority over accounts or funds not statutorily required to be held in the custody of the state treasurer that deposits funds into a fund or account in the custody of the state treasurer 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 trust accounts or funds shall be allocated earnings without the specific affirmative directive of this section.

Passed by the Senate April 13, 2017.

Passed by the House April 5, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 323

[Substitute Senate Bill 5358]

TAXES AND LICENSING--VARIOUS CHANGES

AN ACT Relating to improving tax and licensing laws administered by the department of revenue, but not including changes to tax laws that are estimated to affect state or local tax collections as reflected in any fiscal note prepared and approved under the process established in chapter 43.88A RCW; amending RCW 54.28.040, 54.28.050, 54.28.055, 82.32.105, 82.32.350, 82.04.040, 82.04.190, 82.32.670, 82.04.261, 82.04.334, 82.04.43391, 82.32.030, 84.41.041, 35.102.130, 82.04.060, 82.04.190, 82.04.192, 82.04.257, 82.04.258, 82.08.02082, 82.08.02088, 82.12.010, 82.12.020, 82.12.02082, 82.12.02088, 82.12.0259, 82.12.035, 82.12.040, 82.12.860, 82.14.457, 82.04.4277, 84.12.270, 84.12.330, 84.16.040, 84.16.090, 83.100.050, 19.02.115, 82.01.060, and 84.33.089; amending 2015 3rd sp.s. c 30 s 1, and 2015 3rd sp.s. c 6 ss 2301, 2303, and 801 (uncodified); amending 2015 3rd sp.s. c 30 s 1, and 2015 3rd sp.s. c 6 ss 2301, 2303, and 801 (uncodified); reenacting and amending RCW 84.34.108 and 82.32.790; reenacting RCW 82.04.280; adding a new section to chapter 54.28 RCW; adding a new section to chapter 84.08 RCW; repealing RCW 54.28.030 and 82.04.4483; repealing 2010 c 106 s 206, 2009 c 461 s 3, 2006 c 300 s 7, and 2003 c 149 s 4; creating new sections; and providing effective dates.

Be it enacted by the Legislature of the State of Washington:

PART I

Providing reasonable tools for the effective administration of the public utility district privilege tax

NEW SECTION. Sec. 101. A new section is added to chapter 54.28 RCW to read as follows:

(1) The following provisions of chapter 82.32 RCW apply with respect to the state taxes administered by the department of revenue under this chapter, unless the context clearly requires otherwise: RCW 82.32.050, 82.32.060, 82.32.070, 82.32.080, 82.32.085, 82.32.090, 82.32.100, 82.32.105, 82.32.110, 82.32.117, 82.32.120, 82.32.130, 82.32.135, 82.32.150, 82.32.160, 82.32.170, 82.32.180, 82.32.190, 82.32.200, 82.32.210, 82.32.235, 82.32.237, 82.32.240, 82.32.270, 82.32.310, 82.32.320, 82.32.330, 82.32.340, 82.32.350, 82.32.360, 82.32.410, and any other provision of chapter 82.32 RCW specifically referenced in the statutes listed in this subsection (1).

(2) Chapter 82.32 RCW also applies with respect to the state taxes administered by the department of revenue under this chapter to the extent provided in any other provision of law.

(3) The definitions in this chapter have full force and application with respect to the application of chapter 82.32 RCW to this chapter unless the context clearly requires otherwise.

NEW SECTION. Sec. 102. RCW 54.28.030 (Districts' report to department of revenue) and 1977 ex.s. c 366 s 3, 1975 1st ex.s. c 278 s 30, 1959 c 274 s 3, & 1957 c 278 s 3 are each repealed.

Sec. 103. RCW 54.28.040 and 1996 c 149 s 16 are each amended to read as follows:

(1) Before May 1st of each calendar year through calendar year 2018, the department of revenue (~~shall~~) must compute the tax imposed by this chapter for the last preceding calendar year and notify the district of the amount thereof, which shall be payable on or before the following June 1st.

(2) (~~If payment of any tax is not received by the department on or before the due date, there shall be assessed a penalty of five percent of the amount of the tax; if the tax is not received within one month of the due date, there shall be assessed a total penalty of ten percent of the amount of the tax; and if the tax is not received within two months of the due date, there shall be assessed a total penalty of twenty percent of the amount of the tax.~~)

(3) For tax reporting periods beginning on or after January 1, 2018, taxpayers must report the taxes due under RCW 54.28.020 and 54.28.025 on returns as prescribed by the department of revenue. Except as otherwise provided in this subsection (2), taxes imposed in RCW 54.28.020 and 54.28.025 are due for a taxpayer at the same time as the taxpayer's payment of taxes imposed under chapters 82.04 and 82.16 RCW. The department of revenue may allow taxpayers to report and pay the taxes due under RCW 54.28.020 and 54.28.025 on an annual basis, even if they report taxes imposed under chapters 82.04 and 82.16 RCW more frequently than annually. In such cases, the taxes imposed in RCW 54.28.020 and 54.28.025 are due at the same time as the taxes under chapters 82.04 and 82.16 RCW for the taxpayer's final reporting period for the calendar year.

(3) The department of revenue may require persons to report such information as needed by the department to administer this chapter.

(4) Upon receipt of the amount of each tax imposed the department of revenue shall deposit the same with the state treasurer, who ~~((shall))~~ must deposit four percent of the revenues received under RCW 54.28.020(1) and 54.28.025(1) and all revenues received under RCW 54.28.020(2) and 54.28.025(2) in the general fund of the state and ~~((shall))~~ must distribute the remainder in the manner hereinafter set forth. The state treasurer ~~((shall))~~ must send a duplicate copy of each transmittal to the department of revenue.

Sec. 104. RCW 54.28.050 and 1982 1st ex.s. c 35 s 21 are each amended to read as follows:

~~((After computing the tax imposed by RCW 54.28.020(1),))~~ (1) Except as provided in subsection (2) of this section, the department of revenue ~~((shall))~~ must instruct the state treasurer, after placing thirty-seven and six-tenths percent of the taxes collected under RCW 54.28.020(1) in the state general fund to be dedicated for the benefit of the public schools, to distribute the balance collected under RCW 54.28.020(1)(a) to each county in proportion to the gross revenue from sales made within each county; and to distribute the balance collected under RCW 54.28.020(1) (b) and (c) as follows:

(a) If the entire generating facility, including reservoir, if any, is in a single county then all of the balance to the county where such generating facility is located~~((:))~~;

(b) If any reservoir is in more than one county, then to each county in which the reservoir or any portion thereof is located a percentage equal to the percentage determined by dividing the total cost of the generating facilities, including adjacent switching facilities, into twice the cost of land and land rights acquired for any reservoir within each county, land and land rights to be defined the same as used by the federal ~~((power commission))~~ energy regulatory commission.

(c) If the powerhouse and dam, if any, in connection with such reservoir are in more than one county, the balance ~~((shall))~~ must be divided sixty percent to the county in which the owning district is located and forty percent to the other county or counties or if ~~((said))~~ the powerhouse and dam, if any, are owned by a joint operating agency organized under chapter 43.52 RCW, or by more than one district or are outside the county of the owning district, then to be divided equally between the counties in which such facilities are located. If all of the powerhouse and dam, if any, are in one county, then the balance ~~((shall))~~ must be distributed to the county in which the facilities are located.

(2) The department of revenue must instruct the state treasurer to adjust distributions under this section, in whole or in part, to account for each county's proportionate share of amounts previously distributed under this section and subsequently refunded to a public utility district under RCW 82.32.060.

(3) The provisions of this section ~~((shall))~~ do not apply to the distribution of taxes collected under RCW 54.28.025.

Sec. 105. RCW 54.28.055 and 1986 c 189 s 1 are each amended to read as follows:

(1) ~~((After computing the tax imposed by RCW 54.28.025(1),))~~ Except as provided in subsection (3) of this section, the department of revenue ~~((shall))~~

must instruct the state treasurer to distribute the amount collected under RCW 54.28.025(1) as follows:

(a) Fifty percent to the state general fund for the support of schools; and
 (b) Twenty-two percent to the counties, twenty-three percent to the cities, three percent to the fire protection districts, and two percent to the library districts.

(2) Each county, city, fire protection district, and library district (~~shall~~) must receive a percentage of the amount for distribution to counties, cities, fire protection districts, and library districts, respectively, in the proportion that the population of such district residing within the impacted area bears to the total population of all such districts residing within the impacted area. For the purposes of this chapter, the term "library district" includes only regional libraries (~~as defined in RCW 27.12.010(4)~~), rural county library districts (~~as defined in RCW 27.12.010(5)~~), intercounty rural library districts (~~as defined in RCW 27.12.010(6)~~), and island library districts as those terms are defined in RCW 27.12.010(~~(7)~~). The population of a library district, for purposes of such a distribution, (~~shall~~) does not include any population within the library district and the impact area that also is located within a city or town.

(3) Distributions under this section must be adjusted as follows:

(a) If any distribution pursuant to subsection (1)(b) of this section cannot be made, then that share (~~shall~~) must be prorated among the state and remaining local districts.

(b) The department of revenue must instruct the state treasurer to adjust distributions under this section, in whole or in part, to account for each county's, city's, fire protection district's, and library district's proportionate share of amounts previously distributed under this section and subsequently refunded to a public utility district under RCW 82.32.060.

(4) All distributions directed by this section to be made on the basis of population (~~shall~~) must be calculated in accordance with (~~data to be provided~~) population data as last determined by the office of financial management.

Sec. 106. RCW 82.32.105 and 1998 c 304 s 13 are each amended to read as follows:

(1) If the department (~~of revenue~~) finds that the payment by a taxpayer of a tax less than that properly due or the failure of a taxpayer to pay any tax by the due date was the result of circumstances beyond the control of the taxpayer, the department (~~of revenue shall~~) must waive or cancel any penalties imposed under this chapter with respect to such tax.

(2) The department (~~shall~~) must waive or cancel the penalty imposed under RCW 82.32.090(1) when the circumstances under which the delinquency occurred do not qualify for waiver or cancellation under subsection (1) of this section if:

(a) The taxpayer requests the waiver for a tax return required to be filed under RCW 54.28.040, 82.32.045, 82.14B.061, 82.23B.020, 82.27.060, 82.29A.050, or 84.33.086; and

(b) The taxpayer has timely filed and remitted payment on all tax returns due for that tax program for a period of twenty-four months immediately preceding the period covered by the return for which the waiver is being requested.

(3) The department (~~shall~~) must waive or cancel interest imposed under this chapter if:

(a) The failure to timely pay the tax was the direct result of written instructions given the taxpayer by the department; or

(b) The extension of a due date for payment of an assessment of deficiency was not at the request of the taxpayer and was for the sole convenience of the department.

(4) The department (~~of revenue shall~~) must adopt rules for the waiver or cancellation of penalties and interest imposed by this chapter.

Sec. 107. RCW 82.32.350 and 1971 ex.s. c 299 s 23 are each amended to read as follows:

The department may enter into an agreement in writing with any person relating to the liability of such person in respect of any tax imposed by any of the preceding chapters of this title, or any tax in respect to which this section is specifically made applicable, for any taxable period or periods.

NEW SECTION. Sec. 108. Section 102 of this act does not apply with respect to reports due under RCW 54.28.030 in calendar year 2018 or any preceding calendar year.

NEW SECTION. Sec. 109. The repeal in section 102 of this act and the amendments in section 103 of this act do not affect any existing right acquired or liability or obligation incurred under the sections repealed or amended or under any rule or order adopted under those sections, nor does it affect any proceeding instituted under those sections.

Part II

Pet adoption fees

Sec. 201. RCW 82.04.040 and 2004 c 153 s 402 are each amended to read as follows:

(1) Except as otherwise provided in this subsection, "sale" means any transfer of the ownership of, title to, or possession of property for a valuable consideration and includes any activity classified as a "sale at retail" or "retail sale" under RCW 82.04.050. It includes lease or rental, conditional sale contracts, and any contract under which possession of the property is given to the purchaser but title is retained by the vendor as security for the payment of the purchase price. It also includes the furnishing of food, drink, or meals for compensation whether consumed upon the premises or not. The term "sale" does not include the transfer of the ownership of, title to, or possession of an animal by an animal rescue organization in exchange for the payment of an adoption fee.

(2) "Casual or isolated sale" means a sale made by a person who is not engaged in the business of selling the type of property involved.

(3)(a) "Lease or rental" means any transfer of possession or control of tangible personal property for a fixed or indeterminate term for consideration. A lease or rental may include future options to purchase or extend. "Lease or rental" includes agreements covering motor vehicles and trailers where the amount of consideration may be increased or decreased by reference to the amount realized upon sale or disposition of the property as defined in 26 U.S.C. Sec. 7701(h)(1), as amended or renumbered as of January 1, 2003. The definition in this subsection (3) (~~shall~~) must be used for sales and use tax

purposes regardless if a transaction is characterized as a lease or rental under generally accepted accounting principles, the United States internal revenue code, Washington state's commercial code, or other provisions of federal, state, or local law.

(b) "Lease or rental" does not include:

(i) A transfer of possession or control of property under a security agreement or deferred payment plan that requires the transfer of title upon completion of the required payments;

(ii) A transfer of possession or control of property under an agreement that requires the transfer of title upon completion of required payments, and payment of an option price does not exceed the greater of one hundred dollars or one percent of the total required payments; or

(iii) Providing tangible personal property along with an operator for a fixed or indeterminate period of time. A condition of this exclusion is that the operator is necessary for the tangible personal property to perform as designed. For the purpose of this subsection (3)(b)(iii), an operator must do more than maintain, inspect, or set up the tangible personal property.

(4)(a) "Adoption fee" means an amount charged by an animal rescue organization to adopt an animal, except that "adoption fee" does not include any separately itemized charge for any incidental inanimate items provided to persons adopting an animal, including food, identification tags, collars, and leashes.

(b) "Animal care and control agency" means the same as in RCW 16.52.011 and also includes any similar entity operating outside of this state.

(c) "Animal rescue group" means a nonprofit organization that:

(i)(A) Is exempt from federal income taxation under 26 U.S.C. Sec. 501(c) of the federal internal revenue code as it exists on the effective date of this section; or

(B) Is registered as a charity with the Washington secretary of state under chapter 19.09 RCW, whether such registration is required by law or voluntary;

(ii) Has as its primary purpose the prevention of abuse, neglect, cruelty, exploitation, or homelessness of animals; and

(iii) Exclusively obtains dogs, cats, or other animals for placement that are:

(A) Stray or abandoned;

(B) Surrendered or relinquished by animal owners or caretakers;

(C) Transferred from other animal rescue organizations; or

(D) Born in the care of such nonprofit organization other than through intentional breeding by the nonprofit organization.

(d) "Animal rescue organization" means an animal care and control agency or an animal rescue group.

Sec. 202. RCW 82.04.190 and 2015 c 169 s 3 are each amended to read as follows:

"Consumer" means the following:

(1) Except as provided otherwise in this section, any person who purchases, acquires, owns, holds, or uses any article of tangible personal property irrespective of the nature of the person's business and including, among others, without limiting the scope hereof, persons who install, repair, clean, alter, improve, construct, or decorate real or personal property of or for consumers other than for the purpose of:

(a) Resale as tangible personal property in the regular course of business;

(b) Incorporating such property as an ingredient or component of real or personal property when installing, repairing, cleaning, altering, imprinting, improving, constructing, or decorating such real or personal property of or for consumers;

(c) Consuming such property in producing for sale as a new article of tangible personal property or a new substance, of which such property becomes an ingredient or component or as a chemical used in processing, when the primary purpose of such chemical is to create a chemical reaction directly through contact with an ingredient of a new article being produced for sale;

(d) Consuming the property purchased in producing ferrosilicon which is subsequently used in producing magnesium for sale, if the primary purpose of such property is to create a chemical reaction directly through contact with an ingredient of ferrosilicon; or

(e) Satisfying the person's obligations under an extended warranty as defined in RCW 82.04.050(7), if such tangible personal property replaces or becomes an ingredient or component of property covered by the extended warranty without intervening use by such person;

(2)(a) Any person engaged in any business activity taxable under RCW 82.04.290 or 82.04.2908; (b) any person who purchases, acquires, or uses any competitive telephone service, ancillary services, or telecommunications service as those terms are defined in RCW 82.04.065, other than for resale in the regular course of business; (c) any person who purchases, acquires, or uses any service defined in RCW 82.04.050(2) (a) or (g), other than for resale in the regular course of business or for the purpose of satisfying the person's obligations under an extended warranty as defined in RCW 82.04.050(7); (d) any person who makes a purchase meeting the definition of "sale at retail" and "retail sale" under RCW 82.04.050(15), other than for resale in the regular course of business; (e) any person who purchases or acquires an extended warranty as defined in RCW 82.04.050(7) other than for resale in the regular course of business; and (f) any person who is an end user of software. For purposes of this subsection (2)(f) and RCW 82.04.050(6), a person who purchases or otherwise acquires prewritten computer software, who provides services described in RCW 82.04.050(6)((b)) (c) and who will charge consumers for the right to access and use the prewritten computer software, is not an end user of the prewritten computer software;

(3) Any person engaged in the business of contracting for the building, repairing or improving of any street, place, road, highway, easement, right-of-way, mass public transportation terminal or parking facility, bridge, tunnel, or trestle which is owned by a municipal corporation or political subdivision of the state of Washington or by the United States and which is used or to be used primarily for foot or vehicular traffic including mass transportation vehicles of any kind as defined in RCW 82.04.280, in respect to tangible personal property when such person incorporates such property as an ingredient or component of such publicly owned street, place, road, highway, easement, right-of-way, mass public transportation terminal or parking facility, bridge, tunnel, or trestle by installing, placing or spreading the property in or upon the right-of-way of such street, place, road, highway, easement, bridge, tunnel, or

trestle or in or upon the site of such mass public transportation terminal or parking facility;

(4) Any person who is an owner, lessee or has the right of possession to or an easement in real property which is being constructed, repaired, decorated, improved, or otherwise altered by a person engaged in business, excluding only (a) municipal corporations or political subdivisions of the state in respect to labor and services rendered to their real property which is used or held for public road purposes, and (b) the United States, instrumentalities thereof, and county and city housing authorities created pursuant to chapter 35.82 RCW in respect to labor and services rendered to their real property. Nothing contained in this or any other subsection of this definition may be construed to modify any other definition of "consumer";

(5) Any person who is an owner, lessee, or has the right of possession to personal property which is being constructed, repaired, improved, cleaned, imprinted, or otherwise altered by a person engaged in business;

(6) Any person engaged in the business of constructing, repairing, decorating, or improving new or existing buildings or other structures under, upon, or above real property of or for the United States, any instrumentality thereof, or a county or city housing authority created pursuant to chapter 35.82 RCW, including the installing or attaching of any article of tangible personal property therein or thereto, whether or not such personal property becomes a part of the realty by virtue of installation; also, any person engaged in the business of clearing land and moving earth of or for the United States, any instrumentality thereof, or a county or city housing authority created pursuant to chapter 35.82 RCW. Any such person is a consumer within the meaning of this subsection in respect to tangible personal property incorporated into, installed in, or attached to such building or other structure by such person, except that consumer does not include any person engaged in the business of constructing, repairing, decorating, or improving new or existing buildings or other structures under, upon, or above real property of or for the United States, or any instrumentality thereof, if the investment project would qualify for sales and use tax deferral under chapter 82.63 RCW if undertaken by a private entity;

(7) Any person who is a lessor of machinery and equipment, the rental of which is exempt from the tax imposed by RCW 82.08.020 under RCW 82.08.02565, with respect to the sale of or charge made for tangible personal property consumed in respect to repairing the machinery and equipment, if the tangible personal property has a useful life of less than one year. Nothing contained in this or any other subsection of this section may be construed to modify any other definition of "consumer";

(8) Any person engaged in the business of cleaning up for the United States, or its instrumentalities, radioactive waste and other by-products of weapons production and nuclear research and development;

(9) Any person who is an owner, lessee, or has the right of possession of tangible personal property that, under the terms of an extended warranty as defined in RCW 82.04.050(7), has been repaired or is replacement property, but only with respect to the sale of or charge made for the repairing of the tangible personal property or the replacement property;

(10) Any person who purchases, acquires, or uses services described in RCW 82.04.050(6)((b)) (c) other than:

(a) For resale in the regular course of business; or

(b) For purposes of consuming the service described in RCW 82.04.050(6)(~~(b)~~) (c) in producing for sale a new product, but only if such service becomes a component of the new product. For purposes of this subsection (10), "product" means a digital product, an article of tangible personal property, or the service described in RCW 82.04.050(6)(~~(b)~~) (c);

(11)(a) Any end user of a digital product or digital code. "Consumer" does not include any person who is not an end user of a digital product or a digital code and purchases, acquires, owns, holds, or uses any digital product or digital code for purposes of consuming the digital product or digital code in producing for sale a new product, but only if the digital product or digital code becomes a component of the new product. A digital code becomes a component of a new product if the digital good or digital automated service acquired through the use of the digital code becomes incorporated into a new product. For purposes of this subsection, "product" has the same meaning as in subsection (10) of this section.

(b)(i) For purposes of this subsection, "end user" means any taxpayer as defined in RCW 82.12.010 other than a taxpayer who receives by contract a digital product for further commercial broadcast, rebroadcast, transmission, retransmission, licensing, relicensing, distribution, redistribution or exhibition of the product, in whole or in part, to others. A person that purchases digital products or digital codes for the purpose of giving away such products or codes will not be considered to have engaged in the distribution or redistribution of such products or codes and will be treated as an end user;

(ii) If a purchaser of a digital code does not receive the contractual right to further redistribute, after the digital code is redeemed, the underlying digital product to which the digital code relates, then the purchaser of the digital code is an end user. If the purchaser of the digital code receives the contractual right to further redistribute, after the digital code is redeemed, the underlying digital product to which the digital code relates, then the purchaser of the digital code is not an end user. A purchaser of a digital code who has the contractual right to further redistribute the digital code is an end user if that purchaser does not have the right to further redistribute, after the digital code is redeemed, the underlying digital product to which the digital code relates;

(12) Any person who provides services described in RCW 82.04.050(9). Any such person is a consumer with respect to the purchase, acquisition, or use of the tangible personal property that the person provides along with an operator in rendering services defined as a retail sale in RCW 82.04.050(9). Any such person may also be a consumer under other provisions of this section;

(13) Any person who purchases, acquires, owns, holds, or uses chemical sprays or washes for the purpose of postharvest treatment of fruit for the prevention of scald, fungus, mold, or decay, or who purchases feed, seed, seedlings, fertilizer, agents for enhanced pollination including insects such as bees, and spray materials, is not a consumer of such items, but only to the extent that the items:

(a) Are used in relation to the person's participation in the federal conservation reserve program, the environmental quality incentives program, the wetlands reserve program, the wildlife habitat incentives program, or their successors administered by the United States department of agriculture;

(b) Are for use by a farmer for the purpose of producing for sale any agricultural product; or

(c) Are for use by a farmer to produce or improve wildlife habitat on land the farmer owns or leases while acting under cooperative habitat development or access contracts with an organization exempt from federal income tax under 26 U.S.C. Sec. 501(c)(3) of the federal internal revenue code or the Washington state department of fish and wildlife; ~~(and)~~

(14) A regional transit authority is not a consumer with respect to labor, services, or tangible personal property purchased pursuant to agreements providing maintenance services for bus, rail, or rail fixed guideway equipment when a transit agency, as defined in RCW 81.104.015, performs the labor or services; and

(15) The term "consumer" does not include:

(a) An animal rescue organization with respect to animals under its care and control; and

(b) Any person with respect to an animal adopted by that person from an animal rescue organization.

NEW SECTION. Sec. 203. Sections 201 and 202 of this act apply both prospectively and retroactively to July 1, 2015.

Part III

Technical corrections and clarifications to 2015 legislation

Sec. 301. 2015 3rd sp.s. c 6 s 2301 (uncodified) is amended to read as follows:

(1) Except as provided otherwise in this ~~(section)~~ part, this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2015.

(2) Parts IV, VI, VIII, and XIX of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect September 1, 2015.

(3) Part X of this act takes effect October 1, 2016.

(4) Section 1105 of this act takes effect January 1, 2016.

(5) Except for section 2004 of this act, Part XX of this act takes effect January 1, 2019.

(6) Section 2004 of this act takes effect January 1, 2022.

Sec. 302. 2015 3rd sp.s. c 6 s 2303 (uncodified) is amended to read as follows:

~~((Part VIII of this act expires July 1, 2019))~~ (1) Sections 802 and 804, chapter 6, Laws of 2015 3rd sp. sess. expire July 1, 2026;

(2) Section 803, chapter 6, Laws of 2015 3rd sp. sess. expires January 1, 2026; and

(3) Section 805, chapter 6, Laws of 2015 3rd sp. sess. expires January 1, 2031.

Sec. 303. 2015 3rd sp.s. c 6 s 801 (uncodified) is amended to read as follows:

(1)(a) The legislature finds that a robust maritime industry is crucial for the state's economic vitality. The legislature further finds that:

(i) The joint task force for economic resilience of maritime and manufacturing established policy goals to continue efforts towards developing a robust maritime industry in the state;

(ii) The maritime industry has a direct and indirect impact on jobs in the state;

(iii) Many of the cities and towns impacted by the maritime industry are often small with limited resources to encourage economic growth, heavily relying on the maritime industry for local jobs and revenues in the community;

(iv) Keeping Washington competitive with other cruising destinations is essential to continue to build a robust maritime economy in the state; and

(v) Tax incentives are an imperative component to improve the state's overall competitiveness in this sector.

(b) Therefore, the legislature intends to:

(i) Bolster the maritime industry in the state by incentivizing larger vessel owners to use Washington waters for recreational boating to increase economic activity and jobs in coastal communities and inland water regions of the state;

(ii) Achieve this objective in a fiscally responsible manner and require analysis of specific metrics to ensure valuable state resources are being used to accomplish the intended goal; and

(iii) Provide limited, short-term tax relief to entity-owned nonresident vessel owners that currently are not afforded the same benefits as other nonresident vessel owners.

(2)(a) This subsection is the tax preference performance statement for the entity-owned nonresident vessel tax preference established in section 803 of this act. The performance statement is only intended to be used for subsequent evaluation of the tax preference. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(b) The legislature categorizes this tax preference as one intended to accomplish the purposes indicated in RCW 82.32.808(2)(c) and one intended to improve the state's competitiveness with other nearby cruising destinations.

(c) It is the legislature's specific public policy objective to increase economic activity and jobs related to the maritime industry by providing a tax preference for large entity-owned nonresident vessels to increase the length of time these vessels cruise Washington waters in turn strengthening the maritime economy in the state.

(d) To measure the effectiveness of the tax preference provided in part (~~XXVIII~~ ~~VIII~~ of this act) VIII, chapter 6, Laws of 2015 3rd sp. sess., in achieving the public policy objective in (c) of this subsection, the joint legislative audit and review committee must provide the following in a published evaluation of this tax preference by December 31, 2024:

(i) A comparison of the gross and taxable revenue generated by businesses that sell or provide maintenance or repair of vessels, prior to and after the enactment of this tax preference;

(ii) Analysis of retail sales taxes collected from the restaurant and service industries in coastal and inlet coastal jurisdictions, for both counties and cities, for periods prior to and after the enactment of this tax preference;

(iii) Employment and wage trends for businesses described in (d)(i) and (ii) of this subsection, for periods prior to and after the enactment of this tax preference;

(iv) Descriptive statistics for the number of permits sold each year in addition to the following information:

(A) The cost for each permit by strata of vessel length;

(B) The jurisdiction of ownership for the nonresident vessel; and

(C) The amount of use tax that would have been due based on the estimated value of the vessel;

(v) A comparison of the number of registered entity-owned and individually owned vessels registered in Washington prior to and after the enactment of this tax preference; and

(vi) Data and analysis for Washington's main cruising destination competitors, specifically looking at tax preferences provided in those jurisdictions, vessel industry income data, and any additional relevant information to compare Washington's maritime climate with its competitors.

(e) The provision of RCW 82.32.808(5) does not apply to this tax preference.

Sec. 304. 2015 3rd sp.s. c 30 s 1 (uncodified) is amended to read as follows:

This section is the tax preference performance statement for the tax preference contained in section 2 (~~of this act~~), chapter 30, Laws of 2015 3rd sp. sess. This performance statement is only intended to be used for subsequent evaluation of the tax preference. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(1) The legislature categorizes this tax preference as one intended to provide tax relief for certain businesses or individuals, as indicated in RCW 82.32.808(2)(e).

(2) It is the legislature's specific public policy objective to provide tax relief to senior citizens, disabled persons, and veterans. The legislature recognizes that property taxes impose a substantial financial burden on those with fixed incomes and that property tax relief programs have considerable value in addressing this burden. It is the legislature's intent to increase the current statutory static income thresholds which were last modified in 2004.

(3) (~~The expansion of the items allowed to be deducted~~) This tax preference is meant to be permanent and, therefore, not subject to the ten-year expiration provision in RCW 82.32.805(1)(a).

NEW SECTION. Sec. 305. Nothing in section 204, chapter 5, Laws of 2015 3rd sp. sess. may be construed as affecting the taxable status in calendar year 2015 of any person with a substantial nexus with this state under RCW 82.04.067 any time on or after January 1, 2015, and before September 1, 2015, with respect to business and occupation taxes on apportionable activities as defined in RCW 82.04.460.

NEW SECTION. Sec. 306. Section 305 of this act applies retroactively for the period January 1, 2015, through December 31, 2015.

Part IV**Automated sales suppression devices and phantom-ware**

Sec. 401. RCW 82.32.670 and 2013 c 309 s 3 are each amended to read as follows:

(1)(a) Automated sales suppression devices, phantom-ware, electronic cash registers or point of sale systems used with automated sales suppression devices or phantom-ware, and any property constituting proceeds traceable to any violation of RCW 82.32.290(4) are considered contraband and are subject to seizure and forfeiture.

(b) Property subject to forfeiture under (a) of this subsection (1) may be seized by any agent of the department authorized to assess or collect taxes, or law enforcement officer of this state, upon process issued by any superior court or district court having jurisdiction over the property. Seizure without process may be made if:

(i) The seizure is incident to an arrest or a search under a search warrant; or

(ii) The department or the law enforcement officer has probable cause to believe that the property was used or is intended to be used in violation of RCW 82.32.290(4) and exigent circumstances exist making procurement of a search warrant impracticable.

(2) Forfeiture authorized by this section is deemed to have commenced by the seizure. Notice of seizure must be given to the department if the seizure is made by a law enforcement officer without the presence of any agent of the department. The department must cause notice of the seizure and intended forfeiture to be served on the owner of the property seized, if known, and on any other person known by the department to have a right or interest in the seized property. Such service must be made within fifteen days following the seizure or the department's receipt of notification of the seizure. The notice may be served by any method authorized by law or court rule, by certified mail with return receipt requested, or electronically in accordance with RCW 82.32.135. Service by certified mail or electronic means is deemed complete upon mailing the notice, electronically sending the notice, or electronically notifying the person or persons entitled to the notice that the notice is available to be accessed by the person or persons, within the fifteen-day period following the seizure or the department's receipt of notification of the seizure.

(3) If no person notifies the department in writing of the person's claim of lawful ownership or right to lawful possession of the item or items seized within thirty days of the date of service of the notice of seizure and intended forfeiture, the item or items seized are deemed forfeited.

(4)(a) If any person notifies the department, in writing, of the person's claim of lawful ownership or lawful right to possession of the item or items seized within thirty days of the date of service of the notice of seizure and intended forfeiture, the person or persons must be afforded a reasonable opportunity to be heard as to the claim. The hearing must be before the director or the director's designee. A hearing and any administrative or judicial review is governed by chapter 34.05 RCW. The burden of proof by a preponderance of the evidence is upon the person claiming to be the lawful owner or the person claiming to have the lawful right to possession of the item or items seized.

(b) The department must return the item or items to the claimant as soon as possible upon a determination that the claimant is the present lawful owner or is lawfully entitled to possession of the item or items seized.

(5) When property is sought to be forfeited on the ground that it constitutes proceeds traceable to a violation of RCW 82.32.290(4), the department must prove by a preponderance of the evidence that the property constitutes proceeds traceable to a violation of RCW 82.32.290(4).

(6)(a) When automated sales suppression devices or phantom-ware voluntarily surrendered to an agent of the department, or property forfeited under this section, other than proceeds traceable to a violation of RCW 82.32.290(4), is no longer required for evidentiary purposes, the department may:

(i) Destroy or have the property destroyed;

(ii) Retain the property for training or other official purposes; or

(iii) Loan or give the property to any law enforcement or tax administration agency of any state, political subdivision or municipal corporation of a state, or the United States for training or other official purposes. For purposes of this subsection (6)(a)(iii), "state" has the same meaning as in RCW 82.04.462.

(b) When proceeds traceable to a violation of RCW 82.32.290(4) forfeited under this section are no longer required for evidentiary purposes, they must be deposited into the general fund.

(7) The definitions in this subsection apply to this section:

(a) "Automated sales suppression device" means a software program that falsifies the electronic records of electronic cash registers or other point of sale systems, including transaction data and transaction reports. The term includes the software program, any device that carries the software program, or an internet link to the software program.

(b) "Electronic cash register" means a device that keeps a register or supporting documents through the means of an electronic device or computer system designed to record transaction data for the purpose of computing, compiling, or processing sales transaction data in whatever manner.

(c) "Phantom-ware" means a programming option that is hidden, preinstalled, or installed-at-a-later-time in the operating system of an electronic cash register or other point of sale device, or hardwired into the electronic cash register or other point of sale device, and that can be used to create a virtual second till or may eliminate or manipulate transaction reports that may or may not be preserved in digital formats to represent the true or manipulated record of transactions in the electronic cash register or other point of sale device.

(d) "Transaction data" means information about sales transactions, including items purchased by a customer, the price for each item, a taxability determination for each item, a segregated tax amount for each of the taxed items, the amount of cash or credit tendered, the net amount returned to the customer in change, the date and time of the purchase, the name, address, and identification number of the vendor, and the receipt or invoice number of the transaction.

(e) "Transaction reports" means a report that includes information associated with sales transactions, taxes collected, media totals, and discount voids at an electronic cash register that can be printed on cash register tape at the end of a day or shift, or a report documenting every action at an electronic cash register or other point of sale device and that is stored electronically.

Part V**Miscellaneous technical corrections**

Sec. 501. RCW 82.04.261 and 2010 1st sp.s. c 23 s 510 are each amended to read as follows:

(1) In addition to the taxes imposed under RCW 82.04.260(~~((11))~~) (12), a surcharge is imposed on those persons who are subject to any of the taxes imposed under RCW 82.04.260(~~((11))~~) (12). Except as otherwise provided in this section, the surcharge is equal to 0.052 percent. The surcharge is added to the rates provided in RCW 82.04.260(~~((11))~~) (12) (a), (b), (c), and (d). The surcharge and this section expire July 1, 2024.

(2) All receipts from the surcharge imposed under this section must be deposited into the forest and fish support account created in RCW 76.09.405.

(3)(a) The surcharge imposed under this section is suspended if:

(i) Receipts from the surcharge total at least eight million dollars during any fiscal biennium; or

(ii) The office of financial management certifies to the department that the federal government has appropriated at least two million dollars for participation in forest and fish report-related activities by federally recognized Indian tribes located within the geographical boundaries of the state of Washington for any federal fiscal year.

(b)(i) The suspension of the surcharge under (a)(i) of this subsection (3) takes effect on the first day of the calendar month that is at least thirty days after the end of the month during which the department determines that receipts from the surcharge total at least eight million dollars during the fiscal biennium. The surcharge is imposed again at the beginning of the following fiscal biennium.

(ii) The suspension of the surcharge under (a)(ii) of this subsection (3) takes effect on the later of the first day of October of any federal fiscal year for which the federal government appropriates at least two million dollars for participation in forest and fish report-related activities by federally recognized Indian tribes located within the geographical boundaries of the state of Washington, or the first day of a calendar month that is at least thirty days following the date that the office of financial management makes a certification to the department under subsection (5) of this section. The surcharge is imposed again on the first day of the following July.

(4)(a) If, by October 1st of any federal fiscal year, the office of financial management certifies to the department that the federal government has appropriated funds for participation in forest and fish report-related activities by federally recognized Indian tribes located within the geographical boundaries of the state of Washington but the amount of the appropriation is less than two million dollars, the department must adjust the surcharge in accordance with this subsection.

(b) The department must adjust the surcharge by an amount that the department estimates will cause the amount of funds deposited into the forest and fish support account for the state fiscal year that begins July 1st and that includes the beginning of the federal fiscal year for which the federal appropriation is made, to be reduced by twice the amount of the federal appropriation for participation in forest and fish report-related activities by federally recognized Indian tribes located within the geographical boundaries of the state of Washington.

(c) Any adjustment in the surcharge takes effect at the beginning of a calendar month that is at least thirty days after the date that the office of financial management makes the certification under subsection (5) of this section.

(d) The surcharge is imposed again at the rate provided in subsection (1) of this section on the first day of the following state fiscal year unless the surcharge is suspended under subsection (3) of this section or adjusted for that fiscal year under this subsection.

(e) Adjustments of the amount of the surcharge by the department are final and may not be used to challenge the validity of the surcharge imposed under this section.

(f) The department must provide timely notice to affected taxpayers of the suspension of the surcharge or an adjustment of the surcharge.

(5) The office of financial management must make the certification to the department as to the status of federal appropriations for tribal participation in forest and fish report-related activities.

Sec. 502. RCW 82.04.334 and 2010 1st sp.s. c 23 s 512 are each amended to read as follows:

This chapter does not apply to any sale of standing timber excluded from the definition of "sale" in RCW 82.45.010(3). The definitions in RCW 82.04.260(~~((11))~~) (12) apply to this section.

Sec. 503. RCW 82.04.43391 and 2010 1st sp.s. c 23 s 112 are each amended to read as follows:

(1) In computing tax there may be deducted from the measure of tax interest and fees on loans secured by commercial aircraft primarily used to provide routine air service and owned by:

(a) An air carrier, as defined in RCW (~~(82.42.030)~~) 82.42.010, which is primarily engaged in the business of providing passenger air service;

(b) An affiliate of such air carrier; or

(c) A parent entity for which such air carrier is an affiliate.

(2) The deduction authorized under this section is not available to any person who is physically present in this state as determined under RCW 82.04.067(6).

(3) For purposes of this section, the following definitions apply:

(a) "Affiliate" means a person is "affiliated," as defined in RCW 82.04.645, with another person; and

(b) "Commercial aircraft" means a commercial airplane as defined in RCW 82.32.550.

NEW SECTION. Sec. 504. RCW 82.04.4483 (Credit—Programming or manufacturing software in rural counties) and 2010 c 114 s 119 & 2004 c 25 s 1 are each repealed.

Sec. 505. RCW 82.32.030 and 2011 c 298 s 38 are each amended to read as follows:

(1) Except as provided in subsections (2) and (3) of this section, if any person engages in any business or performs any act upon which a tax is imposed by the preceding chapters, he or she must, under such rules as the department prescribes, apply for and obtain from the department a registration certificate. Such registration certificate is personal and nontransferable and is valid as long as the taxpayer continues in business and pays the tax accrued to the state. In

case business is transacted at two or more separate places by one taxpayer, a separate registration certificate for each place at which business is transacted with the public is required. Each certificate must be numbered and must show the name, residence, and place and character of business of the taxpayer and such other information as the department of revenue deems necessary and must be posted in a conspicuous place at the place of business for which it is issued. Where a place of business of the taxpayer is changed, the taxpayer must return to the department the existing certificate, and a new certificate will be issued for the new place of business. No person required to be registered under this section may engage in any business taxable hereunder without first being so registered. The department, by rule, may provide for the issuance of certificates of registration to temporary places of business.

(2) Unless the person is a dealer as defined in RCW 9.41.010, registration under this section is not required if the following conditions are met:

(a) A person's value of products, gross proceeds of sales, or gross income of the business, from all business activities taxable under chapter 82.04 RCW, is less than twelve thousand dollars per year;

(b) The person's gross income of the business from all activities taxable under chapter 82.16 RCW is less than twelve thousand dollars per year;

(c) The person is not required to collect or pay to the department of revenue any other tax or fee (~~which~~) that the department is authorized to collect; and

(d) The person is not otherwise required to obtain a license subject to the (~~master~~) business license application procedure provided in chapter 19.02 RCW.

(3) All persons who agree to collect and remit sales and use tax to the department under the agreement must register through the central registration system authorized under the agreement. Persons required to register under subsection (1) of this section are not relieved of that requirement because of registration under this subsection (3).

(4) Persons registered under subsection (3) of this section who are not required to register under subsection (1) of this section and who are not otherwise subject to the requirements of chapter 19.02 RCW are not subject to the fees imposed by the department under the authority of RCW 19.02.075.

Sec. 506. RCW 84.34.108 and 2014 c 97 s 311 and 2014 c 58 s 28 are each reenacted and amended to read as follows:

(1) When land has once been classified under this chapter, a notation of the classification must be made each year upon the assessment and tax rolls and the land must be valued pursuant to RCW 84.34.060 or 84.34.065 until removal of all or a portion of the classification by the assessor upon occurrence of any of the following:

(a) Receipt of notice from the owner to remove all or a portion of the classification;

(b) Sale or transfer to an ownership, except a transfer that resulted from a default in loan payments made to or secured by a governmental agency that intends to or is required by law or regulation to resell the property for the same use as before, making all or a portion of the land exempt from ad valorem taxation;

(c) Sale or transfer of all or a portion of the land to a new owner, unless the new owner has signed a notice of classification continuance, except transfer to

an owner who is an heir or devisee of a deceased owner or transfer by a transfer on death deed does not, by itself, result in removal of classification. The notice of continuance must be on a form prepared by the department. If the notice of continuance is not signed by the new owner and attached to the real estate excise tax affidavit, all additional taxes, applicable interest, and penalty calculated pursuant to subsection (4) of this section become due and payable by the seller or transferor at time of sale. The auditor may not accept an instrument of conveyance regarding classified land for filing or recording unless the new owner has signed the notice of continuance or the additional tax, applicable interest, and penalty has been paid, as evidenced by the real estate excise tax stamp affixed thereto by the treasurer. The seller, transferor, or new owner may appeal the new assessed valuation calculated under subsection (4) of this section to the county board of equalization in accordance with the provisions of RCW 84.40.038. Jurisdiction is hereby conferred on the county board of equalization to hear these appeals;

(d)(i) Determination by the assessor, after giving the owner written notice and an opportunity to be heard, that all or a portion of the land no longer meets the criteria for classification under this chapter. The criteria for classification pursuant to this chapter continue to apply after classification has been granted.

(ii) The granting authority, upon request of an assessor, must provide reasonable assistance to the assessor in making a determination whether the land continues to meet the qualifications of RCW 84.34.020 (1) or (3). The assistance must be provided within thirty days of receipt of the request.

(2) Land may not be removed from classification because of:

(a) The creation, sale, or transfer of forestry riparian easements under RCW 76.13.120; or

(b) The creation, sale, or transfer of a fee interest or a conservation easement for the riparian open space program under RCW 76.09.040.

(3) Within thirty days after the removal of all or a portion of the land from current use classification under subsection (1) of this section, the assessor must notify the owner in writing, setting forth the reasons for the removal. The seller, transferor, or owner may appeal the removal to the county board of equalization in accordance with the provisions of RCW 84.40.038. The removal notice must explain the steps needed to appeal the removal decision, including when a notice of appeal must be filed, where the forms may be obtained, and how to contact the county board of equalization.

(4) Unless the removal is reversed on appeal, the assessor must revalue the affected land with reference to its true and fair value on January 1st of the year of removal from classification. Both the assessed valuation before and after the removal of classification must be listed and taxes must be allocated according to that part of the year to which each assessed valuation applies. Except as provided in subsection (6) of this section, an additional tax, applicable interest, and penalty must be imposed, which are due and payable to the treasurer thirty days after the owner is notified of the amount of the additional tax, applicable interest, and penalty. As soon as possible, the assessor must compute the amount of additional tax, applicable interest, and penalty and the treasurer must mail notice to the owner of the amount thereof and the date on which payment is due. The amount of the additional tax, applicable interest, and penalty must be determined as follows:

(a) The amount of additional tax is equal to the difference between the property tax paid as "open space land," "farm and agricultural land," or "timberland" and the amount of property tax otherwise due and payable for the seven years last past had the land not been so classified;

(b) The amount of applicable interest is equal to the interest upon the amounts of the additional tax paid at the same statutory rate charged on delinquent property taxes from the dates on which the additional tax could have been paid without penalty if the land had been assessed at a value without regard to this chapter;

(c) The amount of the penalty is as provided in RCW 84.34.080. The penalty may not be imposed if the removal satisfies the conditions of RCW 84.34.070.

(5) Additional tax, applicable interest, and penalty become a lien on the land (~~which~~). The lien attaches at the time the land is removed from classification under this chapter and (~~have~~) has priority to and must be fully paid and satisfied before any recognizance, mortgage, judgment, debt, obligation, or responsibility to or with which the land may become charged or liable. This lien may be foreclosed upon expiration of the same period after delinquency and in the same manner provided by law for foreclosure of liens for delinquent real property taxes as provided in RCW 84.64.050. Any additional tax unpaid on the due date (~~are [is]~~) is delinquent as of the due date. From the date of delinquency until paid, interest must be charged at the same rate applied by law to delinquent ad valorem property taxes.

(6) The additional tax, applicable interest, and penalty specified in subsection (4) of this section may not be imposed if the removal of classification pursuant to subsection (1) of this section resulted solely from:

(a) Transfer to a government entity in exchange for other land located within the state of Washington;

(b)(i) A taking through the exercise of the power of eminent domain, or (ii) sale or transfer to an entity having the power of eminent domain in anticipation of the exercise of such power, said entity having manifested its intent in writing or by other official action;

(c) A natural disaster such as a flood, windstorm, earthquake, or other such calamity rather than by virtue of the act of the landowner changing the use of the property;

(d) Official action by an agency of the state of Washington or by the county or city within which the land is located which disallows the present use of the land;

(e) Transfer of land to a church when the land would qualify for exemption pursuant to RCW 84.36.020;

(f) Acquisition of property interests by state agencies or agencies or organizations qualified under RCW 84.34.210 and 64.04.130 for the purposes enumerated in those sections. At such time as these property interests are not used for the purposes enumerated in RCW 84.34.210 and 64.04.130 the additional tax specified in subsection (4) of this section must be imposed;

(g) Removal of land classified as farm and agricultural land under RCW 84.34.020(2)(f);

(h) Removal of land from classification after enactment of a statutory exemption that qualifies the land for exemption and receipt of notice from the owner to remove the land from classification;

(i) The creation, sale, or transfer of forestry riparian easements under RCW 76.13.120;

(j) The creation, sale, or transfer of a conservation easement of private forestlands within unconfined channel migration zones or containing critical habitat for threatened or endangered species under RCW 76.09.040;

(k) The sale or transfer of land within two years after the death of the owner of at least a fifty percent interest in the land if the land has been assessed and valued as classified forestland, designated as forestland under chapter 84.33 RCW, or classified under this chapter continuously since 1993. The date of death shown on a death certificate is the date used for the purposes of this subsection (6)(k); or

(l)(i) The discovery that the land was classified under this chapter in error through no fault of the owner. For purposes of this subsection (6)(l), "fault" means a knowingly false or misleading statement, or other act or omission not in good faith, that contributed to the approval of classification under this chapter or the failure of the assessor to remove the land from classification under this chapter.

(ii) For purposes of this subsection (6), the discovery that land was classified under this chapter in error through no fault of the owner is not the sole reason for removal of classification pursuant to subsection (1) of this section if an independent basis for removal exists. Examples of an independent basis for removal include the owner changing the use of the land or failing to meet any applicable income criteria required for classification under this chapter.

Sec. 507. RCW 84.41.041 and 2015 c 86 s 103 are each amended to read as follows:

(1) Each county assessor must cause taxable real property to be physically inspected and valued at least once every six years in accordance with RCW 84.41.030, and in accordance with a plan filed with and approved by the department of revenue. Such revaluation plan must provide that all taxable real property within a county must be revalued and these newly determined values placed on the assessment rolls each year. Property must be valued at one hundred percent of its true and fair value and assessed on the same basis, in accordance with RCW 84.40.030, unless specifically provided otherwise by law. (~~During the intervals between each physical inspection of real property, the valuation of such property may be adjusted to its current true and fair value, such adjustments to be based upon appropriate statistical data. If the revaluation plan provides for physical inspection less frequently than once each four years,)~~ During the intervals between each physical inspection of real property, the valuation of such property must be adjusted to its current true and fair value, such adjustments to be made once each year and to be based upon appropriate statistical data.

(2) The assessor may require property owners to submit pertinent data respecting taxable property in their control including data respecting any sale or purchase of said property within the past five years, the cost and characteristics of any improvement on the property and other facts necessary for appraisal of the property.

Sec. 508. RCW 82.04.280 and 2010 c 106 s 205 are each reenacted to read as follows:

(1) Upon every person engaging within this state in the business of: (a) Printing materials other than newspapers, and of publishing periodicals or magazines; (b) building, repairing or improving any street, place, road, highway, easement, right-of-way, mass public transportation terminal or parking facility, bridge, tunnel, or trestle which is owned by a municipal corporation or political subdivision of the state or by the United States and which is used or to be used, primarily for foot or vehicular traffic including mass transportation vehicles of any kind and including any readjustment, reconstruction or relocation of the facilities of any public, private or cooperatively owned utility or railroad in the course of such building, repairing or improving, the cost of which readjustment, reconstruction, or relocation, is the responsibility of the public authority whose street, place, road, highway, easement, right-of-way, mass public transportation terminal or parking facility, bridge, tunnel, or trestle is being built, repaired or improved; (c) extracting for hire or processing for hire, except persons taxable as extractors for hire or processors for hire under another section of this chapter; (d) operating a cold storage warehouse or storage warehouse, but not including the rental of cold storage lockers; (e) representing and performing services for fire or casualty insurance companies as an independent resident managing general agent licensed under the provisions of chapter 48.17 RCW; (f) radio and television broadcasting, excluding network, national and regional advertising computed as a standard deduction based on the national average thereof as annually reported by the federal communications commission, or in lieu thereof by itemization by the individual broadcasting station, and excluding that portion of revenue represented by the out-of-state audience computed as a ratio to the station's total audience as measured by the 100 micro-volt signal strength and delivery by wire, if any; (g) engaging in activities which bring a person within the definition of consumer contained in RCW 82.04.190(6); as to such persons, the amount of tax on such business is equal to the gross income of the business multiplied by the rate of 0.484 percent.

(2) For the purposes of this section, the following definitions apply unless the context clearly requires otherwise.

(a) "Cold storage warehouse" means a storage warehouse used to store fresh and/or frozen perishable fruits or vegetables, meat, seafood, dairy products, or fowl, or any combination thereof, at a desired temperature to maintain the quality of the product for orderly marketing.

(b) "Storage warehouse" means a building or structure, or any part thereof, in which goods, wares, or merchandise are received for storage for compensation, except field warehouses, fruit warehouses, fruit packing plants, warehouses licensed under chapter 22.09 RCW, public garages storing automobiles, railroad freight sheds, docks and wharves, and "self-storage" or "mini storage" facilities whereby customers have direct access to individual storage areas by separate entrance. "Storage warehouse" does not include a building or structure, or that part of such building or structure, in which an activity taxable under RCW 82.04.272 is conducted.

(c) "Periodical or magazine" means a printed publication, other than a newspaper, issued regularly at stated intervals at least once every three months, including any supplement or special edition of the publication.

Sec. 509. RCW 82.32.790 and 2010 c 114 s 201 and 2010 c 106 s 401 are each reenacted and amended to read as follows:

(1)(a) (~~(Section 206, chapter 106, Laws of 2010,)~~ Sections 104, 110, 117, 123, 125, 129, 131, and 150, chapter 114, Laws of 2010, (~~(section 3, chapter 461, Laws of 2009, section 7, chapter 300, Laws of 2006,)~~) and sections (4) 1, 2, 3, and 5 through 10, chapter 149, Laws of 2003 are contingent upon the siting and commercial operation of a significant semiconductor microchip fabrication facility in the state of Washington.

(b) For the purposes of this section:

(i) "Commercial operation" means the same as "commencement of commercial production" as used in RCW 82.08.965.

(ii) "Semiconductor microchip fabrication" means "manufacturing semiconductor microchips" as defined in RCW 82.04.426.

(iii) "Significant" means the combined investment of new buildings and new machinery and equipment in the buildings, at the commencement of commercial production, will be at least one billion dollars.

(2) (~~(Chapter 149, Laws of 2003 takes)~~) The sections referenced in subsection (1) of this section take effect the first day of the month in which a contract for the construction of a significant semiconductor fabrication facility is signed, as determined by the director of the department of revenue.

(3)(a) The department of revenue must provide notice of the effective date of (~~(sections 104, 110, 117, 123, 125, 129, 131, and 150, chapter 114, Laws of 2010[,] section 3, chapter 461, Laws of 2009, section 7, chapter 300, Laws of 2006, and section 4, chapter 149, Laws of 2003)~~) the sections referenced in subsection (1) of this section to affected taxpayers, the legislature, and others as deemed appropriate by the department.

(b) If, after making a determination that a contract has been signed and (~~(chapter 149, Laws of 2003 is)~~) the sections referenced in subsection (1) of this section are effective, the department discovers that commencement of commercial production did not take place within three years of the date the contract was signed, the department must make a determination that chapter 149, Laws of 2003 is no longer effective, and all taxes that would have been otherwise due are deemed deferred taxes and are immediately assessed and payable from any person reporting tax under RCW 82.04.240(2) or claiming an exemption or credit under (~~(section 2 or 5 through 10, chapter 149, Laws of 2003)~~) RCW 82.04.426, 82.04.448, 82.08.965, 82.12.965, 82.08.970, 82.12.970, or 84.36.645. The department is not authorized to make a second determination regarding the effective date of (~~(chapter 149, Laws of 2003)~~) the sections referenced in subsection (1) of this section.

NEW SECTION. **Sec. 510.** The following acts or parts of acts are each repealed:

- (1) 2010 c 106 s 206;
- (2) 2009 c 461 s 3;
- (3) 2006 c 300 s 7; and
- (4) 2003 c 149 s 4.

Sec. 511. RCW 35.102.130 and 2010 c 111 s 305 are each amended to read as follows:

A city that imposes a business and occupation tax must provide for the allocation and apportionment of a person's gross income, other than persons subject to the provisions of chapter 82.14A RCW, as follows:

(1) Gross income derived from all activities other than those taxed as service or royalties must be allocated to the location where the activity takes place.

(a) In the case of sales of tangible personal property, the activity takes place where delivery to the buyer occurs.

(b)(i) In the case of sales of digital products, the activity takes place where delivery to the buyer occurs. The delivery of digital products will be deemed to occur at:

(A) The seller's place of business if the purchaser receives the digital product at the seller's place of business;

(B) If not received at the seller's place of business, the location where the purchaser or the purchaser's donee, designated as such by the purchaser, receives the digital product, including the location indicated by instructions for delivery to the purchaser or donee, known to the seller;

(C) If the location where the purchaser or the purchaser's donee receives the digital product is not known, the purchaser's address maintained in the ordinary course of the seller's business when use of this address does not constitute bad faith;

(D) If no address for the purchaser is maintained in the ordinary course of the seller's business, the purchaser's address obtained during the consummation of the sale, including the address of a purchaser's payment instrument, if no other address is available, when use of this address does not constitute bad faith; and

(E) If no address for the purchaser is obtained during the consummation of the sale, the address where the digital good or digital code is first made available for transmission by the seller or the address from which the digital automated service or service described in RCW 82.04.050 (2)(g) or (6)((~~h~~)) (c) was provided, disregarding for these purposes any location that merely provided the digital transfer of the product sold.

(ii) If none of the methods in (b)(i) of this subsection (1) for determining where the delivery of digital products occurs are available after a good faith effort by the taxpayer to apply the methods provided in (b)(i)(A) through (E) of this subsection (1), then the city and the taxpayer may mutually agree to employ any other method to effectuate an equitable allocation of income from the sale of digital products. The taxpayer will be responsible for petitioning the city to use an alternative method under this subsection (1)(b)(ii). The city may employ an alternative method for allocating the income from the sale of digital products if the methods provided in (b)(i)(A) through (E) of this subsection (1) are not available and the taxpayer and the city are unable to mutually agree on an alternative method to effectuate an equitable allocation of income from the sale of digital products.

(iii) For purposes of this subsection (1)(b), the following definitions apply:

(A) "Digital automated services," "digital codes," and "digital goods" have the same meaning as in RCW 82.04.192;

(B) "Digital products" means digital goods, digital codes, digital automated services, and the services described in RCW 82.04.050 (2)(g) and (6)((~~h~~)) (c); and

(C) "Receive" has the same meaning as in RCW 82.32.730.

(c) If a business activity allocated under this subsection (1) takes place in more than one city and all cities impose a gross receipts tax, a credit must be allowed as provided in RCW 35.102.060; if not all of the cities impose a gross receipts tax, the affected cities must allow another credit or allocation system as they and the taxpayer agree.

(2) Gross income derived as royalties from the granting of intangible rights must be allocated to the commercial domicile of the taxpayer.

(3) Gross income derived from activities taxed as services shall be apportioned to a city by multiplying apportionable income by a fraction, the numerator of which is the payroll factor plus the service-income factor and the denominator of which is two.

(a) The payroll factor is a fraction, the numerator of which is the total amount paid in the city during the tax period by the taxpayer for compensation and the denominator of which is the total compensation paid everywhere during the tax period. Compensation is paid in the city if:

(i) The individual is primarily assigned within the city;

(ii) The individual is not primarily assigned to any place of business for the tax period and the employee performs fifty percent or more of his or her service for the tax period in the city; or

(iii) The individual is not primarily assigned to any place of business for the tax period, the individual does not perform fifty percent or more of his or her service in any city, and the employee resides in the city.

(b) The service income factor is a fraction, the numerator of which is the total service income of the taxpayer in the city during the tax period, and the denominator of which is the total service income of the taxpayer everywhere during the tax period. Service income is in the city if:

(i) The customer location is in the city; or

(ii) The income-producing activity is performed in more than one location and a greater proportion of the service-income-producing activity is performed in the city than in any other location, based on costs of performance, and the taxpayer is not taxable at the customer location; or

(iii) The service-income-producing activity is performed within the city, and the taxpayer is not taxable in the customer location.

(c) If the allocation and apportionment provisions of this subsection do not fairly represent the extent of the taxpayer's business activity in the city or cities in which the taxpayer does business, the taxpayer may petition for or the tax administrators may jointly require, in respect to all or any part of the taxpayer's business activity, that one of the following methods be used jointly by the cities to allocate or apportion gross income, if reasonable:

(i) Separate accounting;

(ii) The use of a single factor;

(iii) The inclusion of one or more additional factors that will fairly represent the taxpayer's business activity in the city; or

(iv) The employment of any other method to effectuate an equitable allocation and apportionment of the taxpayer's income.

(4) The definitions in this subsection apply throughout this section.

(a) "Apportionable income" means the gross income of the business taxable under the service classifications of a city's gross receipts tax, including income

received from activities outside the city if the income would be taxable under the service classification if received from activities within the city, less any exemptions or deductions available.

(b) "Compensation" means wages, salaries, commissions, and any other form of remuneration paid to individuals for personal services that are or would be included in the individual's gross income under the federal internal revenue code.

(c) "Individual" means any individual who, under the usual common law rules applicable in determining the employer-employee relationship, has the status of an employee of that taxpayer.

(d) "Customer location" means the city or unincorporated area of a county where the majority of the contacts between the taxpayer and the customer take place.

(e) "Primarily assigned" means the business location of the taxpayer where the individual performs his or her duties.

(f) "Service-taxable income" or "service income" means gross income of the business subject to tax under either the service or royalty classification.

(g) "Tax period" means the calendar year during which tax liability is accrued. If taxes are reported by a taxpayer on a basis more frequent than once per year, taxpayers shall calculate the factors for the previous calendar year for reporting in the current calendar year and correct the reporting for the previous year when the factors are calculated for that year, but not later than the end of the first quarter of the following year.

(h) "Taxable in the customer location" means either that a taxpayer is subject to a gross receipts tax in the customer location for the privilege of doing business, or that the government where the customer is located has the authority to subject the taxpayer to gross receipts tax regardless of whether, in fact, the government does so.

Sec. 512. RCW 82.04.060 and 2015 c 169 s 2 are each amended to read as follows:

"Sale at wholesale" or "wholesale sale" means:

(1) Any sale, which is not a sale at retail, of:

(a) Tangible personal property;

(b) Services defined as a retail sale in RCW 82.04.050(2) (a) or (g);

(c) Activities defined as a retail sale in RCW 82.04.050(15);

(d) Prewritten computer software;

(e) Services described in RCW 82.04.050(6)(~~(b)~~) (c);

(f) Extended warranties as defined in RCW 82.04.050(7);

(g) Competitive telephone service, ancillary services, or telecommunications service as those terms are defined in RCW 82.04.065; or

(h) Digital goods, digital codes, or digital automated services;

(2) Any charge made for labor and services rendered for persons who are not consumers, in respect to real or personal property, if such charge is expressly defined as a retail sale by RCW 82.04.050 when rendered to or for consumers. For the purposes of this subsection (2), "real or personal property" does not include any natural products named in RCW 82.04.100; and

(3) The sale of any service for resale, if the sale is excluded from the definition of "sale at retail" and "retail sale" in RCW 82.04.050(14).

Sec. 513. RCW 82.04.190 and 2015 c 169 s 3 are each amended to read as follows:

"Consumer" means the following:

(1) Any person who purchases, acquires, owns, holds, or uses any article of tangible personal property irrespective of the nature of the person's business and including, among others, without limiting the scope hereof, persons who install, repair, clean, alter, improve, construct, or decorate real or personal property of or for consumers other than for the purpose of:

(a) Resale as tangible personal property in the regular course of business;

(b) Incorporating such property as an ingredient or component of real or personal property when installing, repairing, cleaning, altering, imprinting, improving, constructing, or decorating such real or personal property of or for consumers;

(c) Consuming such property in producing for sale as a new article of tangible personal property or a new substance, of which such property becomes an ingredient or component or as a chemical used in processing, when the primary purpose of such chemical is to create a chemical reaction directly through contact with an ingredient of a new article being produced for sale;

(d) Consuming the property purchased in producing ferrosilicon which is subsequently used in producing magnesium for sale, if the primary purpose of such property is to create a chemical reaction directly through contact with an ingredient of ferrosilicon; or

(e) Satisfying the person's obligations under an extended warranty as defined in RCW 82.04.050(7), if such tangible personal property replaces or becomes an ingredient or component of property covered by the extended warranty without intervening use by such person;

(2)(a) Any person engaged in any business activity taxable under RCW 82.04.290 or 82.04.2908; (b) any person who purchases, acquires, or uses any competitive telephone service, ancillary services, or telecommunications service as those terms are defined in RCW 82.04.065, other than for resale in the regular course of business; (c) any person who purchases, acquires, or uses any service defined in RCW 82.04.050(2) (a) or (g), other than for resale in the regular course of business or for the purpose of satisfying the person's obligations under an extended warranty as defined in RCW 82.04.050(7); (d) any person who makes a purchase meeting the definition of "sale at retail" and "retail sale" under RCW 82.04.050(15), other than for resale in the regular course of business; (e) any person who purchases or acquires an extended warranty as defined in RCW 82.04.050(7) other than for resale in the regular course of business; and (f) any person who is an end user of software. For purposes of this subsection (2)(f) and RCW 82.04.050(6), a person who purchases or otherwise acquires prewritten computer software, who provides services described in RCW 82.04.050(6)((b)) (c) and who will charge consumers for the right to access and use the prewritten computer software, is not an end user of the prewritten computer software;

(3) Any person engaged in the business of contracting for the building, repairing or improving of any street, place, road, highway, easement, right-of-way, mass public transportation terminal or parking facility, bridge, tunnel, or trestle which is owned by a municipal corporation or political subdivision of the state of Washington or by the United States and which is used

or to be used primarily for foot or vehicular traffic including mass transportation vehicles of any kind as defined in RCW 82.04.280, in respect to tangible personal property when such person incorporates such property as an ingredient or component of such publicly owned street, place, road, highway, easement, right-of-way, mass public transportation terminal or parking facility, bridge, tunnel, or trestle by installing, placing or spreading the property in or upon the right-of-way of such street, place, road, highway, easement, bridge, tunnel, or trestle or in or upon the site of such mass public transportation terminal or parking facility;

(4) Any person who is an owner, lessee or has the right of possession to or an easement in real property which is being constructed, repaired, decorated, improved, or otherwise altered by a person engaged in business, excluding only (a) municipal corporations or political subdivisions of the state in respect to labor and services rendered to their real property which is used or held for public road purposes, and (b) the United States, instrumentalities thereof, and county and city housing authorities created pursuant to chapter 35.82 RCW in respect to labor and services rendered to their real property. Nothing contained in this or any other subsection of this definition may be construed to modify any other definition of "consumer";

(5) Any person who is an owner, lessee, or has the right of possession to personal property which is being constructed, repaired, improved, cleaned, imprinted, or otherwise altered by a person engaged in business;

(6) Any person engaged in the business of constructing, repairing, decorating, or improving new or existing buildings or other structures under, upon, or above real property of or for the United States, any instrumentality thereof, or a county or city housing authority created pursuant to chapter 35.82 RCW, including the installing or attaching of any article of tangible personal property therein or thereto, whether or not such personal property becomes a part of the realty by virtue of installation; also, any person engaged in the business of clearing land and moving earth of or for the United States, any instrumentality thereof, or a county or city housing authority created pursuant to chapter 35.82 RCW. Any such person is a consumer within the meaning of this subsection in respect to tangible personal property incorporated into, installed in, or attached to such building or other structure by such person, except that consumer does not include any person engaged in the business of constructing, repairing, decorating, or improving new or existing buildings or other structures under, upon, or above real property of or for the United States, or any instrumentality thereof, if the investment project would qualify for sales and use tax deferral under chapter 82.63 RCW if undertaken by a private entity;

(7) Any person who is a lessor of machinery and equipment, the rental of which is exempt from the tax imposed by RCW 82.08.020 under RCW 82.08.02565, with respect to the sale of or charge made for tangible personal property consumed in respect to repairing the machinery and equipment, if the tangible personal property has a useful life of less than one year. Nothing contained in this or any other subsection of this section may be construed to modify any other definition of "consumer";

(8) Any person engaged in the business of cleaning up for the United States, or its instrumentalities, radioactive waste and other by-products of weapons production and nuclear research and development;

(9) Any person who is an owner, lessee, or has the right of possession of tangible personal property that, under the terms of an extended warranty as defined in RCW 82.04.050(7), has been repaired or is replacement property, but only with respect to the sale of or charge made for the repairing of the tangible personal property or the replacement property;

(10) Any person who purchases, acquires, or uses services described in RCW 82.04.050(6)((b)) (c) other than:

(a) For resale in the regular course of business; or

(b) For purposes of consuming the service described in RCW 82.04.050(6)((b)) (c) in producing for sale a new product, but only if such service becomes a component of the new product. For purposes of this subsection (10), "product" means a digital product, an article of tangible personal property, or the service described in RCW 82.04.050(6)((b)) (c);

(11)(a) Any end user of a digital product or digital code. "Consumer" does not include any person who is not an end user of a digital product or a digital code and purchases, acquires, owns, holds, or uses any digital product or digital code for purposes of consuming the digital product or digital code in producing for sale a new product, but only if the digital product or digital code becomes a component of the new product. A digital code becomes a component of a new product if the digital good or digital automated service acquired through the use of the digital code becomes incorporated into a new product. For purposes of this subsection, "product" has the same meaning as in subsection (10) of this section.

(b)(i) For purposes of this subsection, "end user" means any taxpayer as defined in RCW 82.12.010 other than a taxpayer who receives by contract a digital product for further commercial broadcast, rebroadcast, transmission, retransmission, licensing, relicensing, distribution, redistribution or exhibition of the product, in whole or in part, to others. A person that purchases digital products or digital codes for the purpose of giving away such products or codes will not be considered to have engaged in the distribution or redistribution of such products or codes and will be treated as an end user;

(ii) If a purchaser of a digital code does not receive the contractual right to further redistribute, after the digital code is redeemed, the underlying digital product to which the digital code relates, then the purchaser of the digital code is an end user. If the purchaser of the digital code receives the contractual right to further redistribute, after the digital code is redeemed, the underlying digital product to which the digital code relates, then the purchaser of the digital code is not an end user. A purchaser of a digital code who has the contractual right to further redistribute the digital code is an end user if that purchaser does not have the right to further redistribute, after the digital code is redeemed, the underlying digital product to which the digital code relates;

(12) Any person who provides services described in RCW 82.04.050(9). Any such person is a consumer with respect to the purchase, acquisition, or use of the tangible personal property that the person provides along with an operator in rendering services defined as a retail sale in RCW 82.04.050(9). Any such person may also be a consumer under other provisions of this section;

(13) Any person who purchases, acquires, owns, holds, or uses chemical sprays or washes for the purpose of postharvest treatment of fruit for the prevention of scald, fungus, mold, or decay, or who purchases feed, seed, seedlings, fertilizer, agents for enhanced pollination including insects such as

bees, and spray materials, is not a consumer of such items, but only to the extent that the items:

(a) Are used in relation to the person's participation in the federal conservation reserve program, the environmental quality incentives program, the wetlands reserve program, the wildlife habitat incentives program, or their successors administered by the United States department of agriculture;

(b) Are for use by a farmer for the purpose of producing for sale any agricultural product; or

(c) Are for use by a farmer to produce or improve wildlife habitat on land the farmer owns or leases while acting under cooperative habitat development or access contracts with an organization exempt from federal income tax under 26 U.S.C. Sec. 501(c)(3) of the federal internal revenue code or the Washington state department of fish and wildlife; and

(14) A regional transit authority is not a consumer with respect to labor, services, or tangible personal property purchased pursuant to agreements providing maintenance services for bus, rail, or rail fixed guideway equipment when a transit agency, as defined in RCW 81.104.015, performs the labor or services.

Sec. 514. RCW 82.04.192 and 2010 c 111 s 203 are each amended to read as follows:

(1) "Digital audio works" means works that result from the fixation of a series of musical, spoken, or other sounds, including ringtones.

(2) "Digital audiovisual works" means a series of related images which, when shown in succession, impart an impression of motion, together with accompanying sounds, if any.

(3)(a) "Digital automated service," except as provided in (b) of this subsection (3), means any service transferred electronically that uses one or more software applications.

(b) "Digital automated service" does not include:

(i) Any service that primarily involves the application of human effort by the seller, and the human effort originated after the customer requested the service;

(ii) The loaning or transferring of money or the purchase, sale, or transfer of financial instruments. For purposes of this subsection (3)(b)(ii), "financial instruments" include cash, accounts receivable and payable, loans and notes receivable and payable, debt securities, equity securities, as well as derivative contracts such as forward contracts, swap contracts, and options;

(iii) Dispensing cash or other physical items from a machine;

(iv) Payment processing services;

(v) Parimutuel wagering and handicapping contests as authorized by chapter 67.16 RCW;

(vi) Telecommunications services and ancillary services as those terms are defined in RCW 82.04.065;

(vii) The internet and internet access as those terms are defined in RCW 82.04.297;

(viii) The service described in RCW 82.04.050(6)((b)) (c);

(ix) Online educational programs provided by a:

(A) Public or private elementary or secondary school; or

(B) An institution of higher education as defined in sections 1001 or 1002 of the federal higher education act of 1965 (Title 20 U.S.C. Secs. 1001 and 1002), as existing on July 1, 2009. For purposes of this subsection (3)(b)(ix)(B), an online educational program must be encompassed within the institution's accreditation;

(x) Live presentations, such as lectures, seminars, workshops, or courses, where participants are connected to other participants via the internet or telecommunications equipment, which allows audience members and the presenter or instructor to give, receive, and discuss information with each other in real time;

(xi) Travel agent services, including online travel services, and automated systems used by travel agents to book reservations;

(xii)(A) A service that allows the person receiving the service to make online sales of products or services, digital or otherwise, using either: (I) The service provider's web site; or (II) the service recipient's web site, but only when the service provider's technology is used in creating or hosting the service recipient's web site or is used in processing orders from customers using the service recipient's web site.

(B) The service described in this subsection (3)(b)(xii) does not include the underlying sale of the products or services, digital or otherwise, by the person receiving the service;

(xiii) Advertising services. For purposes of this subsection (3)(b)(xiii), "advertising services" means all services directly related to the creation, preparation, production, or the dissemination of advertisements. Advertising services include layout, art direction, graphic design, mechanical preparation, production supervision, placement, and rendering advice to a client concerning the best methods of advertising that client's products or services. Advertising services also include online referrals, search engine marketing and lead generation optimization, web campaign planning, the acquisition of advertising space in the internet media, and the monitoring and evaluation of web site traffic for purposes of determining the effectiveness of an advertising campaign. Advertising services do not include web hosting services and domain name registration;

(xiv) The mere storage of digital products, digital codes, computer software, or master copies of software. This exclusion from the definition of digital automated services includes providing space on a server for web hosting or the backing up of data or other information;

(xv) Data processing services. For purposes of this subsection (3)(b)(xv), "data processing service" means a primarily automated service provided to a business or other organization where the primary object of the service is the systematic performance of operations by the service provider on data supplied in whole or in part by the customer to extract the required information in an appropriate form or to convert the data to usable information. Data processing services include check processing, image processing, form processing, survey processing, payroll processing, claim processing, and similar activities. Data processing does not include the service described in RCW 82.04.050(6)((b)) (c); and

(xvi) Digital goods.

(4) "Digital books" means works that are generally recognized in the ordinary and usual sense as books.

(5) "Digital code" means a code that provides a purchaser with the right to obtain one or more digital products, if all of the digital products to be obtained through the use of the code have the same sales and use tax treatment. "Digital code" does not include a code that represents a stored monetary value that is deducted from a total as it is used by the purchaser. "Digital code" also does not include a code that represents a redeemable card, gift card, or gift certificate that entitles the holder to select digital products of an indicated cash value. A digital code may be obtained by any means, including email or by tangible means regardless of its designation as song code, video code, book code, or some other term.

(6)(a) "Digital goods," except as provided in (b) of this subsection (6), means sounds, images, data, facts, or information, or any combination thereof, transferred electronically, including, but not limited to, specified digital products and other products transferred electronically not included within the definition of specified digital products.

(b) The term "digital goods" does not include:

(i) Telecommunications services and ancillary services as those terms are defined in RCW 82.04.065;

(ii) Computer software as defined in RCW 82.04.215;

(iii) The internet and internet access as those terms are defined in RCW 82.04.297;

(iv)(A) Except as provided in (b)(iv)(B) of this subsection (6), the representation of a personal or professional service in electronic form, such as an electronic copy of an engineering report prepared by an engineer, where the service primarily involves the application of human effort by the service provider, and the human effort originated after the customer requested the service.

(B) The exclusion in (b)(iv)(A) of this subsection (6) does not apply to photographers in respect to amounts received for the taking of photographs that are transferred electronically to the customer, but only if the customer is an end user, as defined in RCW 82.04.190(11), of the photographs. Such amounts are considered to be for the sale of digital goods; and

(v) Services and activities excluded from the definition of digital automated services in subsection (3)(b)(i) through (xv) of this section and not otherwise described in (b)(i) through (iv) of this subsection (6).

(7) "Digital products" means digital goods and digital automated services.

(8) "Electronically transferred" or "transferred electronically" means obtained by the purchaser by means other than tangible storage media. It is not necessary that a copy of the product be physically transferred to the purchaser. So long as the purchaser may access the product, it will be considered to have been electronically transferred to the purchaser.

(9) "Specified digital products" means electronically transferred digital audiovisual works, digital audio works, and digital books.

(10) "Subscription radio services" means the sale of audio programming by a radio broadcaster as defined in RCW 82.08.02081, except as otherwise provided in this subsection. "Subscription radio services" does not include audio

programming that is sold on a pay-per-program basis or that allows the buyer to access a library of programs at any time for a specific charge for that service.

(11) "Subscription television services" means the sale of video programming by a television broadcaster as defined in RCW 82.08.02081, except as otherwise provided in this subsection. "Subscription television services" does not include video programming that is sold on a pay-per-program basis or that allows the buyer to access a library of programs at any time for a specific charge for that service, but only if the seller is not subject to a franchise fee in this state under the authority of Title 47 U.S.C. Sec. 542(a) on the gross revenue derived from the sale.

Sec. 515. RCW 82.04.257 and 2010 c 111 s 301 are each amended to read as follows:

(1) Except as provided in subsection (2) of this section, upon every person engaging within this state in the business of making sales at retail or wholesale of digital goods, digital codes, digital automated services, or services described in RCW 82.04.050 (2)(g) or (6)((~~h~~)) (c), as to such persons, the amount of tax with respect to such business is equal to the gross proceeds of sales of the business, multiplied by the rate of 0.471 percent in the case of retail sales and by the rate of 0.484 percent in the case of wholesale sales.

(2) Persons providing subscription television services or subscription radio services are subject to tax under RCW 82.04.290(2) on the gross income of the business received from providing such services.

(3) For purposes of this section, a person is considered to be engaging within this state in the business of making sales of digital goods, digital codes, digital automated services, or services described in RCW 82.04.050 (2)(g) or (6)((~~h~~)) (c), if the person makes sales of digital goods, digital codes, digital automated services, or services described in RCW 82.04.050 (2)(g) or (6)((~~h~~)) (c) and the sales are sourced to this state under RCW 82.32.730 for sales tax purposes or would have been sourced to this state under RCW 82.32.730 if the sale had been taxable under chapter 82.08 RCW.

(4) A person subject to tax under this section is subject to the mandatory electronic filing and payment requirements in RCW 82.32.080.

Sec. 516. RCW 82.04.258 and 2009 c 535 s 402 are each amended to read as follows:

(1)(a) Any person subject to tax under RCW 82.04.257 engaging both within and outside this state in the business of making sales at retail or wholesale of digital goods, digital codes, digital automated services, or services described in RCW 82.04.050 (2)(g) or (6)((~~h~~)) (c), must apportion to this state that portion of apportionable income derived from activity performed within this state as provided in subsection (2) of this section.

(b) For purposes of this subsection, a person is considered to be engaging outside this state in the business of making sales of digital goods, digital codes, digital automated services, or services described in RCW 82.04.050 (2)(g) or (6)((~~h~~)) (c) if the person makes any sales of digital goods, digital codes, digital automated services, or services described in RCW 82.04.050 (2)(g) or (6)((~~h~~)) (c) that are sourced to a jurisdiction other than Washington under RCW 82.32.730 for sales tax purposes or would have been sourced to a jurisdiction other than Washington under RCW 82.32.730 if the sale had been a retail sale.

(2) Apportionable income must be apportioned to Washington by multiplying the apportionable income by the sales factor.

(3)(a) The sales factor is a fraction, the numerator of which is the total receipts of the taxpayer from making sales of digital goods, digital codes, digital automated services, and services described in RCW 82.04.050 (2)(g) or (6)((b)) (c) in this state during the tax period, and the denominator of which is the total receipts of the taxpayer derived from such activity everywhere during the tax period.

(b) For purposes of computing the sales factor, sales are considered in this state if the sale was sourced to this state under RCW 82.32.730 for sales tax purposes or would have been sourced to this state under RCW 82.32.730 if the sale had been taxable under chapter 82.08 RCW.

(4) For purposes of this section, "apportionable income" means the gross income of the business taxable under RCW 82.04.257, including income received from activities outside this state if the income would be taxable under RCW 82.04.257 if received from activities in this state.

Sec. 517. RCW 82.08.02082 and 2010 c 111 s 401 are each amended to read as follows:

(1) The tax imposed by RCW 82.08.020 does not apply to a business or other organization for the purpose of making the digital good or digital automated service, including a digital good or digital automated service acquired through the use of a digital code, or service defined as a retail sale in RCW 82.04.050(6)((b)) (c) available free of charge for the use or enjoyment of the general public. The exemption provided in this section does not apply unless the purchaser has the legal right to broadcast, rebroadcast, transmit, retransmit, license, relicense, distribute, redistribute, or exhibit the product, in whole or in part, to the general public.

(2) The exemption is available only when the buyer provides the seller with an exemption certificate in a form and manner prescribed by the department. The seller must retain a copy of the certificate for the seller's files.

(3) For purposes of this section, "general public" means all persons and not limited or restricted to a particular class of persons, except that the general public includes:

(a) A class of persons that is defined as all persons residing or owning property within the boundaries of a state, political subdivision of a state, or a municipal corporation; and

(b) With respect to libraries, authorized library patrons.

Sec. 518. RCW 82.08.02088 and 2009 c 535 s 701 are each amended to read as follows:

(1) The tax imposed by RCW 82.08.020 does not apply to the sale of digital goods, digital codes, digital automated services, prewritten computer software, or services defined as a retail sale in RCW 82.04.050(6)((b)) (c) to a buyer that provides the seller with an exemption certificate claiming multiple points of use. An exemption certificate claiming multiple points of use must be in a form and contain such information as required by the department.

(2) A buyer is entitled to use an exemption certificate claiming multiple points of use only if the buyer is a business or other organization and the digital goods or digital automated services purchased, or the digital goods or digital

automated services to be obtained by the digital code purchased, or the prewritten computer software or services defined as a retail sale in RCW 82.04.050(6)((b)) (c) purchased will be concurrently available for use within and outside this state. A buyer is not entitled to use an exemption certificate claiming multiple points of use for digital goods, digital codes, digital automated services, prewritten computer software, or services defined as a retail sale in RCW 82.04.050(6)((b)) (c) purchased for personal use.

(3) A buyer claiming an exemption under this section must report and pay the tax imposed in RCW 82.12.020 and any local use taxes imposed under the authority of chapter 82.14 RCW and RCW 81.104.170 directly to the department in accordance with RCW 82.12.02088 and 82.14.457.

(4) For purposes of this section, "concurrently available for use within and outside this state" means that employees or other agents of the buyer may use the digital goods, digital automated services, prewritten computer software, or services defined as a retail sale in RCW 82.04.050(6)((b)) (c) simultaneously from one or more locations within this state and one or more locations outside this state. A digital code is concurrently available for use within and outside this state if employees or other agents of the buyer may use the digital goods or digital automated services to be obtained by the code simultaneously at one or more locations within this state and one or more locations outside this state.

Sec. 519. RCW 82.12.010 and 2015 c 169 s 5 are each amended to read as follows:

For the purposes of this chapter:

(1) The meaning ascribed to words and phrases in chapters 82.04 and 82.08 RCW, insofar as applicable, has full force and effect with respect to taxes imposed under the provisions of this chapter. "Consumer," in addition to the meaning ascribed to it in chapters 82.04 and 82.08 RCW insofar as applicable, also means any person who distributes or displays, or causes to be distributed or displayed, any article of tangible personal property, except newspapers, the primary purpose of which is to promote the sale of products or services. With respect to property distributed to persons within this state by a consumer as defined in this subsection (1), the use of the property is deemed to be by such consumer.

(2) "Extended warranty" has the same meaning as in RCW 82.04.050(7).

(3) "Purchase price" means the same as sales price as defined in RCW 82.08.010.

(4)(a)(i) Except as provided in (a)(ii) of this subsection (4), "retailer" means every seller as defined in RCW 82.08.010 and every person engaged in the business of selling tangible personal property at retail and every person required to collect from purchasers the tax imposed under this chapter.

(ii) "Retailer" does not include a professional employer organization when a covered employee coemployed with the client under the terms of a professional employer agreement engages in activities that constitute a sale of tangible personal property, extended warranty, digital good, digital code, or a sale of any digital automated service or service defined as a retail sale in RCW 82.04.050 (2) (a) or (g) or (6)((b)) (c) that is subject to the tax imposed by this chapter. In such cases, the client, and not the professional employer organization, is deemed to be the retailer and is responsible for collecting and remitting the tax imposed by this chapter.

(b) For the purposes of (a) of this subsection, the terms "client," "covered employee," "professional employer agreement," and "professional employer organization" have the same meanings as in RCW 82.04.540.

(5) "Taxpayer" and "purchaser" include all persons included within the meaning of the word "buyer" and the word "consumer" as defined in chapters 82.04 and 82.08 RCW.

(6) "Use," "used," "using," or "put to use" have their ordinary meaning, and mean:

(a) With respect to tangible personal property, except for natural gas and manufactured gas, the first act within this state by which the taxpayer takes or assumes dominion or control over the article of tangible personal property (as a consumer), and include installation, storage, withdrawal from storage, distribution, or any other act preparatory to subsequent actual use or consumption within this state;

(b) With respect to a service defined in RCW 82.04.050(2)(a), the first act within this state after the service has been performed by which the taxpayer takes or assumes dominion or control over the article of tangible personal property upon which the service was performed (as a consumer), and includes installation, storage, withdrawal from storage, distribution, or any other act preparatory to subsequent actual use or consumption of the article within this state;

(c) With respect to an extended warranty, the first act within this state after the extended warranty has been acquired by which the taxpayer takes or assumes dominion or control over the article of tangible personal property to which the extended warranty applies, and includes installation, storage, withdrawal from storage, distribution, or any other act preparatory to subsequent actual use or consumption of the article within this state;

(d) With respect to a digital good or digital code, the first act within this state by which the taxpayer, as a consumer, views, accesses, downloads, possesses, stores, opens, manipulates, or otherwise uses or enjoys the digital good or digital code;

(e) With respect to a digital automated service, the first act within this state by which the taxpayer, as a consumer, uses, enjoys, or otherwise receives the benefit of the service;

(f) With respect to a service defined as a retail sale in RCW 82.04.050(6)(~~(b)~~) (c), the first act within this state by which the taxpayer, as a consumer, accesses the prewritten computer software;

(g) With respect to a service defined as a retail sale in RCW 82.04.050(2)(g), the first act within this state after the service has been performed by which the taxpayer, as a consumer, views, accesses, downloads, possesses, stores, opens, manipulates, or otherwise uses or enjoys the digital good upon which the service was performed; and

(h) With respect to natural gas or manufactured gas, the use of which is taxable under RCW 82.12.022, including gas that is also taxable under the authority of RCW 82.14.230, the first act within this state by which the taxpayer consumes the gas by burning the gas or storing the gas in the taxpayer's own facilities for later consumption by the taxpayer.

(7)(a) "Value of the article used" is the purchase price for the article of tangible personal property, the use of which is taxable under this chapter. The

term also includes, in addition to the purchase price, the amount of any tariff or duty paid with respect to the importation of the article used. In case the article used is acquired by lease or by gift or is extracted, produced, or manufactured by the person using the same or is sold under conditions wherein the purchase price does not represent the true value thereof, the value of the article used is determined as nearly as possible according to the retail selling price at place of use of similar products of like quality and character under such rules as the department may prescribe.

(b) In case the articles used are acquired by bailment, the value of the use of the articles so used must be in an amount representing a reasonable rental for the use of the articles so bailed, determined as nearly as possible according to the value of such use at the places of use of similar products of like quality and character under such rules as the department of revenue may prescribe. In case any such articles of tangible personal property are used in respect to the construction, repairing, decorating, or improving of, and which become or are to become an ingredient or component of, new or existing buildings or other structures under, upon, or above real property of or for the United States, any instrumentality thereof, or a county or city housing authority created pursuant to chapter 35.82 RCW, including the installing or attaching of any such articles therein or thereto, whether or not such personal property becomes a part of the realty by virtue of installation, then the value of the use of such articles so used is determined according to the retail selling price of such articles, or in the absence of such a selling price, as nearly as possible according to the retail selling price at place of use of similar products of like quality and character or, in the absence of either of these selling price measures, such value may be determined upon a cost basis, in any event under such rules as the department of revenue may prescribe.

(c) In the case of articles owned by a user engaged in business outside the state which are brought into the state for no more than one hundred eighty days in any period of three hundred sixty-five consecutive days and which are temporarily used for business purposes by the person in this state, the value of the article used must be an amount representing a reasonable rental for the use of the articles, unless the person has paid tax under this chapter or chapter 82.08 RCW upon the full value of the article used, as defined in (a) of this subsection.

(d) In the case of articles manufactured or produced by the user and used in the manufacture or production of products sold or to be sold to the department of defense of the United States, the value of the articles used is determined according to the value of the ingredients of such articles.

(e) In the case of an article manufactured or produced for purposes of serving as a prototype for the development of a new or improved product, the value of the article used is determined by: (i) The retail selling price of such new or improved product when first offered for sale; or (ii) the value of materials incorporated into the prototype in cases in which the new or improved product is not offered for sale.

(f) In the case of an article purchased with a direct pay permit under RCW 82.32.087, the value of the article used is determined by the purchase price of such article if, but for the use of the direct pay permit, the transaction would have been subject to sales tax.

(8) "Value of the digital good or digital code used" means the purchase price for the digital good or digital code, the use of which is taxable under this chapter. If the digital good or digital code is acquired other than by purchase, the value of the digital good or digital code must be determined as nearly as possible according to the retail selling price at place of use of similar digital goods or digital codes of like quality and character under rules the department may prescribe.

(9) "Value of the extended warranty used" means the purchase price for the extended warranty, the use of which is taxable under this chapter. If the extended warranty is received by gift or under conditions wherein the purchase price does not represent the true value of the extended warranty, the value of the extended warranty used is determined as nearly as possible according to the retail selling price at place of use of similar extended warranties of like quality and character under rules the department may prescribe.

(10) "Value of the service used" means the purchase price for the digital automated service or other service, the use of which is taxable under this chapter. If the service is received by gift or under conditions wherein the purchase price does not represent the true value thereof, the value of the service used is determined as nearly as possible according to the retail selling price at place of use of similar services of like quality and character under rules the department may prescribe.

Sec. 520. RCW 82.12.020 and 2015 c 169 s 6 are each amended to read as follows:

(1) There is levied and collected from every person in this state a tax or excise for the privilege of using within this state as a consumer any:

(a) Article of tangible personal property acquired by the user in any manner, including tangible personal property acquired at a casual or isolated sale, and including by-products used by the manufacturer thereof, except as otherwise provided in this chapter, irrespective of whether the article or similar articles are manufactured or are available for purchase within this state;

(b) Prewritten computer software, regardless of the method of delivery, but excluding prewritten computer software that is either provided free of charge or is provided for temporary use in viewing information, or both;

(c) Services defined as a retail sale in RCW 82.04.050 (2) (a) or (g) or (6)((b)) (c), excluding services defined as a retail sale in RCW 82.04.050(6)((b)) (c) that are provided free of charge;

(d) Extended warranty; or

(e)(i) Digital good, digital code, or digital automated service, including the use of any services provided by a seller exclusively in connection with digital goods, digital codes, or digital automated services, whether or not a separate charge is made for such services.

(ii) With respect to the use of digital goods, digital automated services, and digital codes acquired by purchase, the tax imposed in this subsection (1)(e) applies in respect to:

(A) Sales in which the seller has granted the purchaser the right of permanent use;

(B) Sales in which the seller has granted the purchaser a right of use that is less than permanent;

(C) Sales in which the purchaser is not obligated to make continued payment as a condition of the sale; and

(D) Sales in which the purchaser is obligated to make continued payment as a condition of the sale.

(iii) With respect to digital goods, digital automated services, and digital codes acquired other than by purchase, the tax imposed in this subsection (1)(e) applies regardless of whether or not the consumer has a right of permanent use or is obligated to make continued payment as a condition of use.

(2) The provisions of this chapter do not apply in respect to the use of any article of tangible personal property, extended warranty, digital good, digital code, digital automated service, or service taxable under RCW 82.04.050 (2) (a) or (g) or (6)((~~fb~~)) (c), if the sale to, or the use by, the present user or the present user's bailor or donor has already been subjected to the tax under chapter 82.08 RCW or this chapter and the tax has been paid by the present user or by the present user's bailor or donor.

(3)(a) Except as provided in this section, payment of the tax imposed by this chapter or chapter 82.08 RCW by one purchaser or user of tangible personal property, extended warranty, digital good, digital code, digital automated service, or other service does not have the effect of exempting any other purchaser or user of the same property, extended warranty, digital good, digital code, digital automated service, or other service from the taxes imposed by such chapters.

(b) The tax imposed by this chapter does not apply:

(i) If the sale to, or the use by, the present user or his or her bailor or donor has already been subjected to the tax under chapter 82.08 RCW or this chapter and the tax has been paid by the present user or by his or her bailor or donor;

(ii) In respect to the use of any article of tangible personal property acquired by bailment and the tax has once been paid based on reasonable rental as determined by RCW 82.12.060 measured by the value of the article at time of first use multiplied by the tax rate imposed by chapter 82.08 RCW or this chapter as of the time of first use;

(iii) In respect to the use of any article of tangible personal property acquired by bailment, if the property was acquired by a previous bailee from the same bailor for use in the same general activity and the original bailment was prior to June 9, 1961; or

(iv) To the use of digital goods or digital automated services, which were obtained through the use of a digital code, if the sale of the digital code to, or the use of the digital code by, the present user or the present user's bailor or donor has already been subjected to the tax under chapter 82.08 RCW or this chapter and the tax has been paid by the present user or by the present user's bailor or donor.

(4)(a) Except as provided in (b) of this subsection (4), the tax is levied and must be collected in an amount equal to the value of the article used, value of the digital good or digital code used, value of the extended warranty used, or value of the service used by the taxpayer, multiplied by the applicable rates in effect for the retail sales tax under RCW 82.08.020.

(b) In the case of a seller required to collect use tax from the purchaser, the tax must be collected in an amount equal to the purchase price multiplied by the applicable rate in effect for the retail sales tax under RCW 82.08.020.

(5) For purposes of the tax imposed in this section, "person" includes anyone within the definition of "buyer," "purchaser," and "consumer" in RCW 82.08.010.

Sec. 521. RCW 82.12.02082 and 2010 c 111 s 501 are each amended to read as follows:

The provisions of this chapter do not apply to the use by a business or other organization of digital goods, digital codes, digital automated services, or services defined as a retail sale in RCW 82.04.050(6)((b)) (c) for the purpose of making the digital good or digital automated service, including a digital good or digital automated service acquired through the use of a digital code, or service defined as a retail sale in RCW 82.04.050(6)((b)) (c) available free of charge for the use or enjoyment of the general public. For purposes of this section, "general public" has the same meaning as in RCW 82.08.02082. The exemption provided in this section does not apply unless the user has the legal right to broadcast, rebroadcast, transmit, retransmit, license, relicense, distribute, redistribute, or exhibit the product, in whole or in part, to the general public.

Sec. 522. RCW 82.12.02088 and 2009 c 535 s 702 are each amended to read as follows:

(1) A business or other organization subject to the tax imposed in RCW 82.12.020 on the use of digital goods, digital codes, digital automated services, prewritten computer software, or services defined as a retail sale in RCW 82.04.050(6)((b)) (c) that are concurrently available for use within and outside this state is entitled to apportion the amount of tax due this state based on users in this state compared to users everywhere. The department may authorize or require an alternative method of apportionment supported by the taxpayer's records that fairly reflects the proportion of in-state to out-of-state use by the taxpayer of the digital goods, digital automated services, prewritten computer software, or services defined as a retail sale in RCW 82.04.050(6)((b)) (c).

(2) No apportionment under this section is allowed unless the apportionment method is supported by the taxpayer's records kept in the ordinary course of business.

(3) For purposes of this section, the following definitions apply:

(a) "Concurrently available for use within and outside this state" means that employees or other agents of the taxpayer may use the digital goods, digital automated services, prewritten computer software, or services defined as a retail sale in RCW 82.04.050(6)((b)) (c) simultaneously at one or more locations within this state and one or more locations outside this state. A digital code is concurrently available for use within and outside this state if employees or other agents of the taxpayer may use the digital goods or digital automated services to be obtained by the code simultaneously at one or more locations within this state and one or more locations outside this state.

(b) "User" means an employee or agent of the taxpayer who is authorized by the taxpayer to use the digital goods, digital automated services, prewritten computer software, or services defined as a retail sale in RCW 82.04.050(6)((b)) (c) in the performance of his or her duties as an employee or other agent of the taxpayer.

Sec. 523. RCW 82.12.0259 and 2009 c 535 s 613 are each amended to read as follows:

The provisions of this chapter do not apply in respect to the use of personal property or the use of digital automated services or services defined in RCW 82.04.050 (2)(a) or (6)((~~h~~)) (c) by corporations that have been incorporated under any act of the congress of the United States and whose principal purposes are to furnish volunteer aid to members of the armed forces of the United States and also to carry on a system of national and international relief and to apply the same in mitigating the sufferings caused by pestilence, famine, fire, flood, and other national calamities and to devise and carry on measures for preventing the same.

Sec. 524. RCW 82.12.035 and 2015 c 169 s 8 are each amended to read as follows:

A credit is allowed against the taxes imposed by this chapter upon the use in this state of tangible personal property, extended warranty, digital good, digital code, digital automated service, or services defined as a retail sale in RCW 82.04.050 (2) (a) or (g) or (6)((~~h~~)) (c), in the amount that the present user thereof or his or her bailor or donor has paid a legally imposed retail sales or use tax with respect to such property, extended warranty, digital good, digital code, digital automated service, or service defined as a retail sale in RCW 82.04.050 (2) (a) or (g) or (6)((~~h~~)) (c) to any other state, possession, territory, or commonwealth of the United States, any political subdivision thereof, the District of Columbia, and any foreign country or political subdivision thereof.

Sec. 525. RCW 82.12.040 and 2015 c 169 s 9 are each amended to read as follows:

(1) Every person who maintains in this state a place of business or a stock of goods, or engages in business activities within this state, must obtain from the department a certificate of registration, and must, at the time of making sales of tangible personal property, digital goods, digital codes, digital automated services, extended warranties, or sales of any service defined as a retail sale in RCW 82.04.050 (2) (a) or (g) or (6)((~~h~~)) (c), or making transfers of either possession or title, or both, of tangible personal property for use in this state, collect from the purchasers or transferees the tax imposed under this chapter. The tax to be collected under this section must be in an amount equal to the purchase price multiplied by the rate in effect for the retail sales tax under RCW 82.08.020. For the purposes of this chapter, the phrase "maintains in this state a place of business" includes the solicitation of sales and/or taking of orders by sales agents or traveling representatives. For the purposes of this chapter, "engages in business activity within this state" includes every activity which is sufficient under the Constitution of the United States for this state to require collection of tax under this chapter. The department must in rules specify activities which constitute engaging in business activity within this state, and must keep the rules current with future court interpretations of the Constitution of the United States.

(2) Every person who engages in this state in the business of acting as an independent selling agent for persons who do not hold a valid certificate of registration, and who receives compensation by reason of sales of tangible personal property, digital goods, digital codes, digital automated services, extended warranties, or sales of any service defined as a retail sale in RCW 82.04.050 (2) (a) or (g) or (6)((~~h~~)) (c), of his or her principals for use in this

state, must, at the time such sales are made, collect from the purchasers the tax imposed on the purchase price under this chapter, and for that purpose is deemed a retailer as defined in this chapter.

(3) The tax required to be collected by this chapter is deemed to be held in trust by the retailer until paid to the department, and any retailer who appropriates or converts the tax collected to the retailer's own use or to any use other than the payment of the tax provided herein to the extent that the money required to be collected is not available for payment on the due date as prescribed is guilty of a misdemeanor. In case any seller fails to collect the tax herein imposed or having collected the tax, fails to pay the same to the department in the manner prescribed, whether such failure is the result of the seller's own acts or the result of acts or conditions beyond the seller's control, the seller is nevertheless personally liable to the state for the amount of such tax, unless the seller has taken from the buyer a copy of a direct pay permit issued under RCW 82.32.087.

(4) Any retailer who refunds, remits, or rebates to a purchaser, or transferee, either directly or indirectly, and by whatever means, all or any part of the tax levied by this chapter is guilty of a misdemeanor.

(5) Notwithstanding subsections (1) through (4) of this section, any person making sales is not obligated to collect the tax imposed by this chapter if:

(a) The person's activities in this state, whether conducted directly or through another person, are limited to:

- (i) The storage, dissemination, or display of advertising;
- (ii) The taking of orders; or
- (iii) The processing of payments; and

(b) The activities are conducted electronically via a web site on a server or other computer equipment located in Washington that is not owned or operated by the person making sales into this state nor owned or operated by an affiliated person. "Affiliated persons" has the same meaning as provided in RCW 82.04.424.

(6) Subsection (5) of this section expires when: (a) The United States congress grants individual states the authority to impose sales and use tax collection duties on remote sellers; or (b) it is determined by a court of competent jurisdiction, in a judgment not subject to review, that a state can impose sales and use tax collection duties on remote sellers.

(7) Notwithstanding subsections (1) through (4) of this section, any person making sales is not obligated to collect the tax imposed by this chapter if the person would have been obligated to collect retail sales tax on the sale absent a specific exemption provided in chapter 82.08 RCW, and there is no corresponding use tax exemption in this chapter. Nothing in this subsection (7) may be construed as relieving purchasers from liability for reporting and remitting the tax due under this chapter directly to the department.

(8) Notwithstanding subsections (1) through (4) of this section, any person making sales is not obligated to collect the tax imposed by this chapter if the state is prohibited under the Constitution or laws of the United States from requiring the person to collect the tax imposed by this chapter.

(9) Notwithstanding subsections (1) through (4) of this section, any licensed dealer facilitating a firearm sale or transfer between two unlicensed persons by

conducting background checks under chapter 9.41 RCW is not obligated to collect the tax imposed by this chapter.

Sec. 526. RCW 82.12.860 and 2015 c 169 s 10 are each amended to read as follows:

(1) This chapter does not apply to state credit unions with respect to the use of any article of tangible personal property, digital good, digital code, digital automated service, service defined as a retail sale in RCW 82.04.050 (2) (a) or (g) or (6)((~~(b)~~)) (c), or extended warranty, acquired from a federal credit union, foreign credit union, or out-of-state credit union as a result of a merger or conversion.

(2) For purposes of this section, the following definitions apply:

(a) "Federal credit union" means a credit union organized and operating under the laws of the United States.

(b) "Foreign credit union" means a credit union organized and operating under the laws of another country or other foreign jurisdiction.

(c) "Out-of-state credit union" means a credit union organized and operating under the laws of another state or United States territory or possession.

(d) "State credit union" means a credit union organized and operating under the laws of this state.

Sec. 527. RCW 82.14.457 and 2009 c 535 s 703 are each amended to read as follows:

(1) A business or other organization that is entitled under RCW 82.12.02088 to apportion the amount of state use tax on the use of digital goods, digital codes, digital automated services, prewritten computer software, or services defined as a retail sale in RCW 82.04.050(6)((~~(b)~~)) (c) is also entitled to apportion the amount of local use taxes imposed under the authority of this chapter and RCW 81.104.170 on the use of such products or services.

(2) To ensure that the tax base for state and local use taxes is identical, the measure of local use taxes apportioned under this section must be the same as the measure of state use tax apportioned under RCW 82.12.02088.

(3) This section does not affect the sourcing of local use taxes.

Sec. 528. RCW 82.04.4277 and 2016 sp.s. c 29 s 532 are each amended to read as follows:

(1) A health or social welfare organization may deduct from the measure of tax amounts received as compensation for providing mental health services or chemical dependency services under a government-funded program.

(2) A behavioral health organization may deduct from the measure of tax amounts received from the state of Washington for distribution to a health or social welfare organization that is eligible to deduct the distribution under subsection (1) of this section.

(3) A person claiming a deduction under this section must file a complete annual report with the department under RCW 82.32.534.

(4) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Chemical dependency" has the same meaning as provided in RCW 70.96A.020 through March 31, 2018, and the same meaning as provided in RCW 71.05.020 beginning April 1, 2018.

(b) "Health or social welfare organization" has the meaning provided in RCW 82.04.431.

(c) "Mental health services" and "behavioral health organization" have the meanings provided in RCW 71.24.025.

(5) This section expires January 1, 2020.

Sec. 529. RCW 84.12.270 and 2001 c 187 s 3 are each amended to read as follows:

The department of revenue (~~shall~~) must annually make an assessment of the operating property of all companies(~~and~~). Between the fifteenth day of March and the first day of July of each year (~~shall~~) the department must prepare an initial assessment roll upon which (~~it shall~~) the department must enter and assess the true and fair value of all the operating property of each of such companies as of the first day of January of the year in which the assessment is made. The department must finalize the assessment roll by the twentieth day of August of each year. For the purpose of determining the true and fair value of such property the department of revenue may inspect the property belonging to (~~said~~) the companies and may take into consideration any information or knowledge obtained by (~~it~~) the department from (~~such~~) an examination and inspection of such property, or of the books, records, and accounts of such companies, the statements filed as required by this chapter, the reports, statements, or returns of such companies filed in the office of any board, office, or commission of this state or any county thereof, the earnings and earning power of such companies, the franchises owned or used by such companies, the true and fair valuation of any and all property of such companies, whether operating or nonoperating property, and whether situated within or outside the state, and any other facts, evidence, or information that may be obtainable bearing upon the value of the operating property(~~PROVIDED, That~~). However, in no event (~~shall~~) may any statement or report required from any company by this chapter be conclusive upon the department of revenue in determining the amount, character, and true and fair value of the operating property of such company.

Sec. 530. RCW 84.12.330 and 2001 c 187 s 6 are each amended to read as follows:

Upon the assessment roll (~~shall~~) must be placed after the name of each company a general description of the operating property of the company, which (~~shall be~~) is considered sufficient if described in the language of RCW 84.12.200(~~(12)~~) (8), as applied to the company, following which (~~shall~~) must be entered the true and fair value of the operating property as determined by the department of revenue. No assessment (~~shall~~) may be invalidated by reason of a mistake in the name of the company assessed, or the omission of the name of the owner or by the entry as owner of a name other than that of the true owner. When the department of revenue (~~shall have~~) has prepared the assessment roll and entered thereon the true and fair value of the operating property of the company, as herein required, (~~it shall~~) the department must notify the company by mail of the valuation determined by it and entered upon the roll.

Sec. 531. RCW 84.16.040 and 2001 c 187 s 9 are each amended to read as follows:

The department of revenue (~~(shall)~~) must annually make an assessment of the operating property of each private car company(~~(; and)~~). Between the first day of May and the first day of July of each year ((shall)) the department must prepare an initial assessment roll upon which ((it shall)) the department must enter and assess the true and fair value of all the operating property of each of such companies as of the first day of January of the year in which the assessment is made. The department must finalize the assessment roll by the twentieth day of August of each year. For the purpose of determining the true and fair value of such property the department of revenue may take into consideration any information or knowledge obtained by (~~(#)~~) the department from an examination and inspection of such property, or of the books, records, and accounts of such companies, the statements filed as required by this chapter, the reports, statements, or returns of such companies filed in the office of any board, office, or commission of this state or any county thereof, the earnings and earning power of such companies, the franchises owned or used by such companies, the true and fair valuation of any and all property of such companies, whether operating property or nonoperating property, and whether situated within or without the state, and any other facts, evidences, or information that may be obtainable bearing upon the value of the operating property(~~(- PROVIDED, That)~~). However, in no event (~~(shall)~~) may any statement or report required from any company by this chapter be conclusive upon the department of revenue in determining the amount, character, and true and fair value of the operating property of such company.

Sec. 532. RCW 84.16.090 and 2001 c 187 s 11 are each amended to read as follows:

Upon the assessment roll (~~(shall)~~) must be placed after the name of each company a general description of the operating property of the company, which (~~(shall be)~~) is considered sufficient if described in the language of RCW 84.16.010(3) or otherwise, following which (~~(shall)~~) must be entered the true and fair value of the operating property as determined by the department of revenue. No assessment (~~(shall be)~~) is invalid by a mistake in the name of the company assessed, by omission of the name of the owner or by the entry of a name other than that of the true owner. When the department of revenue (~~(shall have)~~) has prepared the initial assessment roll and entered thereon the true and fair value of the operating property of the company, as required, (~~(it shall)~~) the department must notify the company by mail of the valuation determined by it and entered upon the roll; and thereupon such valuation (~~(shall)~~) must become the true and fair value of the operating property of the company, subject to revision or correction by the department of revenue as hereinafter provided; and (~~(shall)~~) must be the valuation upon which, after equalization by the department of revenue as hereinafter provided, the taxes of such company (~~(shall be)~~) are based and computed.

Part VI

Estate tax return filing relief

Sec. 601. RCW 83.100.050 and 2008 c 181 s 504 are each amended to read as follows:

(1) A Washington return must be filed if(~~(- (a) A federal return is required to be filed; or (b) for decedents dying prior to January 1, 2006, the gross estate~~

exceeds one million five hundred thousand dollars; or (c) for decedents dying on or after January 1, 2006, the gross estate exceeds two million dollars)) the gross estate equals or exceeds the applicable exclusion amount.

(2) If a Washington return is required as provided in subsection (1) of this section:

(a) A person required to file a federal return (~~((shall))~~) must file with the department on or before the date the federal return is required to be filed, including any extension of time for filing under subsection (4) or (6) of this section, a Washington return for the tax due under this chapter.

(b) If no federal return is required to be filed, a taxpayer shall file with the department on or before the date a federal return would have been required to be filed, including any extension of time for filing under subsection (5) or (6) of this section, a Washington return for the tax due under this chapter.

(3) A Washington return delivered to the department by United States mail (~~((shall be))~~) is considered to have been received by the department on the date of the United States postmark stamped on the cover in which the return is mailed, if the postmark date is within the time allowed for filing the Washington return, including extensions.

(4) In addition to the Washington return required to be filed in subsection (2) of this section, a person (~~(, if required to file a federal return, shall)~~) must file with the department on or before the date the federal return is ~~((required to be filed a copy of the federal return along with all supporting documentation))~~ or would have been required to be filed all supporting documentation for completed Washington return schedules, and, if a federal return has been filed, a copy of the federal return. If the person required to file the federal return has obtained an extension of time for filing the federal return, the person (~~((shall))~~) must file the Washington return within the same time period and in the same manner as provided for the federal return. A copy of the federal extension (~~((shall))~~) must be filed with the department on or before the date the Washington return is due, not including any extension of time for filing, or within thirty days of issuance, whichever is later.

(5) A person may obtain an extension of time for filing the Washington return as provided by rule of the department, if the person is required to file a Washington return under subsection (2) of this section, but is not required to file a federal return.

(6) During a state of emergency declared under RCW 43.06.010(12), the department, on its own motion or at the request of any taxpayer affected by the emergency, may extend the time for filing a Washington return under this section as the department deems proper.

Part VII

Clarifying that licensing information may not be disclosed for commercial purposes

Sec. 701. RCW 19.02.115 and 2013 c 144 s 26 are each amended to read as follows:

(1) ~~((For purposes of this section:))~~ The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Disclose" means to make known to any person in any manner licensing information(~~(;)~~).

(b) "Licensing information" means any information created or obtained by the department in the administration of this chapter and chapters 19.80 and 59.30 RCW, which information relates to any person who: (i) Has applied for or has been issued a license or trade name; or (ii) has been issued an assessment or delinquency fee. Licensing information includes initial and renewal business license applications, and business licenses(~~(s)~~).

(c) "Person" has the same meaning as in RCW 82.04.030 and also includes the state and the state's departments and institutions(~~(s and)~~).

(d) "State agency" means every Washington state office, department, division, bureau, board, commission, or other state agency.

(2) Licensing information is confidential and privileged, and except as authorized by this section, neither the department nor any other person may disclose any licensing information. Nothing in this chapter requires any person possessing licensing information made confidential and privileged by this section to delete information from such information so as to permit its disclosure.

(3) This section does not prohibit the department of revenue, or any other person receiving licensing information from the department under this subsection, from:

(a) Disclosing licensing information in a civil or criminal judicial proceeding or an administrative proceeding:

(i) In which the person about whom such licensing information is sought and the department, another state agency, or a local government are adverse parties in the proceeding; or

(ii) Involving a dispute arising out of the department's administration of chapter 19.80 or 59.30 RCW, or this chapter if the licensing information relates to a party in the proceeding;

(b) Disclosing, subject to such requirements and conditions as the director prescribes by rules adopted pursuant to chapter 34.05 RCW, such licensing information regarding a license applicant or license holder to such license applicant or license holder or to such person or persons as that license applicant or license holder may designate in a request for, or consent to, such disclosure, or to any other person, at the license applicant's or license holder's request, to the extent necessary to comply with a request for information or assistance made by the license applicant or license holder to such other person. However, licensing information not received from the license applicant or holder must not be so disclosed if the director determines that such disclosure would compromise any investigation or litigation by any federal, state, or local government agency in connection with the civil or criminal liability of the license applicant, license holder, or another person, or that such disclosure would identify a confidential informant, or that such disclosure is contrary to any agreement entered into by the department that provides for the reciprocal exchange of information with other government agencies, which agreement requires confidentiality with respect to such information unless such information is required to be disclosed to the license applicant or license holder by the order of any court;

(c) Publishing statistics so classified as to prevent the identification of particular licensing information;

(d) Disclosing licensing information for official purposes only, to the governor or attorney general, or to any state agency, or to any committee or

subcommittee of the legislature dealing with matters of taxation, revenue, trade, commerce, the control of industry or the professions, or licensing;

(e) Permitting the department's records to be audited and examined by the proper state officer, his or her agents and employees;

(f) Disclosing any licensing information to a peace officer as defined in RCW 9A.04.110 or county prosecuting attorney, for official purposes. The disclosure may be made only in response to a search warrant, subpoena, or other court order, unless the disclosure is for the purpose of criminal tax or license enforcement. A peace officer or county prosecuting attorney who receives the licensing information may disclose that licensing information only for use in the investigation and a related court proceeding, or in the court proceeding for which the licensing information originally was sought;

(g) Disclosing, in a manner that is not associated with other licensing information, the name of a license applicant or license holder, entity type, registered trade name, business address, mailing address, unified business identifier number, list of licenses issued to a person through the business licensing system established in this chapter and their issuance and expiration dates, and the dates of opening of a business. This subsection may not be construed as giving authority to the department to give, sell, or provide access to any list of persons for any commercial purpose;

(h) Disclosing licensing information that is also maintained by another Washington state or local governmental agency as a public record available for inspection and copying under the provisions of chapter 42.56 RCW or is a document maintained by a court of record and is not otherwise prohibited from disclosure;

(i) Disclosing any licensing information when the disclosure is specifically authorized under any other section of the Revised Code of Washington;

(j) Disclosing licensing information to the proper officer of the licensing or tax department of any city, town, or county of this state, for official purposes. If the licensing information does not relate to a license issued by the city, town, or county requesting the licensing information, disclosure may be made only if the laws of the requesting city, town, or county grants substantially similar privileges to the proper officers of this state; or

(k) Disclosing licensing information to the federal government for official purposes.

(4) Notwithstanding anything to the contrary in this section, a state agency or local government agency may disclose licensing information relating to a license issued on its behalf by the department pursuant to this chapter if the disclosure is authorized by another statute, local law, or administrative rule.

(5) The department, any other state agency, or local government may refuse to disclose licensing information that is otherwise disclosable under subsection (3) of this section if such disclosure would violate federal law or any information sharing agreement between the state or local government and federal government.

(6) Any person acquiring knowledge of any licensing information in the course of his or her employment with the department and any person acquiring knowledge of any licensing information as provided under subsection (3)(d), (e), (f), (j), or (k) of this section, who discloses any such licensing information to another person not entitled to knowledge of such licensing information under the

provisions of this section, is guilty of a misdemeanor. If the person guilty of such violation is an officer or employee of the state, such person must forfeit such office or employment and is incapable of holding any public office or employment in this state for a period of two years thereafter.

Part VIII

Background investigations

Sec. 801. RCW 82.01.060 and 2011 c 298 s 36 are each amended to read as follows:

The director of revenue, hereinafter in chapter 26, Laws of 1967 ex. sess. referred to as the director, through the department of revenue, hereinafter in chapter 26, Laws of 1967 ex. sess. referred to as the department, must:

(1) Assess and collect all taxes and administer all programs relating to taxes which are the responsibility of the tax commission at the time chapter 26, Laws of 1967 ex. sess. takes effect or which the legislature may hereafter make the responsibility of the director or of the department;

(2) Make, adopt and publish such rules as he or she may deem necessary or desirable to carry out the powers and duties imposed upon him or her or the department by the legislature. However, the director may not adopt rules after July 23, 1995, that are based solely on a section of law stating a statute's intent or purpose, on the enabling provisions of the statute establishing the agency, or on any combination of such provisions, for statutory authority to adopt any rule;

(3) Rules adopted by the tax commission before July 23, 1995, remain in force until such time as they may be revised or rescinded by the director;

(4) Provide by general regulations for an adequate system of departmental review of the actions of the department or of its officers and employees in the assessment or collection of taxes;

(5) Maintain a tax research section with sufficient technical, clerical and other employees to conduct constant observation and investigation of the effectiveness and adequacy of the revenue laws of this state and of the sister states in order to assist the governor, the legislature and the director in estimation of revenue, analysis of tax measures, and determination of the administrative feasibility of proposed tax legislation and allied problems;

(6) Recommend to the governor such amendments, changes in, and modifications of the revenue laws as seem proper and requisite to remedy injustice and irregularities in taxation, and to facilitate the assessment and collection of taxes in the most economical manner;

(7) Provide the opportunity for any person feeling aggrieved by any action taken against the person by the department in the administration of chapters 19.02, 19.80, and 59.30 RCW to request a review of the department's action. Such review may be conducted as a brief adjudicative proceeding under RCW 34.05.485 through 34.05.494; and

(8)(a) Establish background investigation policies applicable to those current and prospective department employees and contractors that are or may be authorized by the department to access federal tax information. Such policies must require a criminal history record check through the Washington state patrol criminal identification system and through the federal bureau of investigation, at the expense of the department. The record check must include a fingerprint check using a complete Washington state criminal identification fingerprint card, which must be forwarded by the Washington state patrol to the federal

bureau of investigation. The department's background investigation policies must also satisfy any specific background investigation standards established by the internal revenue service.

(b) Information received by the department pursuant to this subsection may be used only for the purposes of making, supporting, or defending decisions regarding the appointment, hiring, or retention of persons, or for complying with any requirements from the internal revenue service. Further dissemination or use of the information is prohibited, notwithstanding any other provision of law.

Part IX

Revising the date by which the department of revenue is required to provide estimates of the amount of public forestland that is available for timber harvesting

Sec. 901. RCW 84.33.089 and 2004 c 177 s 6 are each amended to read as follows:

(1) The department (~~(shall)~~) must estimate the number of acres of public forestland that are available for timber harvesting. The department (~~(shall)~~) must provide the estimates for each county and for each taxing district within each county by (~~(August 30th)~~) October 1st of each year except that the department may authorize a county, at the county's option, to make its own estimates for public forestland in that county. In estimating the number of acres, the department (~~(shall)~~) must use the best available information to include public land comparable to private land that qualifies as forestland for assessment purposes and exclude other public lands. The department is not required to update the estimates unless improved information becomes available. The department of natural resources (~~(shall)~~) must assist the department with these determinations by providing any data and information in the possession of the department of natural resources on public forestlands, broken out by county and legal description, including a detailed map of each county showing the location of the described lands. The data and information (~~(shall)~~) must be provided to the department by July 15th of each year. In addition, the department may contract with other parties to provide data or assistance necessary to implement this section.

(2) To accommodate the phase-in of the county forest excise tax on the harvest of timber from public lands as provided in RCW 84.33.051, the department (~~(shall)~~) must adjust its actual estimates of the number of acres of public forestland that are available for timber harvesting. The department (~~(shall)~~) must reduce its estimates for the following years by the following amounts:

- (a) For calendar year 2005, 70 percent;
- (b) For calendar year 2006, 62.5 percent;
- (c) For calendar year 2007, 55 percent;
- (d) For calendar year 2008, 47.5 percent;
- (e) For calendar year 2009, 40 percent;
- (f) For calendar year 2010, 32.5 percent;
- (g) For calendar year 2011, 22.5 percent;
- (h) For calendar year 2012, 15 percent;
- (i) For calendar year 2013, 7.5 percent; and

(j) For calendar year 2014 and thereafter, the department (~~shall~~) may not reduce its estimates of the number of acres of public forestland that are available for timber harvesting.

Part X

Electronic communication of confidential property tax information

NEW SECTION. Sec. 1001. A new section is added to chapter 84.08 RCW to read as follows:

(1) The department may provide electronically any assessment, notice, or other information that is subject to the confidentiality provisions of RCW 84.08.210 or 84.40.340, to any person authorized to receive the information.

(2) The department must use methods reasonably designed to protect information provided electronically as authorized in subsection (1) of this section from unauthorized disclosure. However, the provisions of this subsection (2) may be waived by a taxpayer. The waiver must be in writing and may be provided to the department electronically. A waiver continues until revoked in writing by the taxpayer. Such revocation may be provided to the department electronically in a manner provided or approved by the department.

Part XI

Miscellaneous

NEW SECTION. Sec. 1101. RCW 82.32.805 and 82.32.808 do not apply to any provisions of this act.

NEW SECTION. Sec. 1102. (1) Except as otherwise provided in this section, part I of this act takes effect January 1, 2018.

(2) Section 102 of this act takes effect April 1, 2018.

Passed by the Senate April 13, 2017.

Passed by the House April 11, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 324

[Substitute Senate Bill 5402]

BICYCLIST SAFETY ADVISORY COUNCIL

AN ACT Relating to the Cooper Jones bicyclist safety advisory council; adding a new section to chapter 43.59 RCW; creating a new section; and providing an expiration date.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that Washington state is the nation's number one "Bike Friendly State." However, people who bike encounter road safety dangers that result in severe injury and death. Bicycle ridership has significantly increased over the last ten years, and the number of injuries and fatalities are also on the rise, despite the five percent annual reduction goal. The Cooper Jones act of 1998 laid the groundwork to begin a focus on bicycle safety and education. It is the intent of the legislature that the Cooper Jones bicycle safety advisory council continue that work with a focus on a review of best practices for the reduction and eventual elimination of bicycle-related injuries and fatalities in contribution to Washington state's adoption of Target Zero.

NEW SECTION. **Sec. 2.** A new section is added to chapter 43.59 RCW to read as follows:

(1) Within amounts appropriated to the traffic safety commission, the commission must convene the Cooper Jones bicyclist safety advisory council comprised of stakeholders who have a unique interest or expertise in bicyclist and road safety.

(2) The purpose of the council is to review and analyze data related to bicyclist fatalities and serious injuries to identify points at which the transportation system can be improved and to identify patterns in bicyclist fatalities and serious injuries.

(3)(a) The council may include, but is not limited to:

(i) A representative from the commission;

(ii) An emergency medical technician from the county in which the most bicyclist deaths have occurred;

(iii) A representative from the Washington association of sheriffs and police chiefs;

(iv) Multiple members of law enforcement who have investigated bicyclist fatalities;

(v) A traffic engineer;

(vi) A representative from the department of transportation;

(vii) A representative of cities, and up to two stakeholders, chosen by the council, who represent municipalities in which at least one bicyclist fatality has occurred in the previous three years;

(viii) A representative from a bicyclist advocacy group;

(ix) A transportation planner with a focus on multimodal planning;

(x) A public health official, researcher, or epidemiologist; and

(xi) A member of an academic transportation research organization, such as the transportation research board.

(b) The commission may invite other representatives of stakeholder groups to participate in the council as deemed appropriate by the commission. Additionally, the commission may invite a victim or family member of a victim to participate in the council.

(4) The council must meet at least quarterly. By December 31st of each year, the council must issue an annual report detailing any findings and recommendations to the governor and the transportation committees of the legislature. The commission must provide the annual report electronically to all municipal governments and state agencies that participated in the council during that calendar year. Additionally, the council must report any budgetary or fiscal recommendations to the office of financial management and the legislature by August 1, 2018.

(5) As part of the review of bicyclist fatalities and serious injuries that occur in Washington, the council may review any available information, including accident information maintained in existing databases; statutes, rules, policies, or ordinances governing bicyclists and traffic related to the incidents; and any other relevant information. The council may make recommendations regarding changes in statutes, ordinances, rules, and policies that could improve bicyclist safety. Additionally, the council may make recommendations on how to improve traffic fatality and serious injury data quality.

(6)(a) Documents prepared by or for the council are inadmissible and may not be used in a civil or administrative proceeding, except that any document that exists before its use or consideration in a review by the council, or that is created independently of such review, does not become inadmissible merely because it is reviewed or used by the council. For confidential information, such as personally identifiable information and medical records, which are obtained by the council, neither the commission nor the council may publicly disclose such confidential information. No person who was in attendance at a meeting of the council or who participated in the creation, retention, collection, or maintenance of information or documents specifically for the commission or the council shall be permitted to testify in any civil action as to the content of such proceedings or of the documents and information prepared specifically as part of the activities of the council. However, recommendations from the council and the commission generally may be disclosed without personal identifiers.

(b) The council may review, only to the extent otherwise permitted by law or court rule when determined to be relevant and necessary: Any law enforcement incident documentation, such as incident reports, dispatch records, and victim, witness, and suspect statements; any supplemental reports, probable cause statements, and 911 call taker's reports; and any other information determined to be relevant to the review. The commission and the council must maintain the confidentiality of such information to the extent required by any applicable law.

(7) If acting in good faith, without malice, and within the parameters of and protocols established under this chapter, representatives of the commission and the council are immune from civil liability for an activity related to reviews of particular fatalities and serious injuries.

(8) This section must not be construed to provide a private civil cause of action.

(9)(a) The council may receive gifts, grants, or endowments from public or private sources that are made from time to time, in trust or otherwise, for the use and benefit of the purposes of the council and spend the gifts, grants, or endowments from the public or private sources according to their terms, unless the receipt of the gifts, grants, or endowments violates RCW 42.17A.560.

(b) Subject to the appropriation of funds for this specific purpose, the council may provide grants targeted at improving bicyclist safety in accordance with recommendations made by the council.

(10) By December 1, 2018, the council must report to the transportation committees of the legislature on the strategies that have been deployed to improve bicyclist safety by the council and make a recommendation as to whether the council should be continued and if there are any improvements the legislature can make to improve the council.

(11) For purposes of this section:

(a) "Bicyclist fatality" means any death of a bicyclist resulting from a collision with a vehicle, whether on a roadway, at an intersection, along an adjacent sidewalk, or on a path that is contiguous with a roadway.

(b) "Council" means the Cooper Jones bicyclist safety advisory council.

(c) "Serious injury" means any injury other than a fatal injury that prevents the injured person from walking, driving, or normally continuing the activities the person was capable of performing before the injury occurred.

(12) This section expires June 30, 2019.

Passed by the Senate April 17, 2017.

Passed by the House April 6, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 325

[Substitute Senate Bill 5435]

MENTAL HEALTH INFORMATION DISCLOSURE--CARE COORDINATION

AN ACT Relating to specifying to whom information and records related to mental health services may be disclosed for the purposes of care coordination and treatment; amending RCW 70.02.230; reenacting and amending RCW 70.02.230; providing an effective date; and providing an expiration date.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 70.02.230 and 2014 c 225 s 71 and 2014 c 220 s 9 are each reenacted and amended to read as follows:

(1) Except as provided in this section, RCW 70.02.050, 71.05.445, (~~70.06A.150;~~) 74.09.295, 70.02.210, 70.02.240, 70.02.250, and 70.02.260, or pursuant to a valid authorization under RCW 70.02.030, the fact of admission to a provider for mental health services and all information and records compiled, obtained, or maintained in the course of providing mental health services to either voluntary or involuntary recipients of services at public or private agencies must be confidential.

(2) Information and records related to mental health services, other than those obtained through treatment under chapter 71.34 RCW, may be disclosed only:

(a) In communications between qualified professional persons to meet the requirements of chapter 71.05 RCW, in the provision of services or appropriate referrals, or in the course of guardianship proceedings if provided to a professional person:

(i) Employed by the facility;

(ii) Who has medical responsibility for the patient's care;

(iii) Who is a designated mental health professional;

(iv) Who is providing services under chapter 71.24 RCW;

(v) Who is employed by a state or local correctional facility where the person is confined or supervised; or

(vi) Who is providing evaluation, treatment, or follow-up services under chapter 10.77 RCW;

(b) When the communications regard the special needs of a patient and the necessary circumstances giving rise to such needs and the disclosure is made by a facility providing services to the operator of a facility in which the patient resides or will reside;

(c)(i) When the person receiving services, or his or her guardian, designates persons to whom information or records may be released, or if the person is a minor, when his or her parents make such a designation;

(ii) A public or private agency shall release to a person's next of kin, attorney, personal representative, guardian, or conservator, if any:

(A) The information that the person is presently a patient in the facility or that the person is seriously physically ill;

(B) A statement evaluating the mental and physical condition of the patient, and a statement of the probable duration of the patient's confinement, if such information is requested by the next of kin, attorney, personal representative, guardian, or conservator; and

(iii) Other information requested by the next of kin or attorney as may be necessary to decide whether or not proceedings should be instituted to appoint a guardian or conservator;

(d)(i) To the courts as necessary to the administration of chapter 71.05 RCW or to a court ordering an evaluation or treatment under chapter 10.77 RCW solely for the purpose of preventing the entry of any evaluation or treatment order that is inconsistent with any order entered under chapter 71.05 RCW.

(ii) To a court or its designee in which a motion under chapter 10.77 RCW has been made for involuntary medication of a defendant for the purpose of competency restoration.

(iii) Disclosure under this subsection is mandatory for the purpose of the federal health insurance portability and accountability act;

(e)(i) When a mental health professional is requested by a representative of a law enforcement or corrections agency, including a police officer, sheriff, community corrections officer, a municipal attorney, or prosecuting attorney to undertake an investigation or provide treatment under RCW 71.05.150, 10.31.110, or 71.05.153, the mental health professional shall, if requested to do so, advise the representative in writing of the results of the investigation including a statement of reasons for the decision to detain or release the person investigated. The written report must be submitted within seventy-two hours of the completion of the investigation or the request from the law enforcement or corrections representative, whichever occurs later.

(ii) Disclosure under this subsection is mandatory for the purposes of the federal health insurance portability and accountability act;

(f) To the attorney of the detained person;

(g) To the prosecuting attorney as necessary to carry out the responsibilities of the office under RCW 71.05.330(2), 71.05.340(1)(b), and 71.05.335. The prosecutor must be provided access to records regarding the committed person's treatment and prognosis, medication, behavior problems, and other records relevant to the issue of whether treatment less restrictive than inpatient treatment is in the best interest of the committed person or others. Information must be disclosed only after giving notice to the committed person and the person's counsel;

(h)(i) To appropriate law enforcement agencies and to a person, when the identity of the person is known to the public or private agency, whose health and safety has been threatened, or who is known to have been repeatedly harassed, by the patient. The person may designate a representative to receive the disclosure. The disclosure must be made by the professional person in charge of the public or private agency or his or her designee and must include the dates of commitment, admission, discharge, or release, authorized or unauthorized absence from the agency's facility, and only any other information that is pertinent to the threat or harassment. The agency or its employees are not civilly

liable for the decision to disclose or not, so long as the decision was reached in good faith and without gross negligence.

(ii) Disclosure under this subsection is mandatory for the purposes of the federal health insurance portability and accountability act;

(i)(i) To appropriate corrections and law enforcement agencies all necessary and relevant information in the event of a crisis or emergent situation that poses a significant and imminent risk to the public. The mental health service agency or its employees are not civilly liable for the decision to disclose or not so long as the decision was reached in good faith and without gross negligence.

(ii) Disclosure under this subsection is mandatory for the purposes of the health insurance portability and accountability act;

(j) To the persons designated in RCW 71.05.425 for the purposes described in those sections;

(k) Upon the death of a person. The person's next of kin, personal representative, guardian, or conservator, if any, must be notified. Next of kin who are of legal age and competent must be notified under this section in the following order: Spouse, parents, children, brothers and sisters, and other relatives according to the degree of relation. Access to all records and information compiled, obtained, or maintained in the course of providing services to a deceased patient are governed by RCW 70.02.140;

(l) To mark headstones or otherwise memorialize patients interred at state hospital cemeteries. The department of social and health services shall make available the name, date of birth, and date of death of patients buried in state hospital cemeteries fifty years after the death of a patient;

(m) To law enforcement officers and to prosecuting attorneys as are necessary to enforce RCW 9.41.040(2)(a)((~~ii~~)) (iii). The extent of information that may be released is limited as follows:

(i) Only the fact, place, and date of involuntary commitment, an official copy of any order or orders of commitment, and an official copy of any written or oral notice of ineligibility to possess a firearm that was provided to the person pursuant to RCW 9.41.047(1), must be disclosed upon request;

(ii) The law enforcement and prosecuting attorneys may only release the information obtained to the person's attorney as required by court rule and to a jury or judge, if a jury is waived, that presides over any trial at which the person is charged with violating RCW 9.41.040(2)(a)((~~ii~~)) (iii);

(iii) Disclosure under this subsection is mandatory for the purposes of the federal health insurance portability and accountability act;

(n) When a patient would otherwise be subject to the provisions of this section and disclosure is necessary for the protection of the patient or others due to his or her unauthorized disappearance from the facility, and his or her whereabouts is unknown, notice of the disappearance, along with relevant information, may be made to relatives, the department of corrections when the person is under the supervision of the department, and governmental law enforcement agencies designated by the physician or psychiatric advanced registered nurse practitioner in charge of the patient or the professional person in charge of the facility, or his or her professional designee;

(o) Pursuant to lawful order of a court;

(p) To qualified staff members of the department, to the director of behavioral health organizations, to resource management services responsible

for serving a patient, or to service providers designated by resource management services as necessary to determine the progress and adequacy of treatment and to determine whether the person should be transferred to a less restrictive or more appropriate treatment modality or facility;

(q) Within the mental health service agency where the patient is receiving treatment, confidential information may be disclosed to persons employed, serving in bona fide training programs, or participating in supervised volunteer programs, at the facility when it is necessary to perform their duties;

(r) Within the department as necessary to coordinate treatment for mental illness, developmental disabilities, alcoholism, or drug abuse of persons who are under the supervision of the department;

(s) To a licensed physician or psychiatric advanced registered nurse practitioner who has determined that the life or health of the person is in danger and that treatment without the information and records related to mental health services could be injurious to the patient's health. Disclosure must be limited to the portions of the records necessary to meet the medical emergency;

(t)(i) Consistent with the requirements of the federal health ~~((information))~~ insurance portability and accountability act, to:

~~(A) A ((licensed mental health professional or a health care professional licensed under chapter 18.71, 18.71A, 18.57, 18.57A, 18.79, or 18.36A RCW))~~ health care provider who is providing care to a ~~((person))~~ patient, or to whom a ~~((person))~~ patient has been referred for evaluation or treatment~~((;))~~; or

(B) Any other person who is working in a care coordinator role for a health care facility or health care provider or is under an agreement pursuant to the federal health insurance portability and accountability act with a health care facility or a health care provider and requires the information and records to assure coordinated care and treatment of that ((person)) patient.

(ii) A person authorized to use or disclose information and records related to mental health services under this subsection (2)(t) must take appropriate steps to protect the information and records relating to mental health services.

(iii) Psychotherapy notes may not be released without authorization of the ((person)) patient who is the subject of the request for release of information;

(u) To administrative and office support staff designated to obtain medical records for those licensed professionals listed in (t) of this subsection;

(v) To a facility that is to receive a person who is involuntarily committed under chapter 71.05 RCW, or upon transfer of the person from one evaluation and treatment facility to another. The release of records under this subsection is limited to the information and records related to mental health services required by law, a record or summary of all somatic treatments, and a discharge summary. The discharge summary may include a statement of the patient's problem, the treatment goals, the type of treatment which has been provided, and recommendation for future treatment, but may not include the patient's complete treatment record;

(w) To the person's counsel or guardian ad litem, without modification, at any time in order to prepare for involuntary commitment or recommitment proceedings, reexaminations, appeals, or other actions relating to detention, admission, commitment, or patient's rights under chapter 71.05 RCW;

(x) To staff members of the protection and advocacy agency or to staff members of a private, nonprofit corporation for the purpose of protecting and

advocating the rights of persons with mental disorders or developmental disabilities. Resource management services may limit the release of information to the name, birthdate, and county of residence of the patient, information regarding whether the patient was voluntarily admitted, or involuntarily committed, the date and place of admission, placement, or commitment, the name and address of a guardian of the patient, and the date and place of the guardian's appointment. Any staff member who wishes to obtain additional information must notify the patient's resource management services in writing of the request and of the resource management services' right to object. The staff member shall send the notice by mail to the guardian's address. If the guardian does not object in writing within fifteen days after the notice is mailed, the staff member may obtain the additional information. If the guardian objects in writing within fifteen days after the notice is mailed, the staff member may not obtain the additional information;

(y) To all current treating providers of the patient with prescriptive authority who have written a prescription for the patient within the last twelve months. For purposes of coordinating health care, the department may release without written authorization of the patient, information acquired for billing and collection purposes as described in RCW 70.02.050(1)(d). The department shall notify the patient that billing and collection information has been released to named providers, and provide the substance of the information released and the dates of such release. The department may not release counseling, inpatient psychiatric hospitalization, or drug and alcohol treatment information without a signed written release from the client;

(z)(i) To the secretary of social and health services for either program evaluation or research, or both so long as the secretary adopts rules for the conduct of the evaluation or research, or both. Such rules must include, but need not be limited to, the requirement that all evaluators and researchers sign an oath of confidentiality substantially as follows:

"As a condition of conducting evaluation or research concerning persons who have received services from (fill in the facility, agency, or person) I,, agree not to divulge, publish, or otherwise make known to unauthorized persons or the public any information obtained in the course of such evaluation or research regarding persons who have received services such that the person who received such services is identifiable.

I recognize that unauthorized release of confidential information may subject me to civil liability under the provisions of state law.

/s/"

(ii) Nothing in this chapter may be construed to prohibit the compilation and publication of statistical data for use by government or researchers under standards, including standards to assure maintenance of confidentiality, set forth by the secretary.

(3) Whenever federal law or federal regulations restrict the release of information contained in the information and records related to mental health services of any patient who receives treatment for chemical dependency, the department may restrict the release of the information as necessary to comply with federal law and regulations.

(4) Civil liability and immunity for the release of information about a particular person who is committed to the department of social and health services under RCW 71.05.280(3) and 71.05.320(~~((3))~~) ~~(4)~~(c) after dismissal of a sex offense as defined in RCW 9.94A.030, is governed by RCW 4.24.550.

(5) The fact of admission to a provider of mental health services, as well as all records, files, evidence, findings, or orders made, prepared, collected, or maintained pursuant to chapter 71.05 RCW are not admissible as evidence in any legal proceeding outside that chapter without the written authorization of the person who was the subject of the proceeding except as provided in RCW 70.02.260, in a subsequent criminal prosecution of a person committed pursuant to RCW 71.05.280(3) or 71.05.320(~~((3))~~) ~~(4)~~(c) on charges that were dismissed pursuant to chapter 10.77 RCW due to incompetency to stand trial, in a civil commitment proceeding pursuant to chapter 71.09 RCW, or, in the case of a minor, a guardianship or dependency proceeding. The records and files maintained in any court proceeding pursuant to chapter 71.05 RCW must be confidential and available subsequent to such proceedings only to the person who was the subject of the proceeding or his or her attorney. In addition, the court may order the subsequent release or use of such records or files only upon good cause shown if the court finds that appropriate safeguards for strict confidentiality are and will be maintained.

(6)(a) Except as provided in RCW 4.24.550, any person may bring an action against an individual who has willfully released confidential information or records concerning him or her in violation of the provisions of this section, for the greater of the following amounts:

(i) One thousand dollars; or

(ii) Three times the amount of actual damages sustained, if any.

(b) It is not a prerequisite to recovery under this subsection that the plaintiff suffered or was threatened with special, as contrasted with general, damages.

(c) Any person may bring an action to enjoin the release of confidential information or records concerning him or her or his or her ward, in violation of the provisions of this section, and may in the same action seek damages as provided in this subsection.

(d) The court may award to the plaintiff, should he or she prevail in any action authorized by this subsection, reasonable attorney fees in addition to those otherwise provided by law.

(e) If an action is brought under this subsection, no action may be brought under RCW 70.02.170.

Sec. 2. RCW 70.02.230 and 2016 sp.s. c 29 s 417 are each amended to read as follows:

(1) Except as provided in this section, RCW 70.02.050, 71.05.445, 74.09.295, 70.02.210, 70.02.240, 70.02.250, and 70.02.260, or pursuant to a valid authorization under RCW 70.02.030, the fact of admission to a provider for mental health services and all information and records compiled, obtained, or maintained in the course of providing mental health services to either voluntary or involuntary recipients of services at public or private agencies must be confidential.

(2) Information and records related to mental health services, other than those obtained through treatment under chapter 71.34 RCW, may be disclosed only:

(a) In communications between qualified professional persons to meet the requirements of chapter 71.05 RCW, in the provision of services or appropriate referrals, or in the course of guardianship proceedings if provided to a professional person:

- (i) Employed by the facility;
- (ii) Who has medical responsibility for the patient's care;
- (iii) Who is a designated crisis responder;
- (iv) Who is providing services under chapter 71.24 RCW;
- (v) Who is employed by a state or local correctional facility where the person is confined or supervised; or
- (vi) Who is providing evaluation, treatment, or follow-up services under chapter 10.77 RCW;

(b) When the communications regard the special needs of a patient and the necessary circumstances giving rise to such needs and the disclosure is made by a facility providing services to the operator of a facility in which the patient resides or will reside;

(c)(i) When the person receiving services, or his or her guardian, designates persons to whom information or records may be released, or if the person is a minor, when his or her parents make such a designation;

(ii) A public or private agency shall release to a person's next of kin, attorney, personal representative, guardian, or conservator, if any:

(A) The information that the person is presently a patient in the facility or that the person is seriously physically ill;

(B) A statement evaluating the mental and physical condition of the patient, and a statement of the probable duration of the patient's confinement, if such information is requested by the next of kin, attorney, personal representative, guardian, or conservator; and

(iii) Other information requested by the next of kin or attorney as may be necessary to decide whether or not proceedings should be instituted to appoint a guardian or conservator;

(d)(i) To the courts as necessary to the administration of chapter 71.05 RCW or to a court ordering an evaluation or treatment under chapter 10.77 RCW solely for the purpose of preventing the entry of any evaluation or treatment order that is inconsistent with any order entered under chapter 71.05 RCW.

(ii) To a court or its designee in which a motion under chapter 10.77 RCW has been made for involuntary medication of a defendant for the purpose of competency restoration.

(iii) Disclosure under this subsection is mandatory for the purpose of the federal health insurance portability and accountability act;

(e)(i) When a mental health professional or designated crisis responder is requested by a representative of a law enforcement or corrections agency, including a police officer, sheriff, community corrections officer, a municipal attorney, or prosecuting attorney to undertake an investigation or provide treatment under RCW 71.05.150, 10.31.110, or 71.05.153, the mental health professional or designated crisis responder shall, if requested to do so, advise the representative in writing of the results of the investigation including a statement of reasons for the decision to detain or release the person investigated. The written report must be submitted within seventy-two hours of the completion of

the investigation or the request from the law enforcement or corrections representative, whichever occurs later.

(ii) Disclosure under this subsection is mandatory for the purposes of the federal health insurance portability and accountability act;

(f) To the attorney of the detained person;

(g) To the prosecuting attorney as necessary to carry out the responsibilities of the office under RCW 71.05.330(2), 71.05.340(1)(b), and 71.05.335. The prosecutor must be provided access to records regarding the committed person's treatment and prognosis, medication, behavior problems, and other records relevant to the issue of whether treatment less restrictive than inpatient treatment is in the best interest of the committed person or others. Information must be disclosed only after giving notice to the committed person and the person's counsel;

(h)(i) To appropriate law enforcement agencies and to a person, when the identity of the person is known to the public or private agency, whose health and safety has been threatened, or who is known to have been repeatedly harassed, by the patient. The person may designate a representative to receive the disclosure. The disclosure must be made by the professional person in charge of the public or private agency or his or her designee and must include the dates of commitment, admission, discharge, or release, authorized or unauthorized absence from the agency's facility, and only any other information that is pertinent to the threat or harassment. The agency or its employees are not civilly liable for the decision to disclose or not, so long as the decision was reached in good faith and without gross negligence.

(ii) Disclosure under this subsection is mandatory for the purposes of the federal health insurance portability and accountability act;

(i)(i) To appropriate corrections and law enforcement agencies all necessary and relevant information in the event of a crisis or emergent situation that poses a significant and imminent risk to the public. The mental health service agency or its employees are not civilly liable for the decision to disclose or not so long as the decision was reached in good faith and without gross negligence.

(ii) Disclosure under this subsection is mandatory for the purposes of the health insurance portability and accountability act;

(j) To the persons designated in RCW 71.05.425 for the purposes described in those sections;

(k) Upon the death of a person. The person's next of kin, personal representative, guardian, or conservator, if any, must be notified. Next of kin who are of legal age and competent must be notified under this section in the following order: Spouse, parents, children, brothers and sisters, and other relatives according to the degree of relation. Access to all records and information compiled, obtained, or maintained in the course of providing services to a deceased patient are governed by RCW 70.02.140;

(l) To mark headstones or otherwise memorialize patients interred at state hospital cemeteries. The department of social and health services shall make available the name, date of birth, and date of death of patients buried in state hospital cemeteries fifty years after the death of a patient;

(m) To law enforcement officers and to prosecuting attorneys as necessary to enforce RCW 9.41.040(2)(a)(iii). The extent of information that may be released is limited as follows:

(i) Only the fact, place, and date of involuntary commitment, an official copy of any order or orders of commitment, and an official copy of any written or oral notice of ineligibility to possess a firearm that was provided to the person pursuant to RCW 9.41.047(1), must be disclosed upon request;

(ii) The law enforcement and prosecuting attorneys may only release the information obtained to the person's attorney as required by court rule and to a jury or judge, if a jury is waived, that presides over any trial at which the person is charged with violating RCW 9.41.040(2)(a)(iii);

(iii) Disclosure under this subsection is mandatory for the purposes of the federal health insurance portability and accountability act;

(n) When a patient would otherwise be subject to the provisions of this section and disclosure is necessary for the protection of the patient or others due to his or her unauthorized disappearance from the facility, and his or her whereabouts is unknown, notice of the disappearance, along with relevant information, may be made to relatives, the department of corrections when the person is under the supervision of the department, and governmental law enforcement agencies designated by the physician or psychiatric advanced registered nurse practitioner in charge of the patient or the professional person in charge of the facility, or his or her professional designee;

(o) Pursuant to lawful order of a court;

(p) To qualified staff members of the department, to the director of behavioral health organizations, to resource management services responsible for serving a patient, or to service providers designated by resource management services as necessary to determine the progress and adequacy of treatment and to determine whether the person should be transferred to a less restrictive or more appropriate treatment modality or facility;

(q) Within the mental health service agency where the patient is receiving treatment, confidential information may be disclosed to persons employed, serving in bona fide training programs, or participating in supervised volunteer programs, at the facility when it is necessary to perform their duties;

(r) Within the department as necessary to coordinate treatment for mental illness, developmental disabilities, alcoholism, or drug abuse of persons who are under the supervision of the department;

(s) To a licensed physician or psychiatric advanced registered nurse practitioner who has determined that the life or health of the person is in danger and that treatment without the information and records related to mental health services could be injurious to the patient's health. Disclosure must be limited to the portions of the records necessary to meet the medical emergency;

(t)(i) Consistent with the requirements of the federal health ~~((information))~~ insurance portability and accountability act, to:

(A) A ~~((licensed mental health professional or a health care professional licensed under chapter 18.71, 18.71A, 18.57, 18.57A, 18.79, or 18.36A RCW))~~ health care provider who is providing care to a ~~((person))~~ patient, or to whom a ~~((person))~~ patient has been referred for evaluation or treatment~~((;))~~; or

(B) Any other person who is working in a care coordinator role for a health care facility or health care provider or is under an agreement pursuant to the federal health insurance portability and accountability act with a health care facility or a health care provider and requires the information and records to assure coordinated care and treatment of that ~~((person))~~ patient.

(ii) A person authorized to use or disclose information and records related to mental health services under this subsection (2)(t) must take appropriate steps to protect the information and records relating to mental health services.

(iii) Psychotherapy notes may not be released without authorization of the ((person)) patient who is the subject of the request for release of information;

(u) To administrative and office support staff designated to obtain medical records for those licensed professionals listed in (t) of this subsection;

(v) To a facility that is to receive a person who is involuntarily committed under chapter 71.05 RCW, or upon transfer of the person from one evaluation and treatment facility to another. The release of records under this subsection is limited to the information and records related to mental health services required by law, a record or summary of all somatic treatments, and a discharge summary. The discharge summary may include a statement of the patient's problem, the treatment goals, the type of treatment which has been provided, and recommendation for future treatment, but may not include the patient's complete treatment record;

(w) To the person's counsel or guardian ad litem, without modification, at any time in order to prepare for involuntary commitment or recommitment proceedings, reexaminations, appeals, or other actions relating to detention, admission, commitment, or patient's rights under chapter 71.05 RCW;

(x) To staff members of the protection and advocacy agency or to staff members of a private, nonprofit corporation for the purpose of protecting and advocating the rights of persons with mental disorders or developmental disabilities. Resource management services may limit the release of information to the name, birthdate, and county of residence of the patient, information regarding whether the patient was voluntarily admitted, or involuntarily committed, the date and place of admission, placement, or commitment, the name and address of a guardian of the patient, and the date and place of the guardian's appointment. Any staff member who wishes to obtain additional information must notify the patient's resource management services in writing of the request and of the resource management services' right to object. The staff member shall send the notice by mail to the guardian's address. If the guardian does not object in writing within fifteen days after the notice is mailed, the staff member may obtain the additional information. If the guardian objects in writing within fifteen days after the notice is mailed, the staff member may not obtain the additional information;

(y) To all current treating providers of the patient with prescriptive authority who have written a prescription for the patient within the last twelve months. For purposes of coordinating health care, the department may release without written authorization of the patient, information acquired for billing and collection purposes as described in RCW 70.02.050(1)(d). The department shall notify the patient that billing and collection information has been released to named providers, and provide the substance of the information released and the dates of such release. The department may not release counseling, inpatient psychiatric hospitalization, or drug and alcohol treatment information without a signed written release from the client;

(z)(i) To the secretary of social and health services for either program evaluation or research, or both so long as the secretary adopts rules for the conduct of the evaluation or research, or both. Such rules must include, but need

not be limited to, the requirement that all evaluators and researchers sign an oath of confidentiality substantially as follows:

"As a condition of conducting evaluation or research concerning persons who have received services from (fill in the facility, agency, or person) I, , agree not to divulge, publish, or otherwise make known to unauthorized persons or the public any information obtained in the course of such evaluation or research regarding persons who have received services such that the person who received such services is identifiable.

I recognize that unauthorized release of confidential information may subject me to civil liability under the provisions of state law.

/s/"

(ii) Nothing in this chapter may be construed to prohibit the compilation and publication of statistical data for use by government or researchers under standards, including standards to assure maintenance of confidentiality, set forth by the secretary.

(3) Whenever federal law or federal regulations restrict the release of information contained in the information and records related to mental health services of any patient who receives treatment for chemical dependency, the department may restrict the release of the information as necessary to comply with federal law and regulations.

(4) Civil liability and immunity for the release of information about a particular person who is committed to the department of social and health services under RCW 71.05.280(3) and 71.05.320(4)(c) after dismissal of a sex offense as defined in RCW 9.94A.030, is governed by RCW 4.24.550.

(5) The fact of admission to a provider of mental health services, as well as all records, files, evidence, findings, or orders made, prepared, collected, or maintained pursuant to chapter 71.05 RCW are not admissible as evidence in any legal proceeding outside that chapter without the written authorization of the person who was the subject of the proceeding except as provided in RCW 70.02.260, in a subsequent criminal prosecution of a person committed pursuant to RCW 71.05.280(3) or 71.05.320(4)(c) on charges that were dismissed pursuant to chapter 10.77 RCW due to incompetency to stand trial, in a civil commitment proceeding pursuant to chapter 71.09 RCW, or, in the case of a minor, a guardianship or dependency proceeding. The records and files maintained in any court proceeding pursuant to chapter 71.05 RCW must be confidential and available subsequent to such proceedings only to the person who was the subject of the proceeding or his or her attorney. In addition, the court may order the subsequent release or use of such records or files only upon good cause shown if the court finds that appropriate safeguards for strict confidentiality are and will be maintained.

(6)(a) Except as provided in RCW 4.24.550, any person may bring an action against an individual who has willfully released confidential information or records concerning him or her in violation of the provisions of this section, for the greater of the following amounts:

(i) One thousand dollars; or

(ii) Three times the amount of actual damages sustained, if any.

(b) It is not a prerequisite to recovery under this subsection that the plaintiff suffered or was threatened with special, as contrasted with general, damages.

(c) Any person may bring an action to enjoin the release of confidential information or records concerning him or her or his or her ward, in violation of the provisions of this section, and may in the same action seek damages as provided in this subsection.

(d) The court may award to the plaintiff, should he or she prevail in any action authorized by this subsection, reasonable attorney fees in addition to those otherwise provided by law.

(e) If an action is brought under this subsection, no action may be brought under RCW 70.02.170.

NEW SECTION. Sec. 3. Section 1 of this act expires April 1, 2018.

NEW SECTION. Sec. 4. Section 2 of this act takes effect April 1, 2018.

Passed by the Senate March 6, 2017.

Passed by the House April 7, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 326

[Senate Bill 5454]

FIRE PROTECTION DISTRICT ANNEXATIONS AND MERGERS--REASONABLE PROXIMITY

AN ACT Relating to allowing fire protection district annexations and mergers within a reasonable geographic proximity and eliminating cross-county restrictions for annexations to a fire protection district; and amending RCW 52.04.061, 52.04.071, 52.04.081, 52.04.091, 52.04.101, 52.04.111, 52.04.121, 52.04.131, 52.04.171, and 52.06.010.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 52.04.061 and 2010 c 136 s 2 are each amended to read as follows:

(1) A city or town (~~lying adjacent~~) located within reasonable proximity to a fire protection district may be annexed to such district if at the time of the initiation of annexation the population of the city or town is 300,000 or less. The legislative authority of the city or town may initiate annexation by the adoption of an ordinance stating an intent to join the fire protection district and finding that the public interest will be served thereby. If the board of fire commissioners of the fire protection district shall concur in the annexation, notification thereof shall be transmitted to the legislative authority or authorities of the counties in which the city or town and the district are situated.

(2) (~~When a city or town is located in two counties, and at least eighty percent of the population resides in one county, all of that portion of the city lying in that county and encompassing eighty percent of the population may be annexed to a fire protection district if at the time of the initiation of annexation the proposed area lies adjacent to a fire protection district, and the population of the proposed area is greater than five thousand but less than ten thousand. The legislative authority of the city or town may initiate annexation by the adoption of an ordinance stating an intent to join the fire protection district and finding that the public interest will be served thereby. If the board of fire commissioners of the fire protection district shall concur in the annexation, notification thereof must be transmitted to the legislative authority or authorities of the counties in~~

~~which the city or town and the district are situated.))~~ For the purposes of this section, "reasonable proximity" means geographical areas near enough to each other so that governance, management, and services can be delivered effectively.

Sec. 2. RCW 52.04.071 and 2011 c 10 s 82 are each amended to read as follows:

The county legislative authority or authorities shall by resolution call a special election to be held in the city(~~(, partial city as set forth in RCW 52.04.061(2);))~~) or town and in the fire protection district at the next date according to RCW 29A.04.321, and shall cause notice of the election to be given as provided for in RCW 29A.52.355.

The election on the annexation of the city(~~(, partial city as set forth in RCW 52.04.061(2);))~~) or town into the fire protection district shall be conducted by the auditor of the county or counties in which the city(~~(, partial city as set forth in RCW 52.04.061(2);))~~) or town and the fire protection district are located in accordance with the general election laws of the state. The results thereof shall be canvassed by the canvassing board of the county or counties. No person is entitled to vote at the election unless he or she is a qualified elector in the city(~~(, partial city as set forth in RCW 52.04.061(2);))~~) or town or unless he or she is a qualified elector within the boundaries of the fire protection district. The ballot proposition shall be in substantially the following form:

"Shall the city(~~(, partial city as set forth in RCW 52.04.061(2);))~~) or town of be annexed to and be a part of fire protection district?

YES
NO"

If a majority of the persons voting on the proposition in the city(~~(, partial city as set forth in RCW 52.04.061(2);))~~) or town and a majority of the persons voting on the proposition in the fire protection district vote in favor thereof, the city(~~(, partial city as set forth in RCW 52.04.061(2);))~~) or town shall be annexed and shall be a part of the fire protection district.

Sec. 3. RCW 52.04.081 and 2009 c 115 s 3 are each amended to read as follows:

The annual tax levies authorized by chapter 52.16 RCW shall be imposed throughout the fire protection district, including any city(~~(, partial city as set forth in RCW 52.04.061(2);))~~) or town annexed thereto. Any city(~~(, partial city as set forth in RCW 52.04.061(2);))~~) or town annexed to a fire protection district is entitled to levy up to three dollars and sixty cents per thousand dollars of assessed valuation less any regular levy made by the fire protection district or by a library district under RCW 27.12.390 in the incorporated area: PROVIDED, That the limitations upon regular property taxes imposed by chapter 84.55 RCW apply.

Sec. 4. RCW 52.04.091 and 2009 c 115 s 4 are each amended to read as follows:

When any city, code city, (~~(, partial city as set forth in RCW 52.04.061(2);))~~) or town is annexed to a fire protection district under RCW 52.04.061 and 52.04.071, thereafter, any territory annexed by the city shall also be annexed and be a part of the fire protection district.

Sec. 5. RCW 52.04.101 and 2009 c 115 s 5 are each amended to read as follows:

The legislative body of such a city(~~(, partial city as set forth in RCW 52.04.061(2);)~~) or town which has annexed to such a fire protection district(~~(;)~~) may, by resolution, present to the voters of such city(~~(, partial city as set forth in RCW 52.04.061(2);)~~) or town a proposition to withdraw from said fire protection district at any general election held at least three years following the annexation to the fire protection district. If the voters approve such a proposition to withdraw from said fire protection district, the city(~~(, partial city as set forth in RCW 52.04.061(2);)~~) or town shall have a vested right in the capital assets of the district proportionate to the taxes levied within the corporate boundaries of the city(~~(, partial city as set forth in RCW 52.04.061(2);)~~) or town and utilized by the fire protection district to acquire such assets.

Sec. 6. RCW 52.04.111 and 2010 c 8 s 15001 are each amended to read as follows:

(1) When any city, code city, (~~(partial city as set forth in RCW 52.04.061(2);)~~) or town is annexed to a fire protection district under RCW 52.04.061 and 52.04.071, any employee of the fire department of such city, code city, (~~(partial city as set forth in RCW 52.04.061(2);)~~) or town who ~~((1))~~: (a) Was at the time of annexation employed exclusively or principally in performing the powers, duties, and functions which are to be performed by the fire protection district ~~((2))~~: (b) will, as a direct consequence of annexation, be separated from the employ of the city, code city, (~~(partial city as set forth in RCW 52.04.061(2);)~~) or town(~~(;)~~); and ~~((3))~~ (c) can perform the duties and meet the minimum requirements of the position to be filled, then such employee may transfer his or her employment to the fire protection district as provided in this section and RCW 52.04.121 and 52.04.131.

(2) For purposes of this section and RCW 52.04.121 and 52.04.131, employee means an individual whose employment with a city, code city, (~~(partial city as set forth in RCW 52.04.061(2);)~~) or town has been terminated because the city, code city, (~~(partial city as set forth in RCW 52.04.061(2);)~~) or town was annexed by a fire protection district for purposes of fire protection.

Sec. 7. RCW 52.04.121 and 2009 c 115 s 7 are each amended to read as follows:

(1) An eligible employee may transfer into the fire protection district civil service system, if any, or if none, then may request transfer of employment under this section by filing a written request with the board of fire commissioners of the fire protection district and by giving written notice to the legislative authority of the city, code city, (~~(partial city as set forth in RCW 52.04.061(2);)~~) or town. Upon receipt of such request by the board of fire commissioners the transfer of employment shall be made. The employee so transferring will: (a) Be on probation for the same period as are new employees of the fire protection district in the position filled, but if the transferring employee has already completed a probationary period as a firefighter prior to the transfer, then the employee may only be terminated during the probationary period for failure to adequately perform assigned duties, not meeting the minimum qualifications of the position, or behavior that would otherwise be subject to disciplinary action(~~(;)~~); (b) be eligible for promotion no later than after completion of the probationary

period~~((;))~~; (c) receive a salary at least equal to that of other new employees of the fire protection district in the position filled~~((;))~~; and (d) in all other matters, such as retirement, vacation, and sick leave, have all the rights, benefits, and privileges to which he or she would have been entitled as an employee of the fire protection district from the beginning of employment with the city, code city, ~~((partial city as set forth in RCW 52.04.061(2);))~~ or town fire department: PROVIDED, That for purposes of layoffs by the annexing fire agency, only the time of service accrued with the annexing agency shall apply unless an agreement is reached between the collective bargaining representatives of the employees of the annexing and annexed fire agencies and the annexing and annexed fire agencies. The city, code city, ~~((partial city as set forth in RCW 52.04.061(2);))~~ or town shall, upon receipt of such notice, transmit to the board of fire commissioners a record of the employee's service with the city, code city, ~~((partial city as set forth in RCW 52.04.061(2);))~~ or town which shall be credited to such employee as a part of the period of employment in the fire protection district. All accrued benefits are transferable provided that the recipient agency provides comparable benefits. All benefits shall then accrue based on the combined seniority of each employee in the recipient agency.

(2) As many of the transferring employees shall be placed upon the payroll of the fire protection district as the district determines are needed to provide services. These needed employees shall be taken in order of seniority and the remaining employees who transfer as provided in this section and RCW 52.04.111 and 52.04.131 shall head the list for employment in the civil service system in order of their seniority, to the end that they shall be the first to be reemployed in the fire protection district when appropriate positions become available: PROVIDED, That employees who are not immediately hired by the fire protection district shall be placed on a reemployment list for a period not to exceed thirty-six months unless a longer period is authorized by an agreement reached between the collective bargaining representatives of the employees of the annexing and annexed fire agencies and the annexing and annexed fire agencies.

Sec. 8. RCW 52.04.131 and 2009 c 115 s 8 are each amended to read as follows:

When a city, code city, ~~((partial city as set forth in RCW 52.04.061(2);))~~ or town is annexed to a fire protection district and as a result any employee is laid off who is eligible to transfer to the fire protection district pursuant to this section and RCW 52.04.111 and 52.04.121, the city, code city, ~~((partial city as set forth in RCW 52.04.061(2);))~~ or town shall notify the employee of the right to transfer and the employee shall have ninety days to transfer employment to the fire protection district.

Sec. 9. RCW 52.04.171 and 2010 c 63 s 1 are each amended to read as follows:

All property located within the boundaries of a city, ~~((partial city as set forth in RCW 52.04.061(2);))~~ or town annexing into a fire protection district, which property is subject to an excess levy by the city or town for the repayment of voter-approved indebtedness for fire protection related capital improvements incurred prior to the effective date of the annexation, is exempt from voter-approved excess property taxes levied by the annexing fire protection district for

the repayment of indebtedness issued prior to the effective date of the annexation.

Sec. 10. RCW 52.06.010 and 1989 c 63 s 13 are each amended to read as follows:

(1) A fire protection district may merge with another (~~adjacent~~) fire protection district located within a reasonable proximity, on such terms and conditions as they agree upon, in the manner provided in this title. The fire protection districts may be located in different counties. The district desiring to merge with another district, or the district from which it is proposed that a portion of the district be merged with another district, shall be called the "merging district." The district into which the merger is to be made shall be called the "merger district." The merger of any districts under chapter 52.06 RCW is subject to potential review by the boundary review board or boards of the county in which the merging district, or the portion of the merging district that is proposed to be merged with another district, is located.

(2) For the purposes of this section, "reasonable proximity" means geographical areas near enough to each other so that governance, management, and services can be delivered effectively.

Passed by the Senate April 17, 2017.

Passed by the House April 5, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 327

[Substitute Senate Bill 5472]

BALLOT DROP BOXES--MINIMUM NUMBER

AN ACT Relating to requiring ballot drop boxes in all communities; and amending RCW 29A.40.160.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 29A.40.160 and 2011 c 10 s 43 are each amended to read as follows:

(1) Each county auditor shall open a voting center each primary, special election, and general election. The voting center shall be open during business hours during the voting period, which begins eighteen days before, and ends at 8:00 p.m. on the day of, the primary, special election, or general election.

(2) The voting center must provide voter registration materials, ballots, provisional ballots, disability access voting units, sample ballots, instructions on how to properly vote the ballot, a ballot drop box, and voters' pamphlets, if a voters' pamphlet has been published.

(3) The voting center must be accessible to persons with disabilities. Each state agency and entity of local government shall permit the use of any of its accessible facilities as voting centers when requested by a county auditor.

(4) The voting center must provide at least one voting unit certified by the secretary of state that provides access to individuals who are blind or visually impaired, enabling them to vote with privacy and independence.

(5) No person may interfere with a voter attempting to vote in a voting center. Interfering with a voter attempting to vote is a violation of RCW 29A.84.510.

(6) Before opening the voting center, the voting equipment shall be inspected to determine if it has been properly prepared for voting. If the voting equipment is capable of direct tabulation of each voter's choices, the county auditor shall verify that no votes have been registered for any issue or office, and that the device has been sealed with a unique numbered seal at the time of final preparation and logic and accuracy testing. A log must be made of all device numbers and seal numbers.

(7) The county auditor shall require any person desiring to vote at a voting center to either sign a ballot declaration or provide identification.

(a) The signature on the declaration must be compared to the signature on the voter registration record before the ballot may be counted. If the voter registered using a mark, or can no longer sign his or her name, the election officers shall require the voter to be identified by another registered voter.

(b) The identification must be valid photo identification, such as a driver's license, state identification card, student identification card, tribal identification card, or employer identification card. Any individual who desires to vote in person but cannot provide identification shall be issued a provisional ballot, which shall be accepted if the signature on the declaration matches the signature on the voter's registration record.

(8) Provisional ballots must be accompanied by a declaration and security envelope, as required by RCW 29A.40.091, and space for the voter's name, date of birth, current and former registered address, reason for the provisional ballot, and disposition of the provisional ballot. The voter shall vote and return the provisional ballot at the voting center. The voter must be provided information on how to ascertain whether the provisional ballot was counted and, if applicable, the reason why the vote was not counted.

(9) Any voter may take printed or written material into the voting device to assist in casting his or her vote. The voter shall not use this material to electioneer and shall remove it when he or she leaves the voting center.

(10) If any voter states that he or she is unable to cast his or her votes due to a disability, the voter may designate a person of his or her choice, or two election officers, to enter the voting booth and record the votes as he or she directs.

(11) No voter is entitled to vote more than once at a primary, special election, or general election. If a voter incorrectly marks a ballot, he or she may be issued a replacement ballot.

(12) A voter who has already returned a ballot but requests to vote at a voting center shall be issued a provisional ballot. The canvassing board shall not count the provisional ballot if it finds that the voter has also voted a regular ballot in that primary, special election, or general election.

(13) The county auditor must prevent overflow of each ballot drop box to allow a voter to deposit his or her ballot securely. Ballots must be removed from a ballot drop box by at least two people, with a record kept of the date and time ballots were removed, and the names of people removing them. Ballots from drop boxes must be returned to the counting center in secured transport containers. A copy of the record must be placed in the container, and one copy must be transported with the ballots to the counting center, where the seal

number must be verified by the county auditor or a designated representative. All ballot drop boxes must be secured at 8:00 p.m. on the day of the primary, special election, or general election.

(14) Any voter who is inside or in line at the voting center at 8:00 p.m. on the day of the primary, special election, or general election must be allowed to vote.

(15) For each primary, special election, and general election, the county auditor may provide election services at locations in addition to the voting center. The county auditor has discretion to establish which services will be provided at the additional locations, and which days and hours the locations will be open, except that the county auditor must establish a minimum of one ballot drop box per fifteen thousand registered voters in the county and a minimum of one ballot drop box in each city, town, and census-designated place in the county with a post office.

Passed by the Senate February 27, 2017.

Passed by the House April 5, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 328

[Engrossed Substitute Senate Bill 5628]

CITIES AND TOWNS--FIRE PROTECTION DISTRICT FORMATION

AN ACT Relating to fire protection district formation by the legislative authority of a city or town subject to voter approval; amending RCW 84.55.092, 29A.36.071, 52.14.010, 52.14.020, and 84.09.030; adding new sections to chapter 52.02 RCW; and adding a new section to chapter 52.14 RCW.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. **Sec. 1.** A new section is added to chapter 52.02 RCW to read as follows:

(1) As an alternative to the petition method of formation for fire protection districts provided in this chapter, the legislative authority of a city or town may by resolution, subject to the approval of the voters, establish a fire protection district with boundaries that are the same as the corporate boundaries of the city or town for the provision of fire prevention services, fire suppression services, and emergency medical services, and for the protection of life and property within the city or town.

(a) Any resolution adopted by a city or town under this section to establish a fire protection district must, at a minimum:

(i) Contain a financing plan for the fire protection district. As part of the financing plan, the city or town may propose the imposition of revenue sources authorized by this title for fire protection districts, such as property taxes, as provided in chapter 52.16 RCW, or benefit charges, as provided in chapter 52.18 RCW; and

(ii) Set a date for a public hearing on the resolution.

(b) The financing plan in the resolution adopted by the city or town must contain the following information regarding property taxes that will be imposed by the fire protection district and city or town subsequent to the formation of the district:

(i) The dollar amount the fire protection district will levy in the first year in which the fire protection district imposes any of the regular property taxes in RCW 52.16.130, 52.16.140, or 52.16.160;

(ii) The city's or town's highest lawful levy for the purposes of RCW 84.55.092, reduced by the fire protection district's levy amount from (b)(i) of this subsection. This reduced highest lawful levy becomes the city's or town's highest lawful levy since 1986 for subsequent levy limit calculations under chapter 84.55 RCW; and

(iii) The estimated aggregate net dollar amount impact on property owners within the city or town based on the changes described in (b)(i) and (ii) of this subsection (1).

(c) If a city or town proposes the initial imposition of a benefit charge as a revenue source for the fire protection district under (a) of this subsection, the resolution adopted by the city or town must comply with the requirements of RCW 52.18.030.

(d) Notice of public hearing on a resolution adopted by a city or town must be published for three consecutive weeks in a newspaper of general circulation in the city or town, and must be posted for at least fifteen days prior to the date of the hearing in three public places within the boundaries of the proposed fire protection district. All notices must contain the time, date, and place of the public hearing.

(2)(a) A resolution adopted under this section is not effective unless approved by the voters of the city or town at a general election. The resolution must be approved:

(i) By a simple majority of the voters of the city or town; or

(ii) If the resolution proposes the initial imposition of a benefit charge, by sixty percent of the voters of the city or town.

(b) An election to approve or reject a resolution forming a fire protection district, including the proposed financial plan and any imposition of revenue sources for the fire protection district, must be conducted by the election officials of the county or counties in which the proposed district is located in accordance with the general election laws of the state. If a resolution forming a fire protection district provides that the fire protection district will be governed by a board of fire commissioners, as permitted under section 6 of this act, then the initial fire commissioners must be elected at the same election where the resolution is submitted to the voters authorizing the creation of the fire protection district. The election must be held at the next general election date, according to RCW 29A.04.321 and 29A.04.330, occurring after the date of the public hearing on the resolution adopted by the city or town legislative authority. The ballot title must include the information regarding property taxes that is required to be in the financing plan of the resolution under subsection (1)(b) of this section.

(c) If a ballot proposition on the resolution is approved by voters, as provided in (a) of this subsection, the county legislative authority shall by resolution declare the fire protection district organized under the name designated in the ballot proposition.

(d) Nothing contained in this chapter may be construed to alter a municipal airport fire department or affect any powers authorized under RCW

14.08.120(2). If a question arises as to whether this chapter modifies the affairs of municipal airports in any way, the answer is no.

(3) A city or town must reduce its general fund regular property tax levy by the total combined levy of the fire protection district as proposed by the district in accordance with subsection (1)(b)(i) of this section. The reduced levy amount of the city or town must occur in the first year in which the fire protection district imposes any of the property taxes in RCW 52.16.130, 52.16.140, or 52.16.160 and must be specified in the financing plan and ballot proposition as provided in this section. If the fire protection district does not impose all three levies under RCW 52.16.130, 52.16.140, and 52.16.160 when it begins operations, the city must further reduce its general fund regular property tax levy if the district initially imposes any of the levies in subsequent years, by the amount of such levy or levies initially imposed in a subsequent year.

NEW SECTION. **Sec. 2.** A new section is added to chapter 52.02 RCW to read as follows:

(1) A fire protection district may establish an ambulance service to be operated as a public utility. However, the fire protection district may not provide for the establishment of an ambulance service utility that would compete with any existing private ambulance service unless the fire protection district determines that the area served by the fire protection district, or a substantial portion of that area, is not adequately served by an existing private ambulance service.

(2) In determining the adequacy of an existing private ambulance service, the fire protection district must take into consideration objective generally accepted medical standards and reasonable levels of service, which must be published by the fire protection district. If a fire protection district makes a preliminary conclusion that an existing private ambulance service is inadequate, the fire protection district must allow a minimum of sixty days for the private ambulance service to meet the generally accepted medical standards and accepted levels of service. If the fire protection district makes a second preliminary conclusion of inadequacy within a twenty-four month period, the fire protection district may immediately issue a call for bids or establish its own ambulance service utility and is not required to afford the private ambulance service another sixty-day period to meet the generally accepted medical standards and reasonable levels of service.

(3) A private ambulance service that is not licensed by the department of health, or has had its license denied, suspended, or revoked, is not entitled to a sixty-day period to demonstrate adequacy, and the fire protection district may immediately issue a call for bids or establish an ambulance service utility.

(4) A private ambulance service that abandons service in the area served by the fire protection district, or a substantial portion of the area served by the fire protection district, is not entitled to a sixty-day period to demonstrate adequacy, and the fire protection district may immediately issue a call for bids or establish an ambulance service utility. If a fire protection district becomes aware of an intent to abandon service at a future date, the fire protection district may immediately issue a call for bids or establish an ambulance service utility to avoid an interruption in service.

(5) For purposes of this section, "fire protection district" means a fire protection district established by the legislative authority of a city or town pursuant to section 1 of this act.

Sec. 3. RCW 84.55.092 and 1998 c 16 s 3 are each amended to read as follows:

(1) The regular property tax levy for each taxing district other than the state may be set at the amount which would be allowed otherwise under this chapter if the regular property tax levy for the district for taxes due in prior years beginning with 1986 had been set at the full amount allowed under this chapter including any levy authorized under RCW 52.16.160 that would have been imposed but for the limitation in RCW 52.18.065, applicable upon imposition of the benefit charge under chapter 52.18 RCW.

(2) The purpose of subsection (1) of this section is to remove the incentive for a taxing district to maintain its tax levy at the maximum level permitted under this chapter, and to protect the future levy capacity of a taxing district that reduces its tax levy below the level that it otherwise could impose under this chapter, by removing the adverse consequences to future levy capacities resulting from such levy reductions.

(3) Subsection (1) of this section does not apply to any portion of a city or town's regular property tax levy that has been reduced as part of the formation of a fire protection district under section 1 of this act.

Sec. 4. RCW 29A.36.071 and 2015 c 172 s 3 are each amended to read as follows:

(1) Except as provided to the contrary in RCW 82.14.036, 82.46.021, or 82.80.090, the ballot title of any referendum filed on an enactment or portion of an enactment of a local government and any other question submitted to the voters of a local government consists of three elements: (a) An identification of the enacting legislative body and a statement of the subject matter; (b) a concise description of the measure; and (c) a question. The ballot title must conform with the requirements and be displayed substantially as provided under RCW 29A.72.050, except that the concise description must not exceed seventy-five words; however, a concise description submitted on behalf of a proposed or existing regional transportation investment district or a proposed fire protection district, as provided in section 1 of this act, may exceed seventy-five words. If the local governmental unit is a city or a town, or if the ballot title is for a referendum under RCW 35.13A.115, the concise statement (~~shall~~) must be prepared by the city or town attorney. If the local governmental unit is a county, the concise statement (~~shall~~) must be prepared by the prosecuting attorney of the county. If the unit is a unit of local government other than a city, town, or county, the concise statement (~~shall~~) must be prepared by the prosecuting attorney of the county within which the majority area of the unit is located.

(2) A referendum measure on the enactment of a unit of local government (~~shall~~) must be advertised in the manner provided for nominees for elective office.

(3) Subsection (1) of this section does not apply if another provision of law specifies the ballot title for a specific type of ballot question or proposition.

NEW SECTION. **Sec. 5.** A new section is added to chapter 52.02 RCW to read as follows:

(1) Except as provided otherwise in the resolution adopted by the legislative authority of a city or town establishing a fire protection district under section 1 of this act, all powers, duties, and functions of the city or town fire department pertaining to fire protection and emergency services of the city or town are transferred to the fire protection district on its creation date.

(2)(a) The city or town fire department must transfer or deliver to the fire protection district:

(i) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the city or town fire department pertaining to fire protection and emergency services powers, functions, and duties;

(ii) All real property and personal property including cabinets, furniture, office equipment, motor vehicles, and other tangible property employed by the city or town fire department in carrying out the fire protection and emergency services powers, functions, and duties; and

(iii) All funds, credits, or other assets held by the city or town fire department in connection with fire protection and emergency services powers, functions, and duties.

(b) Any appropriations made to the city or town fire department for carrying out the fire protection and emergency services powers, functions, and duties of the city or town must be transferred and credited to the fire protection district.

(c) Whenever any question arises as to the transfer of any personnel, funds, books, documents, records, papers, files, equipment, or other tangible property used or held in the exercise of the powers and the performance of the duties and functions transferred to the fire protection district, the legislative authority of the city or town must make a determination as to the proper allocation.

(3) All rules and all pending business before the city or town fire department pertaining to the fire protection and emergency services powers, functions, and duties transferred must be continued and acted upon by the fire protection district, and all existing contracts and obligations remain in full force and must be performed by the fire protection district.

(4) The transfer of powers, duties, functions, and personnel of the city or town fire department do not affect the validity of any act performed before creation of the fire protection district.

(5) If apportionments of budgeted funds are required because of the transfers, the treasurer for the city or town fire department must certify the apportionments.

(6)(a) Subject to (c) of this subsection, all employees of the city or town fire department are transferred to the fire protection district on its creation date. Upon transfer, unless an agreement for different terms of transfer is reached between the collective bargaining representatives of the transferring employees and the fire protection district, an employee is entitled to the employee rights, benefits, and privileges to which he or she would have been entitled as an employee of the city or town fire department, including rights to:

(i) Compensation at least equal to the level at the time of transfer;

(ii) Retirement, vacation, sick leave, and any other accrued benefit;

(iii) Promotion and service time accrual; and

(iv) The length or terms of probationary periods, including no requirement for an additional probationary period if one had been completed before the transfer date.

(b) If a city or town provides for civil service in its fire department, the collective bargaining representatives of the transferring employees and the fire protection district must negotiate regarding the establishment of a civil service system within the fire protection district.

(c) Nothing contained in this section may be construed to alter any existing collective bargaining unit or the provisions of any existing collective bargaining agreement until the agreement has expired or until the bargaining unit has been modified as provided by law.

NEW SECTION. **Sec. 6.** A new section is added to chapter 52.14 RCW to read as follows:

(1) The members of the legislative authority of a city or town shall serve ex officio, by virtue of their office, as the fire commissioners of a fire protection district created under section 1 of this act.

(2) The legislative authority of a city or town may, within the initial resolution establishing the district's formation, relinquish governance authority of a fire protection district created under this act to an independently elected board of commissioners to be elected in accordance with RCW 52.14.060.

(3)(a) The legislative authority of a city or town may, by a majority vote of its members in an open public meeting, relinquish governance authority of a fire protection district created under this act to an appointed board of three fire commissioners at any time after formation. Each appointed commissioner serves until successors are elected at the next qualified election.

At the next qualified election, the person who receives the greatest number of votes for each commissioner position is elected to that position. The terms of office for the initial elected fire commissioners are staggered as follows:

(i) The person who is elected receiving the greatest number of votes is elected to a six-year term of office if the election is held in an odd-numbered year, or a five-year term of office if the election is held in an even-numbered year;

(ii) The person who is elected receiving the next greatest number of votes is elected to a four-year term of office if the election is held in an odd-numbered year, or a three-year term of office if the election is held in an even-numbered year; and

(iii) The other person who is elected is elected to a two-year term of office if the election is held in an odd-numbered year, or a one-year term of office if the election is held in an even-numbered year. The term of office for each subsequent commissioner is six years.

(b) If the legislative authority of a city or town relinquishes governance authority of a fire protection district after formation under this section, and that fire protection district maintains a fire department consisting wholly of personnel employed on a full-time, fully paid basis, that district shall have five fire commissioners. The terms of office for the initial elected fire commissioners are staggered as follows:

(i) The two people elected receiving the two greatest number of votes are elected to six-year terms of office if the election is held in an odd-numbered year, or five-year terms of office if the election is held in an even-numbered year;

(ii) The two people who are elected receiving the next two greatest number of votes are elected to four-year terms of office if the election is held in an odd-

numbered year, or three-year terms of office if the election is held in an even-numbered year; and

(iii) The other person who is elected is elected to a two-year term of office if the election is held in an odd-numbered year, or a one-year term of office if the election is held in an even-numbered year. The term of office for each subsequent commissioner is six years.

(c) If the legislative authority of a city or town relinquishes governance authority of a fire protection district after formation under this section, and that fire protection district has an annual budget of ten million dollars or more, that district must have seven fire commissioners. The terms of office for the initial elected fire commissioners are staggered as follows:

(i) The three people who are elected receiving the three greatest number of votes are elected to six-year terms of office if the election is held in an odd-numbered year, or five-year terms of office if the election is held in an even-numbered year;

(ii) The two people who are elected receiving the next two greatest number of votes are elected to four-year terms of office if the election is held in an odd-numbered year, or three-year terms of office if the election is held in an even-numbered year; and

(iii) The other two people who are elected are elected to two-year terms of office if the election is held in an odd-numbered year, or one-year terms of office if the election is held in an even-numbered year. The term of office for each subsequent commissioner is six years.

Sec. 7. RCW 52.14.010 and 2012 c 174 s 1 are each amended to read as follows:

(1) The affairs of the district shall be managed by a board of fire commissioners composed initially of three registered voters residing in the district, except as provided otherwise in RCW 52.14.015 ((and)), 52.14.020, and section 6 of this act.

(2)(a) Each member of an elected board of fire commissioners shall each receive one hundred four dollars per day or portion thereof, not to exceed nine thousand nine hundred eighty-four dollars per year, for time spent in actual attendance at official meetings of the board or in performance of other services or duties on behalf of the district. Members serving in an ex officio capacity on a board of fire commissioners may not receive compensation, but shall receive necessary expenses in accordance with (b) of this subsection.

((In addition, they)) (b) Each member of a board of fire commissioners shall receive necessary expenses incurred in attending meetings of the board or when otherwise engaged in district business, and shall be entitled to receive the same insurance available to all firefighters of the district: PROVIDED, That the premiums for such insurance, except liability insurance, shall be paid by the individual commissioners who elect to receive it.

(c) Any commissioner may waive all or any portion of his or her compensation payable under this section as to any month or months during his or her term of office, by a written waiver filed with the secretary as provided in this section. The waiver, to be effective, must be filed any time after the commissioner's election and prior to the date on which the compensation would otherwise be paid. The waiver shall specify the month or period of months for which it is made.

(3) The board shall fix the compensation to be paid the secretary and all other agents and employees of the district. The board may, by resolution adopted by unanimous vote, authorize any of its members to serve as volunteer firefighters without compensation. A commissioner actually serving as a volunteer firefighter may enjoy the rights and benefits of a volunteer firefighter.

(4) The dollar thresholds established in this section must be adjusted for inflation by the office of financial management every five years, beginning July 1, 2008, based upon changes in the consumer price index during that time period. "Consumer price index" means, for any calendar year, that year's annual average consumer price index, for Washington state, for wage earners and clerical workers, all items, compiled by the bureau of labor and statistics, United States department of labor. If the bureau of labor and statistics develops more than one consumer price index for areas within the state, the index covering the greatest number of people, covering areas exclusively within the boundaries of the state, and including all items shall be used for the adjustments for inflation in this section. The office of financial management must calculate the new dollar threshold and transmit it to the office of the code reviser for publication in the Washington State Register at least one month before the new dollar threshold is to take effect.

(5) A person holding office as commissioner for two or more special purpose districts or serving ex officio as commissioner as a member of the legislative authority of a city or town shall receive only that per diem compensation authorized for one of his or her ~~((commissioner))~~ official positions as compensation for attending an official meeting or conducting official services or duties while representing more than one ~~((of his or her districts))~~ district or representing a municipality and a district. However, such commissioner may receive additional per diem compensation if approved by resolution of ~~((the))~~ the boards of ~~((the))~~ an affected commission~~((s))~~, city, or town.

Sec. 8. RCW 52.14.020 and 2012 c 174 s 2 are each amended to read as follows:

(1) In a fire protection district ~~((maintaining))~~ with elected commissioners that maintains a fire department consisting wholly of personnel employed on a full-time, fully-paid basis, there shall be five fire commissioners. A fire protection district with an annual budget of ten million dollars or more may have seven fire commissioners.

(2)(a) If two positions are created on boards of fire commissioners by this section, such positions shall be filled initially as for a vacancy, except that the appointees shall draw lots, one appointee to serve until the next general fire district election after the appointment, at which two commissioners shall be elected for six-year terms, and the other appointee to serve until the second general fire district election after the appointment, at which two commissioners shall be elected for six-year terms.

(b) If four positions are created on boards of fire commissioners by this section, such positions shall be filled initially as for a vacancy, except that the appointees shall draw lots, three appointees to serve until the next general fire district election after the appointment, at which three commissioners shall be elected for six-year terms and two commissioners shall be elected for four-year terms, and the other appointee to serve until the second general fire district

election after the appointment, at which two commissioners shall be elected for six-year terms.

Sec. 9. RCW 84.09.030 and 2012 c 186 s 17 are each amended to read as follows:

(1)(a) Except as provided in (b) (~~and~~), (c), and (d) of this subsection (1), for the purposes of property taxation and the levy of property taxes, the boundaries of counties, cities, and all other taxing districts shall be the established official boundaries of such districts existing on the first day of August of the year in which the property tax levy is made.

(b) The boundaries for a newly incorporated port district or regional fire protection service authority shall be established on the first day of October if the boundaries of the newly incorporated port district or regional fire protection service authority are coterminous with the boundaries of another taxing district or districts, as they existed on the first day of August of that year.

(c) The boundaries of a school district that is required to receive or annex territory due to the dissolution of a financially insolvent school district under RCW 28A.315.225 must be the established official boundaries of such districts existing on the first day of September of the year in which the property tax levy is made.

(d) The boundaries of a newly established fire protection district authorized under section 1 of this act are the established official boundaries of the district as of the date that the voter-approved proposition required under section 1 of this act is certified.

(2) In any case where any instrument setting forth the official boundaries of any newly established taxing district, or setting forth any change in the boundaries, is required by law to be filed in the office of the county auditor or other county official, the instrument shall be filed in triplicate. The officer with whom the instrument is filed shall transmit two copies of the instrument to the county assessor.

(3) No property tax levy shall be made for any taxing district whose boundaries are not established as of the dates provided in this section.

Passed by the Senate April 17, 2017.

Passed by the House April 11, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 329

[Senate Bill 5632]

ORGANIZED RETAIL THEFT--ELECTRONIC COMMUNICATION--AGGREGATION

AN ACT Relating to organized retail theft; amending RCW 9A.56.350; and prescribing penalties.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 9A.56.350 and 2009 c 431 s 15 are each amended to read as follows:

(1) A person is guilty of organized retail theft if he or she:

(a) Commits theft of property with a value of at least seven hundred fifty dollars from a mercantile establishment with an accomplice;

(b) Possesses stolen property, as defined in RCW 9A.56.140, with a value of at least seven hundred fifty dollars from a mercantile establishment with an accomplice; ~~((or))~~

(c) Commits theft of property with a cumulative value of at least seven hundred fifty dollars from one or more mercantile establishments within a period of up to one hundred eighty days; or

(d) Commits theft of property with a cumulative value of at least seven hundred fifty dollars from a mercantile establishment with no less than six accomplices and makes or sends at least one electronic communication seeking participation in the theft in the course of planning or commission of the theft. For the purposes of this subsection, "electronic communication" has the same meaning as defined in RCW 9.61.260(5).

(2) A person is guilty of organized retail theft in the first degree if the property stolen or possessed has a value of five thousand dollars or more. Organized retail theft in the first degree is a class B felony.

(3) A person is guilty of organized retail theft in the second degree if the property stolen or possessed has a value of at least seven hundred fifty dollars, but less than five thousand dollars. Organized retail theft in the second degree is a class C felony.

(4) For purposes of this section, a series of thefts committed by the same person from one or more mercantile establishments over a period of one hundred eighty days may be aggregated in one count and the sum of the value of all the property shall be the value considered in determining the degree of the organized retail theft involved. Theft committed by the same person in different counties that have been aggregated in one county may be prosecuted in any county in which any one of the thefts occurred. For purposes of subsection (1)(d) of this section, thefts committed by the principal and accomplices may be aggregated into one count and the value of all the property shall be the value considered in determining the degree of organized retail theft involved.

(5) The mercantile establishment or establishments whose property is alleged to have been stolen may request that the charge be aggregated with other thefts of property about which the mercantile establishment or establishments is aware. In the event a request to aggregate the prosecution is declined, the mercantile establishment or establishments shall be promptly advised by the prosecuting jurisdiction making the decision to decline aggregating the prosecution of the decision and the reasons for such decision.

Passed by the Senate April 17, 2017.

Passed by the House April 11, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 330

[Substitute Senate Bill 5705]

BEHAVIORAL HEALTH SERVICE PROVIDERS--LICENSING STANDARDS--INSPECTION
AND REVIEW--TRANSFERS

AN ACT Relating to inspection and review of state contracted behavioral health and recovery agencies; amending RCW 71.24.037; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The state finds that the department should not reduce the number of license violations found by field inspectors for the purpose of allowing licensed behavioral health service providers to avoid liability in a manner that permits the violating service provider to continue to provide care at the risk of public safety. The state also recognizes the need to prohibit fraudulent transfers of licenses between licensed behavioral health service providers found in violation of the terms of their license agreement and their family members.

Sec. 2. RCW 71.24.037 and 2016 sp.s. c 29 s 505 are each amended to read as follows:

(1) The secretary shall by rule establish state minimum standards for licensed behavioral health service providers and services, whether those service providers and services are licensed to provide solely mental health services, substance use disorder treatment services, or services to persons with co-occurring disorders.

(2) Minimum standards for licensed behavioral health service providers shall, at a minimum, establish: Qualifications for staff providing services directly to persons with mental disorders, substance use disorders, or both, the intended result of each service, and the rights and responsibilities of persons receiving behavioral health services pursuant to this chapter. The secretary shall provide for deeming of licensed behavioral health service providers as meeting state minimum standards as a result of accreditation by a recognized behavioral health accrediting body recognized and having a current agreement with the department.

(3) Minimum standards for community support services and resource management services shall include at least qualifications for resource management services, client tracking systems, and the transfer of patient information between behavioral health service providers.

(4) The department may suspend, revoke, limit, restrict, or modify an approval, or refuse to grant approval, for failure to meet the provisions of this chapter, or the standards adopted under this chapter. RCW 43.20A.205 governs notice of a license denial, revocation, suspension, or modification and provides the right to an adjudicative proceeding.

(5) No licensed behavioral health service provider may advertise or represent itself as a licensed behavioral health service provider if approval has not been granted, has been denied, suspended, revoked, or canceled.

(6) Licensure as a behavioral health service provider is effective for one calendar year from the date of issuance of the license. The license must specify the types of services provided by the behavioral health service provider that meet the standards adopted under this chapter. Renewal of a license must be made in accordance with this section for initial approval and in accordance with the standards set forth in rules adopted by the secretary.

(7) Licensure as a licensed behavioral health service provider must specify the types of services provided that meet the standards adopted under this chapter. Renewal of a license must be made in accordance with this section for initial approval and in accordance with the standards set forth in rules adopted by the secretary.

(8) Licensed behavioral health service providers may not provide types of services for which the licensed behavioral health service provider has not been certified. Licensed behavioral health service providers may provide services for which approval has been sought and is pending, if approval for the services has not been previously revoked or denied.

(9) The department periodically shall inspect licensed behavioral health service providers at reasonable times and in a reasonable manner.

(10) Upon petition of the department and after a hearing held upon reasonable notice to the facility, the superior court may issue a warrant to an officer or employee of the department authorizing him or her to enter and inspect at reasonable times, and examine the books and accounts of, any licensed behavioral health service provider refusing to consent to inspection or examination by the department or which the department has reasonable cause to believe is operating in violation of this chapter.

(11) The department shall maintain and periodically publish a current list of licensed behavioral health service providers.

(12) Each licensed behavioral health service provider shall file with the department upon request, data, statistics, schedules, and information the department reasonably requires. A licensed behavioral health service provider that without good cause fails to furnish any data, statistics, schedules, or information as requested, or files fraudulent returns thereof, may have its license revoked or suspended.

(13) The department shall use the data provided in subsection (12) of this section to evaluate each program that admits children to inpatient substance use disorder treatment upon application of their parents. The evaluation must be done at least once every twelve months. In addition, the department shall randomly select and review the information on individual children who are admitted on application of the child's parent for the purpose of determining whether the child was appropriately placed into substance use disorder treatment based on an objective evaluation of the child's condition and the outcome of the child's treatment.

(14) Any settlement agreement entered into between the department and licensed behavioral health service providers to resolve administrative complaints, license violations, license suspensions, or license revocations may not reduce the number of violations reported by the department unless the department concludes, based on evidence gathered by inspectors, that the licensed behavioral health service provider did not commit one or more of the violations.

(15) In cases in which a behavioral health service provider that is in violation of licensing standards attempts to transfer or sell the behavioral health service provider to a family member, the transfer or sale may only be made for the purpose of remedying license violations and achieving full compliance with the terms of the license. Transfers or sales to family members are prohibited in cases in which the purpose of the transfer or sale is to avoid liability or reset the number of license violations found before the transfer or sale. If the department finds that the owner intends to transfer or sell, or has completed the transfer or sale of, ownership of the behavioral health service provider to a family member solely for the purpose of resetting the number of violations found before the transfer or sale, the department may not renew the behavioral health service

provider's license or issue a new license to the behavioral health service provider.

Passed by the Senate April 17, 2017.

Passed by the House April 10, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 331

[Substitute Senate Bill 5790]

GROWTH MANAGEMENT ACT--ECONOMIC DEVELOPMENT ELEMENT

AN ACT Relating to the economic development element of the growth management act; amending RCW 36.70A.070; adding a new section to chapter 36.70A RCW; and creating a new section.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. This act may be known and cited as the economic revitalization act.

Sec. 2. RCW 36.70A.070 and 2015 c 241 s 2 are each amended to read as follows:

The comprehensive plan of a county or city that is required or chooses to plan under RCW 36.70A.040 shall consist of a map or maps, and descriptive text covering objectives, principles, and standards used to develop the comprehensive plan. The plan shall be an internally consistent document and all elements shall be consistent with the future land use map. A comprehensive plan shall be adopted and amended with public participation as provided in RCW 36.70A.140. Each comprehensive plan shall include a plan, scheme, or design for each of the following:

(1) A land use element designating the proposed general distribution and general location and extent of the uses of land, where appropriate, for agriculture, timber production, housing, commerce, industry, recreation, open spaces, general aviation airports, public utilities, public facilities, and other land uses. The land use element shall include population densities, building intensities, and estimates of future population growth. The land use element shall provide for protection of the quality and quantity of groundwater used for public water supplies. Wherever possible, the land use element should consider utilizing urban planning approaches that promote physical activity. Where applicable, the land use element shall review drainage, flooding, and storm water run-off in the area and nearby jurisdictions and provide guidance for corrective actions to mitigate or cleanse those discharges that pollute waters of the state, including Puget Sound or waters entering Puget Sound.

(2) A housing element ensuring the vitality and character of established residential neighborhoods that: (a) Includes an inventory and analysis of existing and projected housing needs that identifies the number of housing units necessary to manage projected growth; (b) includes a statement of goals, policies, objectives, and mandatory provisions for the preservation, improvement, and development of housing, including single-family residences; (c) identifies sufficient land for housing, including, but not limited to, government-assisted housing, housing for low-income families, manufactured

housing, multifamily housing, and group homes and foster care facilities; and (d) makes adequate provisions for existing and projected needs of all economic segments of the community.

(3) A capital facilities plan element consisting of: (a) An inventory of existing capital facilities owned by public entities, showing the locations and capacities of the capital facilities; (b) a forecast of the future needs for such capital facilities; (c) the proposed locations and capacities of expanded or new capital facilities; (d) at least a six-year plan that will finance such capital facilities within projected funding capacities and clearly identifies sources of public money for such purposes; and (e) a requirement to reassess the land use element if probable funding falls short of meeting existing needs and to ensure that the land use element, capital facilities plan element, and financing plan within the capital facilities plan element are coordinated and consistent. Park and recreation facilities shall be included in the capital facilities plan element.

(4) A utilities element consisting of the general location, proposed location, and capacity of all existing and proposed utilities, including, but not limited to, electrical lines, telecommunication lines, and natural gas lines.

(5) Rural element. Counties shall include a rural element including lands that are not designated for urban growth, agriculture, forest, or mineral resources. The following provisions shall apply to the rural element:

(a) Growth management act goals and local circumstances. Because circumstances vary from county to county, in establishing patterns of rural densities and uses, a county may consider local circumstances, but shall develop a written record explaining how the rural element harmonizes the planning goals in RCW 36.70A.020 and meets the requirements of this chapter.

(b) Rural development. The rural element shall permit rural development, forestry, and agriculture in rural areas. The rural element shall provide for a variety of rural densities, uses, essential public facilities, and rural governmental services needed to serve the permitted densities and uses. To achieve a variety of rural densities and uses, counties may provide for clustering, density transfer, design guidelines, conservation easements, and other innovative techniques that will accommodate appropriate rural economic advancement, densities, and uses that are not characterized by urban growth and that are consistent with rural character.

(c) Measures governing rural development. The rural element shall include measures that apply to rural development and protect the rural character of the area, as established by the county, by:

(i) Containing or otherwise controlling rural development;

(ii) Assuring visual compatibility of rural development with the surrounding rural area;

(iii) Reducing the inappropriate conversion of undeveloped land into sprawling, low-density development in the rural area;

(iv) Protecting critical areas, as provided in RCW 36.70A.060, and surface water and groundwater resources; and

(v) Protecting against conflicts with the use of agricultural, forest, and mineral resource lands designated under RCW 36.70A.170.

(d) Limited areas of more intensive rural development. Subject to the requirements of this subsection and except as otherwise specifically provided in this subsection (5)(d), the rural element may allow for limited areas of more

intensive rural development, including necessary public facilities and public services to serve the limited area as follows:

(i) Rural development consisting of the infill, development, or redevelopment of existing commercial, industrial, residential, or mixed-use areas, whether characterized as shoreline development, villages, hamlets, rural activity centers, or crossroads developments.

(A) A commercial, industrial, residential, shoreline, or mixed-use area are subject to the requirements of (d)(iv) of this subsection, but are not subject to the requirements of (c)(ii) and (iii) of this subsection.

(B) Any development or redevelopment other than an industrial area or an industrial use within a mixed-use area or an industrial area under this subsection (5)(d)(i) must be principally designed to serve the existing and projected rural population.

(C) Any development or redevelopment in terms of building size, scale, use, or intensity shall be consistent with the character of the existing areas. Development and redevelopment may include changes in use from vacant land or a previously existing use so long as the new use conforms to the requirements of this subsection (5);

(ii) The intensification of development on lots containing, or new development of, small-scale recreational or tourist uses, including commercial facilities to serve those recreational or tourist uses, that rely on a rural location and setting, but that do not include new residential development. A small-scale recreation or tourist use is not required to be principally designed to serve the existing and projected rural population. Public services and public facilities shall be limited to those necessary to serve the recreation or tourist use and shall be provided in a manner that does not permit low-density sprawl;

(iii) The intensification of development on lots containing isolated nonresidential uses or new development of isolated cottage industries and isolated small-scale businesses that are not principally designed to serve the existing and projected rural population and nonresidential uses, but do provide job opportunities for rural residents. Rural counties may allow the expansion of small-scale businesses as long as those small-scale businesses conform with the rural character of the area as defined by the local government according to RCW 36.70A.030(15). Rural counties may also allow new small-scale businesses to utilize a site previously occupied by an existing business as long as the new small-scale business conforms to the rural character of the area as defined by the local government according to RCW 36.70A.030(15). Public services and public facilities shall be limited to those necessary to serve the isolated nonresidential use and shall be provided in a manner that does not permit low-density sprawl;

(iv) A county shall adopt measures to minimize and contain the existing areas or uses of more intensive rural development, as appropriate, authorized under this subsection. Lands included in such existing areas or uses shall not extend beyond the logical outer boundary of the existing area or use, thereby allowing a new pattern of low-density sprawl. Existing areas are those that are clearly identifiable and contained and where there is a logical boundary delineated predominately by the built environment, but that may also include undeveloped lands if limited as provided in this subsection. The county shall establish the logical outer boundary of an area of more intensive rural development. In establishing the logical outer boundary, the county shall address

(A) the need to preserve the character of existing natural neighborhoods and communities, (B) physical boundaries, such as bodies of water, streets and highways, and land forms and contours, (C) the prevention of abnormally irregular boundaries, and (D) the ability to provide public facilities and public services in a manner that does not permit low-density sprawl;

(v) For purposes of (d) of this subsection, an existing area or existing use is one that was in existence:

(A) On July 1, 1990, in a county that was initially required to plan under all of the provisions of this chapter;

(B) On the date the county adopted a resolution under RCW 36.70A.040(2), in a county that is planning under all of the provisions of this chapter under RCW 36.70A.040(2); or

(C) On the date the office of financial management certifies the county's population as provided in RCW 36.70A.040(5), in a county that is planning under all of the provisions of this chapter pursuant to RCW 36.70A.040(5).

(e) Exception. This subsection shall not be interpreted to permit in the rural area a major industrial development or a master planned resort unless otherwise specifically permitted under RCW 36.70A.360 and 36.70A.365.

(6) A transportation element that implements, and is consistent with, the land use element.

(a) The transportation element shall include the following subelements:

(i) Land use assumptions used in estimating travel;

(ii) Estimated traffic impacts to state-owned transportation facilities resulting from land use assumptions to assist the department of transportation in monitoring the performance of state facilities, to plan improvements for the facilities, and to assess the impact of land-use decisions on state-owned transportation facilities;

(iii) Facilities and services needs, including:

(A) An inventory of air, water, and ground transportation facilities and services, including transit alignments and general aviation airport facilities, to define existing capital facilities and travel levels as a basis for future planning. This inventory must include state-owned transportation facilities within the city or county's jurisdictional boundaries;

(B) Level of service standards for all locally owned arterials and transit routes to serve as a gauge to judge performance of the system. These standards should be regionally coordinated;

(C) For state-owned transportation facilities, level of service standards for highways, as prescribed in chapters 47.06 and 47.80 RCW, to gauge the performance of the system. The purposes of reflecting level of service standards for state highways in the local comprehensive plan are to monitor the performance of the system, to evaluate improvement strategies, and to facilitate coordination between the county's or city's six-year street, road, or transit program and the office of financial management's ten-year investment program. The concurrency requirements of (b) of this subsection do not apply to transportation facilities and services of statewide significance except for counties consisting of islands whose only connection to the mainland are state highways or ferry routes. In these island counties, state highways and ferry route capacity must be a factor in meeting the concurrency requirements in (b) of this subsection;

(D) Specific actions and requirements for bringing into compliance locally owned transportation facilities or services that are below an established level of service standard;

(E) Forecasts of traffic for at least ten years based on the adopted land use plan to provide information on the location, timing, and capacity needs of future growth;

(F) Identification of state and local system needs to meet current and future demands. Identified needs on state-owned transportation facilities must be consistent with the statewide multimodal transportation plan required under chapter 47.06 RCW;

(iv) Finance, including:

(A) An analysis of funding capability to judge needs against probable funding resources;

(B) A multiyear financing plan based on the needs identified in the comprehensive plan, the appropriate parts of which shall serve as the basis for the six-year street, road, or transit program required by RCW 35.77.010 for cities, RCW 36.81.121 for counties, and RCW 35.58.2795 for public transportation systems. The multiyear financing plan should be coordinated with the ten-year investment program developed by the office of financial management as required by RCW 47.05.030;

(C) If probable funding falls short of meeting identified needs, a discussion of how additional funding will be raised, or how land use assumptions will be reassessed to ensure that level of service standards will be met;

(v) Intergovernmental coordination efforts, including an assessment of the impacts of the transportation plan and land use assumptions on the transportation systems of adjacent jurisdictions;

(vi) Demand-management strategies;

(vii) Pedestrian and bicycle component to include collaborative efforts to identify and designate planned improvements for pedestrian and bicycle facilities and corridors that address and encourage enhanced community access and promote healthy lifestyles.

(b) After adoption of the comprehensive plan by jurisdictions required to plan or who choose to plan under RCW 36.70A.040, local jurisdictions must adopt and enforce ordinances which prohibit development approval if the development causes the level of service on a locally owned transportation facility to decline below the standards adopted in the transportation element of the comprehensive plan, unless transportation improvements or strategies to accommodate the impacts of development are made concurrent with the development. These strategies may include increased public transportation service, ride-sharing programs, demand management, and other transportation systems management strategies. For the purposes of this subsection (6), "concurrent with the development" means that improvements or strategies are in place at the time of development, or that a financial commitment is in place to complete the improvements or strategies within six years. If the collection of impact fees is delayed under RCW 82.02.050(3), the six-year period required by this subsection (6)(b) must begin after full payment of all impact fees is due to the county or city.

(c) The transportation element described in this subsection (6), the six-year plans required by RCW 35.77.010 for cities, RCW 36.81.121 for counties, and

RCW 35.58.2795 for public transportation systems, and the ten-year investment program required by RCW 47.05.030 for the state, must be consistent.

(7) An economic development element establishing local goals, policies, objectives, and provisions for economic growth and vitality and a high quality of life. The element ~~((shall))~~ may include ~~((: (a) A summary of the local economy such as population, employment, payroll, sectors, businesses, sales, and other information as appropriate; (b) a summary of the strengths and weaknesses of the local economy defined as the commercial and industrial sectors and supporting factors such as land use, transportation, utilities, education, workforce, housing, and natural/cultural resources; and (c) an identification of policies, programs, and projects to foster economic growth and development and to address future needs))~~ the provisions in section 3 of this act. A city that has chosen to be a residential community is exempt from the economic development element requirement of this subsection.

(8) A park and recreation element that implements, and is consistent with, the capital facilities plan element as it relates to park and recreation facilities. The element shall include: (a) Estimates of park and recreation demand for at least a ten-year period; (b) an evaluation of facilities and service needs; and (c) an evaluation of intergovernmental coordination opportunities to provide regional approaches for meeting park and recreational demand.

(9) It is the intent that new or amended elements required after January 1, 2002, be adopted concurrent with the scheduled update provided in RCW 36.70A.130. Requirements to incorporate any such new or amended elements shall be null and void until funds sufficient to cover applicable local government costs are appropriated and distributed by the state at least two years before local government must update comprehensive plans as required in RCW 36.70A.130.

***NEW SECTION. Sec. 3.** A new section is added to chapter 36.70A RCW to read as follows:

(1) The economic development element required by RCW 36.70A.070(7) may include the following:

(a) A summary of the local economy, such as population, employment, payroll, sectors, businesses, sales, and other information as appropriate;

(b) A summary of the strengths and weaknesses of the local economy, which may include the commercial, industrial, manufacturing, natural resource, and other locally significant economic sectors and supporting factors such as land use, transportation, utilities, education, workforce, housing, and natural/cultural resources;

(c) An identification of policies, programs, and projects to foster economic growth and development and to address future needs;

(d) Policies to promote increases in family, individual, and business incomes;

(e) An examination of whether sites planned for economic development have adequate public facilities and services, and, as appropriate, a plan for any needed public facilities and services;

(f) Policies to encourage access to education and training for family wage jobs; and

(g) Policies and opportunities to address economic development including existing industries and businesses, value added manufacturing of locally

produced natural resources, and the use of locally produced energy and other natural resources.

(2) Each county and city planning under this chapter is encouraged to adopt comprehensive plans and development regulations that promote economic development in urban and rural areas, and evaluate economic performance in the jurisdiction in the time since the most recent update to the comprehensive plan. Each county and city planning under this chapter may make findings regarding the economic condition of the jurisdiction. If there is stagnation or economic deterioration during the period of time since the most recent update to the comprehensive plan, the comprehensive plan and development regulations may be modified to increase economic development opportunities.

(3)(a) Counties with a population of less than seventy-five thousand as of January 1, 2014, as determined by the office of financial management and published on April 1, 2016, that are planning under this chapter, and the cities within those counties, may identify policies, programs, and development opportunities to address the potential for economic deterioration and to seize economic development opportunities that may deviate from prescriptive interpretations of this chapter.

(b) For purposes of this section, economic deterioration is exemplified by, but not limited to, any combination of the following performance outcomes:

(i) Incomes that are at least ten thousand dollars less than the statewide median household income for the same year as established by the office of financial management;

(ii) A decrease in the county's household median income during any year within the prior eight years;

(iii) The inability of the jurisdiction to add new full-time jobs in sufficient quantities to provide for population increases;

(iv) Decreases or stagnation of economic start-ups during multiple years within the prior eight years;

(v) Unemployment rates that are higher than the national and statewide averages over multiple years within the prior eight years; and

(vi) Decreases or stagnation in the issuance of commercial building permits during multiple years.

(4) In situations where the competing goals of this chapter would restrain economic development in the counties described in subsection (3)(a) of this section, and the cities within those counties, that are experiencing economic deterioration, the growth management hearings board and courts shall afford deference to local development choices that make economic development a priority, consistent with the presumption of validity required under RCW 36.70A.320.

**Sec. 3 was vetoed. See message at end of chapter.*

Passed by the Senate April 18, 2017.

Passed by the House April 12, 2017.

Approved by the Governor May 16, 2017, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 16, 2017.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to Section 3, Substitute Senate Bill No. 5790 entitled:

"AN ACT Relating to the economic development element of the growth management act."

The Growth Management Act (GMA) provides for a balanced approach between community economic development and the conservation of resource lands, such as farms and forests. Section 3 of this bill undermines that balance by favoring, in certain counties, economic development over the protection of these resource lands.

I am committed to supporting economic development across Washington State so all areas and communities thrive. This commitment includes working with legislators and stakeholders on how we better develop the economy of rural and other underserved areas. At the same time, I remain committed to fully supporting the GMA, which has created the framework for thoughtful growth and comprehensive development plans while protecting vital resource lands.

During special session, I am willing to consider a more targeted bill that provides some additional flexibility to encourage economic development in rural communities, while maintaining the overall balanced approach within the GMA.

Over the interim, it would also be helpful to reexamine how we encourage economic development in rural areas. This would be an appropriate topic for the broader review of the GMA as proposed in the Senate and House budgets.

For these reasons I have vetoed Section 3 of Substitute Senate Bill No. 5790.

With the exception of Section 3, Substitute Senate Bill No. 5790 is approved."

CHAPTER 332

[Engrossed House Bill 1620]

CRIMINAL HISTORY BACKGROUND CHECKS--LOCAL GOVERNMENT AUTHORITY

AN ACT Relating to expanding the authority of local governments to require criminal history background checks; and amending RCW 35.21.920, 35A.21.370, 36.01.300, and 35.61.130.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 35.21.920 and 2010 c 47 s 2 are each amended to read as follows:

(1) For the purpose of receiving criminal history record information by city or town officials, cities or towns may(5):

(a) By ordinance, require a state and federal background investigation of license applicants or licensees in occupations specified by ordinance ((for the purpose of receiving criminal history record information by city or town officials));

(b) By ordinance, require a federal background investigation of city or town employees, applicants for employment, volunteers, vendors, and independent contractors, who, in the course of their work or volunteer activity with the city or town, may have unsupervised access to children, persons with developmental disabilities, or vulnerable adults;

(c) Require a state criminal background investigation of city or town employees, applicants for employment, volunteers, vendors, and independent contractors, who, in the course of their work or volunteer activity with the city or town, may have unsupervised access to children, persons with developmental disabilities, or vulnerable adults; and

(d) Require a criminal background investigation conducted through a private organization of city or town employees, applicants for employment, volunteers, vendors, and independent contractors, who, in the course of their work or volunteer activity with the city or town, may have unsupervised access to children, persons with developmental disabilities, or vulnerable adults.

(2) The investigation conducted under subsection (1)(a) through (c) of this section shall consist of a background check as allowed through the Washington state criminal records privacy act under RCW 10.97.050, the Washington state patrol criminal identification system under RCW 43.43.832 through 43.43.834, and the federal bureau of investigation. ((These))

(3) The background checks conducted under subsection (1)(a) through (c) of this section must be done through the Washington state patrol identification and criminal history section and may include a national check from the federal bureau of investigation, which shall be through the submission of fingerprints. The Washington state patrol shall serve as the sole source for receipt of fingerprint submissions and the responses to the submissions from the federal bureau of investigation, which must be disseminated to the city or town.

(4) For a criminal background check conducted under subsection (1)(a) through (c) of this section, the city or town shall transmit appropriate fees for a state and national criminal history check to the Washington state patrol, unless alternately arranged. The cost of investigations conducted under this section shall be borne by the city or town.

(5) The authority for background checks outlined in this section is in addition to any other authority for such checks provided by law.

Sec. 2. RCW 35A.21.370 and 2010 c 47 s 3 are each amended to read as follows:

(1) For the purpose of receiving criminal history record information by code city officials, code cities may(;):

(a) By ordinance, require a state and federal background investigation of license applicants or licensees in occupations specified by ordinance ((for the purpose of receiving criminal history record information by code city officials));

(b) By ordinance, require a federal background investigation of code city employees, applicants for employment, volunteers, vendors, and independent contractors, who, in the course of their work or volunteer activity with the code city, may have unsupervised access to children, persons with developmental disabilities, or vulnerable adults;

(c) Require a state criminal background investigation of code city employees, applicants for employment, volunteers, vendors, and independent contractors, who, in the course of their work or volunteer activity with the code city, may have unsupervised access to children, persons with developmental disabilities, or vulnerable adults; and

(d) Require a criminal background investigation conducted through a private organization of code city employees, applicants for employment, volunteers, vendors, and independent contractors, who, in the course of their work or volunteer activity with the code city, may have unsupervised access to children, persons with developmental disabilities, or vulnerable adults.

(2) The investigation conducted under subsection (1)(a) through (c) of this section shall consist of a background check as allowed through the Washington state criminal records privacy act under RCW 10.97.050, the Washington state patrol criminal identification system under RCW 43.43.832 through 43.43.834, and the federal bureau of investigation. ((These))

(3) The background checks conducted under subsection (1)(a) through (c) of this section must be done through the Washington state patrol identification and criminal history section and may include a national check from the federal

bureau of investigation, which shall be through the submission of fingerprints. The Washington state patrol shall serve as the sole source for receipt of fingerprint submissions and the responses to the submissions from the federal bureau of investigation, which must be disseminated to the code city.

(4) For a criminal background check conducted under subsection (1)(a) through (c) of this section, the code city shall transmit appropriate fees for a state and national criminal history check to the Washington state patrol, unless alternately arranged. The cost of investigations conducted under this section shall be borne by the code city.

(5) The authority for background checks outlined in this section is in addition to any other authority for such checks provided by law.

Sec. 3. RCW 36.01.300 and 2010 c 47 s 1 are each amended to read as follows:

(1) For the purpose of receiving criminal history record information by county officials, counties may(=):

(a) By ordinance, require a state and federal background investigation of license applicants or licensees in occupations specified by ordinance ((for the purpose of receiving criminal history record information by county officials));

(b) By ordinance, require a federal background investigation of county employees, applicants for employment, volunteers, vendors, and independent contractors, who, in the course of their work or volunteer activity with the county, may have unsupervised access to children, persons with developmental disabilities, or vulnerable adults;

(c) Require a state background investigation of county employees, applicants for employment, volunteers, vendors, and independent contractors, who, in the course of their work or volunteer activity with the county, may have unsupervised access to children, persons with developmental disabilities, or vulnerable adults; and

(d) Require a criminal background investigation conducted through a private organization of county employees, applicants for employment, volunteers, vendors, and independent contractors, who, in the course of their work or volunteer activity with the county, may have unsupervised access to children, persons with developmental disabilities, or vulnerable adults.

(2) The investigation conducted under subsection (1)(a) through (c) of this section shall consist of a background check as allowed through the Washington state criminal records privacy act under RCW 10.97.050, the Washington state patrol criminal identification system under RCW 43.43.832 through 43.43.834, and the federal bureau of investigation. ((These))

(3) The background checks conducted under subsection (1)(a) through (c) of this section must be done through the Washington state patrol identification and criminal history section and may include a national check from the federal bureau of investigation, which shall be through the submission of fingerprints. The Washington state patrol shall serve as the sole source for receipt of fingerprint submissions and the responses to the submissions from the federal bureau of investigation, which must be disseminated to the county.

(4) For a criminal background check conducted under subsection (1)(a) through (c) of this section, the county shall transmit appropriate fees for a state and national criminal history check to the Washington state patrol, unless

alternately arranged. The cost of investigations conducted under this section shall be borne by the county.

(5) The authority for background checks outlined in this section is in addition to any other authority for such checks provided by law.

Sec. 4. RCW 35.61.130 and 2006 c 222 s 1 are each amended to read as follows:

(1) A metropolitan park district has the right of eminent domain, and may purchase, acquire and condemn lands lying within or without the boundaries of said park district, for public parks, parkways, boulevards, aviation landings and playgrounds, and may condemn such lands to widen, alter and extend streets, avenues, boulevards, parkways, aviation landings and playgrounds, to enlarge and extend existing parks, and to acquire lands for the establishment of new parks, boulevards, parkways, aviation landings and playgrounds. The right of eminent domain shall be exercised and instituted pursuant to resolution of the board of park commissioners and conducted in the same manner and under the same procedure as is or may be provided by law for the exercise of the power of eminent domain by incorporated cities and towns of the state of Washington in the acquisition of property rights: PROVIDED, HOWEVER, Funds to pay for condemnation allowed by this section shall be raised only as specified in this chapter.

(2) The board of park commissioners shall have power to employ counsel, and to regulate, manage and control the parks, parkways, boulevards, streets, avenues, aviation landings and playgrounds under its control, and to provide for park police, for a secretary of the board of park commissioners and for all necessary employees, to fix their salaries and duties.

(3) The board of park commissioners shall have power to improve, acquire, extend and maintain, open and lay out, parks, parkways, boulevards, avenues, aviation landings and playgrounds, within or without the park district, and to authorize, conduct and manage the letting of boats, or other amusement apparatus, the operation of bath houses, the purchase and sale of foodstuffs or other merchandise, the giving of vocal or instrumental concerts or other entertainments, the establishment and maintenance of aviation landings and playgrounds, and generally the management and conduct of such forms of recreation or business as it shall judge desirable or beneficial for the public, or for the production of revenue for expenditure for park purposes; and may pay out moneys for the maintenance and improvement of any such parks, parkways, boulevards, avenues, aviation landings and playgrounds as now exist, or may hereafter be acquired, within or without the limits of said city and for the purchase of lands within or without the limits of said city, whenever it deems the purchase to be for the benefit of the public and for the interest of the park district, and for the maintenance and improvement thereof and for all expenses incidental to its duties: PROVIDED, That all parks, boulevards, parkways, aviation landings and playgrounds shall be subject to the police regulations of the city within whose limits they lie.

(4) ~~((For all employees, volunteers, or independent contractors, who may, in the course of their work or volunteer activity with the park district, have unsupervised access to children or vulnerable adults, or be responsible for collecting or disbursing cash or processing credit/debit card transactions,))~~

(a) For the purpose of receiving criminal history record information by metropolitan park districts, metropolitan park districts:

(i) Shall establish by resolution the requirements for a state and federal record check of park district employees, applicants for employment, volunteers, vendors, and independent contractors, who, in the course of their work or volunteer activity with the park district, may:

(A) Have unsupervised access to children, persons with developmental disabilities, or vulnerable adults; or

(B) Be responsible for collecting or disbursing cash or processing credit/debit card transactions; and

(ii) May require a criminal background check conducted through a private organization of park district employees, applicants for employment, volunteers, vendors, and independent contractors, who, in the course of their work or volunteer activity with the park district, may have unsupervised access to children, persons with developmental disabilities, or vulnerable adults. A background check conducted through a private organization under this subsection is not required in addition to the requirement under (a)(i) of this subsection.

(b) The investigation under (a)(i) of this subsection shall consist of a background check as allowed through the Washington state patrol criminal identification system under RCW 43.43.830 through 43.43.834, the Washington state criminal records act under RCW 10.97.030(7) and 10.97.050, and ((through)) the federal bureau of investigation((, including a fingerprint check using a complete Washington state criminal identification fingerprint card)).

(c) The background checks conducted under (a)(i) of this subsection must be done through the Washington state patrol identification and criminal history section and may include a national check from the federal bureau of investigation, which shall be through the submission of fingerprints. The Washington state patrol shall serve as the sole source for receipt of fingerprint submissions and the responses to the submissions from the federal bureau of investigation, which must be disseminated to the metropolitan park district.

(d) The park district shall provide a copy of the record report to the employee, prospective employee, volunteer, vendor, or independent contractor.

(e) When necessary, as determined by the park district, prospective employees, volunteers, vendors, or independent contractors may be employed on a conditional basis pending completion of the investigation.

(f) If the employee, prospective employee, volunteer, vendor, or independent contractor has had a record check within the previous twelve months, the park district may waive the requirement upon receiving a copy of the record. ((The park district may in its discretion require that the prospective employee, volunteer, or independent contractor pay the costs associated with the record check.))

(g) For background checks conducted pursuant to (c) of this subsection, the metropolitan park district must transmit appropriate fees, as the Washington state patrol may require under RCW 10.97.100 and 43.43.838, to the Washington state patrol, unless alternately arranged.

(h) The authority for background checks outlined in this section is in addition to any other authority for such checks provided by law.

Passed by the House April 20, 2017.

Passed by the Senate April 19, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 16, 2017.

CHAPTER 333

[Engrossed Substitute House Bill 1105]

RAILROAD CREW TRANSPORTATION

AN ACT Relating to railroad crew transportation; amending RCW 81.61.010, 81.61.040, and 42.56.330; adding new sections to chapter 81.61 RCW; and providing an effective date.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 81.61.010 and 1977 ex.s. c 2 s 1 are each amended to read as follows:

Unless the context clearly requires otherwise(~~(, the term)~~):

(1) "Contract crew transportation vehicle," as used in this chapter, means every motor vehicle, designed to transport fifteen or fewer passengers, including the driver, that is owned, leased, operated, or maintained by a person contracting with a railroad company or its agents, contractors, subcontractors, vendors, subvendors, secondary vendors, or subcarriers, and used primarily to provide railroad crew transportation.

(2) "Passenger-carrying vehicle," as used in this chapter, means those buses (~~and~~), vans, trucks, and cars owned, operated, and maintained by a railroad company (~~which~~) and primarily used to transport(~~s~~) railroad employees in other than the cab of such vehicle and designed primarily for operation on roads which may or may not be equipped with retractable flanged wheels for operation on railroad tracks.

NEW SECTION. **Sec. 2.** A new section is added to chapter 81.61 RCW to read as follows:

(1) The commission must regulate persons providing contract railroad crew transportation and every contract crew transportation vehicle with respect to driver qualifications, equipment safety, safety of operations, hours of service by drivers, passenger safety, drug testing requirements, and record retention. This regulation must be consistent with the manner in which the commission regulates these areas under chapter 81.70 RCW and the manner in which it regulates safety under chapter 81.68 RCW, as well as with the approach used in federal motor carrier safety regulations under Title 49 of the code of federal regulations. In the event of a conflict between this chapter and the laws referenced in this subsection, this chapter governs.

(2) The commission must adopt rules under chapter 34.05 RCW as necessary to carry out this chapter regarding the operation of contract crew transportation vehicles.

(3)(a) The commission must require insurance coverage for each contract crew transportation vehicle that satisfies the following minimum amounts:

(i) Five million dollars combined single limit coverage for bodily injury and property damage liability coverage; and

(ii) Uninsured and underinsured motorist coverage of one million dollars.

(b) If a third party contracts with the person operating the vehicle on behalf of the railroad company or its agents, contractors, subcontractors, vendors,

subvendors, secondary vendors, or subcarriers to transport railroad crew, the insurance requirements may be satisfied by either the third party or the person operating the vehicle, so long as the person operating the vehicle names the third party as an additional insured or named insured. The railroad company may also satisfy the insurance requirements. Proof of coverage must be provided to the commission by the person contracting with the railroad company.

(4) The commission must require the form and posting of adequate notices in a conspicuous location in all contract crew transportation vehicles to advise railroad employee passengers of their rights, the opportunity to submit safety complaints to the commission, the complaint process, and contact information for the commission.

(5) The commission must require persons providing contract railroad crew transportation to ensure that all drivers of contract crew transportation vehicles successfully complete at least eight hours of commission-approved safety training that includes, but is not limited to, vehicle and passenger safety awareness, rail yard safety, grade crossing safety, load securement, and distracted and fatigued driving.

(6) The commission must investigate safety complaints related to contract railroad crew transportation under this chapter and take appropriate enforcement action as authorized.

(7) The commission may enforce this chapter with respect to persons providing contract railroad crew transportation under the authority in RCW 81.04.380 through 81.04.405, including assessing penalties as warranted.

(8) The commission may suspend or revoke a permit upon complaint by any interested party, or upon the commission's own motion after notice and opportunity for hearing, when it finds that any person owning, leasing, operating, or maintaining contract crew transportation vehicles has violated this chapter or the rules of the commission, or that the company or its agent has been found by a court or governmental agency to have violated the laws of a state or the United States.

NEW SECTION. Sec. 3. A new section is added to chapter 81.61 RCW to read as follows:

(1) A person is immediately and automatically disqualified from operating a contract crew transportation vehicle for a period of three years if (a) the person is convicted of, or is found to have committed, two or more traffic violations that result in suspension or revocation of the person's driver's license within a three-year period, for a reason other than the nonpayment of fines, or (b) the person is found guilty of, or is found to have committed, any drug or alcohol-related traffic offense, using a vehicle to commit a felony, leaving the scene of an accident, prohibited passing of another vehicle, a railroad-highway grade crossing offense identified in RCW 46.25.090(8), or driving with a suspended, revoked, or canceled license.

(2) A driver that sustains a conviction or a traffic violation as outlined under this section while employed by a contract carrier must report the conviction or infraction to the carrier within ten days of the date of conviction or the finding that the infraction was committed.

NEW SECTION. Sec. 4. A new section is added to chapter 81.61 RCW to read as follows:

(1) The commission must compile data regarding any reported safety complaints, accidents, regulatory violations and fines, and corrective actions taken by the commission involving vehicles regulated under this chapter. A railroad company, and any person that owns or leases, operates, or maintains contract crew transportation vehicles in the state, must, at the request of the commission, provide data relevant to any complaints and accidents, including location, time of day, visibility, a description of the event, whether any property damage or personal injuries resulted, and any corrective action taken by the railroad company, person operating the contract crew transportation vehicle, or commission. The commission must make this data available upon request.

(2) Information included in safety complaints that identifies the employee who submitted the complaint is exempt from public inspection and copying pursuant to RCW 42.56.330.

Sec. 5. RCW 81.61.040 and 1977 ex.s. c 2 s 4 are each amended to read as follows:

(1) The commission may, in enforcing rules and orders under this chapter, inspect any passenger-carrying vehicle (~~provided by a railroad company to transport employees in the course of their employment~~) or contract crew transportation vehicle. Upon request, the chief of the state patrol may assist the commission in these inspections.

(2) Consistent with section 2 of this act, the commission must develop an inspection program for contract crew transportation vehicles. This program must require a periodic inspection of each vehicle, including a review of operational practices.

Sec. 6. RCW 42.56.330 and 2015 c 224 s 4 are each amended to read as follows:

The following information relating to public utilities and transportation is exempt from disclosure under this chapter:

(1) Records filed with the utilities and transportation commission or attorney general under RCW 80.04.095 or 81.77.210 that a court has determined are confidential under RCW 80.04.095 or 81.77.210;

(2) The addresses, telephone numbers, electronic contact information, and customer-specific utility usage and billing information in increments less than a billing cycle of the customers of a public utility contained in the records or lists held by the public utility of which they are customers, except that this information may be released to the division of child support or the agency or firm providing child support enforcement for another state under Title IV-D of the federal social security act, for the establishment, enforcement, or modification of a support order;

(3) The names, residential addresses, residential telephone numbers, and other individually identifiable records held by an agency in relation to a vanpool, carpool, or other ride-sharing program or service. (~~Participant's [Participants']~~) Participants' names, general locations, and point of contact may be disclosed to other persons who apply for ride-matching services and who need that information in order to identify potential riders or drivers with whom to share rides;

(4) The personally identifying information of current or former participants or applicants in a paratransit or other transit service operated for the benefit of persons with disabilities or elderly persons;

(5) The personally identifying information of persons who acquire and use transit passes or other fare payment media including, but not limited to, stored value smart cards and magnetic strip cards, except that an agency may disclose personally identifying information to a person, employer, educational institution, or other entity that is responsible, in whole or in part, for payment of the cost of acquiring or using a transit pass or other fare payment media for the purpose of preventing fraud. As used in this subsection, "personally identifying information" includes acquisition or use information pertaining to a specific, individual transit pass or fare payment media.

(a) Information regarding the acquisition or use of transit passes or fare payment media may be disclosed in aggregate form if the data does not contain any personally identifying information.

(b) Personally identifying information may be released to law enforcement agencies if the request is accompanied by a court order;

(6) Any information obtained by governmental agencies that is collected by the use of a motor carrier intelligent transportation system or any comparable information equipment attached to a truck, tractor, or trailer; however, the information may be given to other governmental agencies or the owners of the truck, tractor, or trailer from which the information is obtained. As used in this subsection, "motor carrier" has the same definition as provided in RCW 81.80.010;

(7) The personally identifying information of persons who acquire and use transponders or other technology to facilitate payment of tolls. This information may be disclosed in aggregate form as long as the data does not contain any personally identifying information. For these purposes aggregate data may include the census tract of the account holder as long as any individual personally identifying information is not released. Personally identifying information may be released to law enforcement agencies only for toll enforcement purposes. Personally identifying information may be released to law enforcement agencies for other purposes only if the request is accompanied by a court order; ~~((and))~~

(8) The personally identifying information of persons who acquire and use a driver's license or identocard that includes a radio frequency identification chip or similar technology to facilitate border crossing. This information may be disclosed in aggregate form as long as the data does not contain any personally identifying information. Personally identifying information may be released to law enforcement agencies only for United States customs and border protection enforcement purposes. Personally identifying information may be released to law enforcement agencies for other purposes only if the request is accompanied by a court order; and

(9) Personally identifying information included in safety complaints submitted under chapter 81.61 RCW.

NEW SECTION. Sec. 7. This act takes effect January 1, 2018.

Passed by the House April 13, 2017.

Passed by the Senate April 10, 2017.

Approved by the Governor May 16, 2017.
Filed in Office of Secretary of State May 16, 2017.

CHAPTER 334

[Substitute Senate Bill 5289]

DISTRACTED DRIVING--ELECTRONIC DEVICES--DANGEROUSLY DISTRACTED DRIVING

AN ACT Relating to updating the distracted driving infraction; amending RCW 46.25.010; adding new sections to chapter 46.61 RCW; repealing RCW 46.61.667 and 46.61.668; prescribing penalties; and providing an effective date.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. **Sec. 1.** A new section is added to chapter 46.61 RCW to read as follows:

(1) A person who uses a personal electronic device while driving a motor vehicle on a public highway is guilty of a traffic infraction and must pay a fine as provided in RCW 46.63.110(3).

(2) Subsection (1) of this section does not apply to:

(a) A driver who is using a personal electronic device to contact emergency services;

(b) The use of a system by a transit system employee for time-sensitive relay communication between the transit system employee and the transit system's dispatch services;

(c) An individual employed as a commercial motor vehicle driver who uses a personal electronic device within the scope of such individual's employment if such use is permitted under 49 U.S.C. Sec. 31136 as it existed on the effective date of this section; and

(d) A person operating an authorized emergency vehicle.

(3) The state preempts the field of regulating the use of personal electronic devices in motor vehicles while driving, and this section supersedes any local laws, ordinances, orders, rules, or regulations enacted by any political subdivision or municipality to regulate the use of a personal electronic device by the operator of a motor vehicle.

(4) A second or subsequent offense under this section is subject to two times the penalty amount under RCW 46.63.110.

(5) For purposes of this section:

(a) "Driving" means to operate a motor vehicle on a public highway, including while temporarily stationary because of traffic, a traffic control device, or other momentary delays. "Driving" does not include when the vehicle has pulled over to the side of, or off of, an active roadway and has stopped in a location where it can safely remain stationary.

(b) "Personal electronic device" means any portable electronic device that is capable of wireless communication or electronic data retrieval and is not manufactured primarily for hands-free use in a motor vehicle. "Personal electronic device" includes, but is not limited to, a cell phone, tablet, laptop, two-way messaging device, or electronic game. "Personal electronic device" does not include two-way radio, citizens band radio, or amateur radio equipment.

(c) "Use" or "uses" means:

(i) Holding a personal electronic device in either hand or both hands;

(ii) Using your hand or finger to compose, send, read, view, access, browse, transmit, save, or retrieve email, text messages, instant messages, photographs, or other electronic data; however, this does not preclude the minimal use of a finger to activate, deactivate, or initiate a function of the device;

(iii) Watching video on a personal electronic device.

NEW SECTION. Sec. 2. The following acts or parts of acts are each repealed:

(1) RCW 46.61.667 (Using a wireless communications device or handheld mobile telephone while driving) and 2013 c 224 s 15, 2010 c 223 s 3, & 2007 c 417 s 2; and

(2) RCW 46.61.668 (Sending, reading, or writing a text message while driving) and 2013 c 224 s 16, 2010 c 223 s 4, & 2007 c 416 s 1.

NEW SECTION. Sec. 3. A new section is added to chapter 46.61 RCW to read as follows:

(1)(a) It is a traffic infraction to drive dangerously distracted. Any driver who commits this infraction must be assessed a base penalty of thirty dollars.

(b) Enforcement of the infraction of driving dangerously distracted may be accomplished only as a secondary action when a driver of a motor vehicle has been detained for a suspected violation of a separate traffic infraction or an equivalent local ordinance.

(c) For the purposes of this section, "dangerously distracted" means a person who engages in any activity not related to the actual operation of a motor vehicle in a manner that interferes with the safe operation of such motor vehicle on any highway.

(2) The additional monetary penalty imposed under this section must be deposited into the distracted driving prevention account created in subsection (3) of this section.

(3) The distracted driving prevention account is created in the state treasury. All receipts from the base penalty in subsection (1) of this section must be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only to support programs dedicated to reducing distracted driving and improving driver education on distracted driving.

Sec. 4. RCW 46.25.010 and 2013 c 224 s 3 are each amended to read as follows:

The definitions set forth in this section apply throughout this chapter.

(1) "Alcohol" means any substance containing any form of alcohol, including but not limited to ethanol, methanol, propanol, and isopropanol.

(2) "Alcohol concentration" means:

(a) The number of grams of alcohol per one hundred milliliters of blood; or

(b) The number of grams of alcohol per two hundred ten liters of breath.

(3) "Commercial driver's license" (CDL) means a license issued to an individual under chapter 46.20 RCW that has been endorsed in accordance with the requirements of this chapter to authorize the individual to drive a class of commercial motor vehicle.

(4) The "commercial driver's license information system" (CDLIS) is the information system established pursuant to 49 U.S.C. Sec. 31309 to serve as a

clearinghouse for locating information related to the licensing and identification of commercial motor vehicle drivers.

(5) "Commercial learner's permit" (CLP) means a permit issued under RCW 46.25.052 for the purposes of behind-the-wheel training.

(6) "Commercial motor vehicle" means a motor vehicle or combination of motor vehicles used in commerce to transport passengers or property if the motor vehicle:

(a) Has a gross combination weight rating or gross combination weight of 11,794 kilograms or more (26,001 pounds or more), whichever is greater, inclusive of a [any] towed unit [or units] with a gross vehicle weight rating or gross vehicle weight of more than 4,536 kilograms (10,000 pounds or more), whichever is greater; or

(b) Has a gross vehicle weight rating or gross vehicle weight of 11,794 kilograms or more (26,001 pounds or more), whichever is greater; or

(c) Is designed to transport sixteen or more passengers, including the driver; or

(d) Is of any size and is used in the transportation of hazardous materials as defined in this section; or

(e) Is a school bus regardless of weight or size.

(7) "Conviction" means an unvacated adjudication of guilt, or a determination that a person has violated or failed to comply with the law in a court of original jurisdiction or by an authorized administrative tribunal, an unvacated forfeiture of bail or collateral deposited to secure the person's appearance in court, a plea of guilty or nolo contendere accepted by the court, the payment of a fine or court cost, entry into a deferred prosecution program under chapter 10.05 RCW, or violation of a condition of release without bail, regardless of whether or not the penalty is rebated, suspended, or probated.

(8) "Disqualification" means a prohibition against driving a commercial motor vehicle.

(9) "Drive" means to drive, operate, or be in physical control of a motor vehicle in any place open to the general public for purposes of vehicular traffic. For purposes of RCW 46.25.100, 46.25.110, and 46.25.120, "drive" includes operation or physical control of a motor vehicle anywhere in the state.

(10) "Drugs" are those substances as defined by RCW 69.04.009, including, but not limited to, those substances defined by 49 C.F.R. Sec. 40.3.

(11) "Employer" means any person, including the United States, a state, or a political subdivision of a state, who owns or leases a commercial motor vehicle, or assigns a person to drive a commercial motor vehicle.

(12) "Gross vehicle weight rating" (GVWR) means the value specified by the manufacturer as the maximum loaded weight of a single vehicle. The GVWR of a combination or articulated vehicle, commonly referred to as the "gross combined weight rating" or GCWR, is the GVWR of the power unit plus the GVWR of the towed unit or units. If the GVWR of any unit cannot be determined, the actual gross weight will be used. If a vehicle with a GVWR of less than 11,794 kilograms (26,001 pounds or less) has been structurally modified to carry a heavier load, then the actual gross weight capacity of the modified vehicle, as determined by RCW 46.44.041 and 46.44.042, will be used as the GVWR.

(13) "Hazardous materials" means any material that has been designated as hazardous under 49 U.S.C. Sec. 5103 and is required to be placarded under subpart F of 49 C.F.R. Part 172 or any quantity of a material listed as a select agent or toxin in 42 C.F.R. Part 73.

(14) "Motor vehicle" means a vehicle, machine, tractor, trailer, or semitrailer propelled or drawn by mechanical power used on highways, or any other vehicle required to be registered under the laws of this state, but does not include a vehicle, machine, tractor, trailer, or semitrailer operated exclusively on a rail.

(15) "Out-of-service order" means a declaration by an authorized enforcement officer of a federal, state, Canadian, Mexican, or local jurisdiction that a driver, a commercial motor vehicle, or a motor carrier operation is out-of-service pursuant to 49 C.F.R. Secs. 386.72, 392.5, 395.13, 396.9, or compatible laws, or the North American uniform out-of-service criteria.

(16) "Positive alcohol confirmation test" means an alcohol confirmation test that:

(a) Has been conducted by a breath alcohol technician under 49 C.F.R. Part 40; and

(b) Indicates an alcohol concentration of 0.04 or more.

A report that a person has refused an alcohol test, under circumstances that constitute the refusal of an alcohol test under 49 C.F.R. Part 40, will be considered equivalent to a report of a positive alcohol confirmation test for the purposes of this chapter.

(17) "School bus" means a commercial motor vehicle used to transport preprimary, primary, or secondary school students from home to school, from school to home, or to and from school-sponsored events. School bus does not include a bus used as a common carrier.

(18) "Serious traffic violation" means:

(a) Excessive speeding, defined as fifteen miles per hour or more in excess of the posted limit;

(b) Reckless driving, as defined under state or local law;

(c) Driving while using a ~~((handheld wireless communications device [handheld mobile telephone], defined as a violation of RCW 46.61.667(1)(b)))~~ personal electronic device, defined as a violation of section 1 of this act, which includes in the activities it prohibits driving while holding a personal electronic device in either or both hands and using a hand or finger for texting, or an equivalent administrative rule or local law, ordinance, rule, or resolution;

~~(d) ((Texting, defined as a violation of RCW 46.61.668(1)(b) or an equivalent administrative rule or local law, ordinance, rule, or resolution;~~

~~(e))~~ (e) A violation of a state or local law relating to motor vehicle traffic control, other than a parking violation, arising in connection with an accident or collision resulting in death to any person;

~~((f))~~ (f) Driving a commercial motor vehicle without obtaining a commercial driver's license;

~~((g))~~ (g) Driving a commercial motor vehicle without a commercial driver's license in the driver's possession; however, any individual who provides proof to the court by the date the individual must appear in court or pay any fine for such a violation, that the individual held a valid CDL on the date the citation was issued, is not guilty of a "serious traffic violation";

~~((h))~~ (g) Driving a commercial motor vehicle without the proper class of commercial driver's license endorsement or endorsements for the specific vehicle group being operated or for the passenger or type of cargo being transported; and

~~((i))~~ (h) Any other violation of a state or local law relating to motor vehicle traffic control, other than a parking violation, that the department determines by rule to be serious.

(19) "State" means a state of the United States and the District of Columbia.

(20) "Substance abuse professional" means an alcohol and drug specialist meeting the credentials, knowledge, training, and continuing education requirements of 49 C.F.R. Sec. 40.281.

(21) "Tank vehicle" means any commercial motor vehicle that is designed to transport any liquid or gaseous materials within a tank or tanks having an individual rated capacity of more than one hundred nineteen gallons and an aggregate rated capacity of one thousand gallons or more that is either permanently or temporarily attached to the vehicle or the chassis. A commercial motor vehicle transporting an empty storage container tank, not designed for transportation, with a rated capacity of one thousand gallons or more that is temporarily attached to a flatbed trailer is not considered a tank vehicle.

(22) "Type of driving" means one of the following:

(a) "Nonexcepted interstate," which means the CDL or CLP holder or applicant operates or expects to operate in interstate commerce, is both subject to and meets the qualification requirements under 49 C.F.R. Part 391 as it existed on July 8, 2014, or such subsequent date as may be provided by the department by rule, consistent with the purposes of this section, and is required to obtain a medical examiner's certificate under 49 C.F.R. Sec. 391.45 as it existed on July 8, 2014, or such subsequent date as may be provided by the department by rule, consistent with the purposes of this section;

(b) "Excepted interstate," which means the CDL or CLP holder or applicant operates or expects to operate in interstate commerce, but engages exclusively in transportation or operations excepted under 49 C.F.R. Secs. 390.3(f), 391.2, 391.68, or 398.3, as they existed on July 8, 2014, or such subsequent date as may be provided by the department by rule, consistent with the purposes of this section, from all or parts of the qualification requirements of 49 C.F.R. Part 391 as it existed on July 8, 2014, or such subsequent date as may be provided by the department by rule, consistent with the purposes of this section, and is therefore not required to obtain a medical examiner's certificate under 49 C.F.R. Sec. 391.45 as it existed on July 8, 2014, or such subsequent date as may be provided by the department by rule, consistent with the purposes of this section;

(c) "Nonexcepted intrastate," which means the CDL or CLP holder or applicant operates only in intrastate commerce and is therefore subject to state driver qualification requirements; or

(d) "Excepted intrastate," which means the CDL or CLP holder or applicant operates in intrastate commerce, but engages exclusively in transportation or operations excepted from all or parts of the state driver qualification requirements.

(23) "United States" means the fifty states and the District of Columbia.

(24) "Verified positive drug test" means a drug test result or validity testing result from a laboratory certified under the authority of the federal department of health and human services that:

(a) Indicates a drug concentration at or above the cutoff concentration established under 49 C.F.R. Sec. 40.87; and

(b) Has undergone review and final determination by a medical review officer.

A report that a person has refused a drug test, under circumstances that constitute the refusal of a federal department of transportation drug test under 49 C.F.R. Part 40, will be considered equivalent to a report of a verified positive drug test for the purposes of this chapter.

***NEW SECTION. Sec. 5.** This act takes effect January 1, 2019.

**Sec. 5 was vetoed. See message at end of chapter.*

Passed by the Senate April 19, 2017.

Passed by the House April 19, 2017.

Approved by the Governor May 16, 2017, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 17, 2017.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to Section 5, Substitute Senate Bill No. 5289 entitled:

"AN ACT Relating to updating the distracted driving infraction."

The bill creates a new traffic infraction that prohibits a person from using a personal electronic device while driving a motor vehicle on a public highway. Section 5 creates a delayed implementation date of January 1, 2019. I am vetoing this section because public safety is better served by implementing this bill this year.

For these reasons I have vetoed Section 5 of Substitute Senate Bill No. 5289.

With the exception of Section 5, Substitute Senate Bill No. 5289 is approved."

CHAPTER 335

[Senate Bill 5037]

DRIVING UNDER THE INFLUENCE--FOURTH OFFENSE

AN ACT Relating to making a fourth driving under the influence offense a felony; amending RCW 46.61.502, 46.61.504, and 46.61.5054; reenacting and amending RCW 46.61.5055 and 9.94A.515; and prescribing penalties.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 46.61.502 and 2016 c 87 s 1 are each amended to read as follows:

(1) A person is guilty of driving while under the influence of intoxicating liquor, marijuana, or any drug if the person drives a vehicle within this state:

(a) And the person has, within two hours after driving, an alcohol concentration of 0.08 or higher as shown by analysis of the person's breath or blood made under RCW 46.61.506; or

(b) The person has, within two hours after driving, a THC concentration of 5.00 or higher as shown by analysis of the person's blood made under RCW 46.61.506; or

(c) While the person is under the influence of or affected by intoxicating liquor, marijuana, or any drug; or

(d) While the person is under the combined influence of or affected by intoxicating liquor, marijuana, and any drug.

(2) The fact that a person charged with a violation of this section is or has been entitled to use a drug under the laws of this state shall not constitute a defense against a charge of violating this section.

(3)(a) It is an affirmative defense to a violation of subsection (1)(a) of this section, which the defendant must prove by a preponderance of the evidence, that the defendant consumed a sufficient quantity of alcohol after the time of driving and before the administration of an analysis of the person's breath or blood to cause the defendant's alcohol concentration to be 0.08 or more within two hours after driving. The court shall not admit evidence of this defense unless the defendant notifies the prosecution prior to the omnibus or pretrial hearing in the case of the defendant's intent to assert the affirmative defense.

(b) It is an affirmative defense to a violation of subsection (1)(b) of this section, which the defendant must prove by a preponderance of the evidence, that the defendant consumed a sufficient quantity of marijuana after the time of driving and before the administration of an analysis of the person's blood to cause the defendant's THC concentration to be 5.00 or more within two hours after driving. The court shall not admit evidence of this defense unless the defendant notifies the prosecution prior to the omnibus or pretrial hearing in the case of the defendant's intent to assert the affirmative defense.

(4)(a) Analyses of blood or breath samples obtained more than two hours after the alleged driving may be used as evidence that within two hours of the alleged driving, a person had an alcohol concentration of 0.08 or more in violation of subsection (1)(a) of this section, and in any case in which the analysis shows an alcohol concentration above 0.00 may be used as evidence that a person was under the influence of or affected by intoxicating liquor or any drug in violation of subsection (1)(c) or (d) of this section.

(b) Analyses of blood samples obtained more than two hours after the alleged driving may be used as evidence that within two hours of the alleged driving, a person had a THC concentration of 5.00 or more in violation of subsection (1)(b) of this section, and in any case in which the analysis shows a THC concentration above 0.00 may be used as evidence that a person was under the influence of or affected by marijuana in violation of subsection (1)(c) or (d) of this section.

(5) Except as provided in subsection (6) of this section, a violation of this section is a gross misdemeanor.

(6) It is a class B felony punishable under chapter 9.94A RCW, or chapter 13.40 RCW if the person is a juvenile, if:

(a) The person has (~~four~~) three or more prior offenses within ten years as defined in RCW 46.61.5055; or

(b) The person has ever previously been convicted of:

(i) Vehicular homicide while under the influence of intoxicating liquor or any drug, RCW 46.61.520(1)(a);

(ii) Vehicular assault while under the influence of intoxicating liquor or any drug, RCW 46.61.522(1)(b);

- (iii) An out-of-state offense comparable to the offense specified in (b)(i) or (ii) of this subsection; or
- (iv) A violation of this subsection (6) or RCW 46.61.504(6).

Sec. 2. RCW 46.61.504 and 2015 2nd sp.s. c 3 s 24 are each amended to read as follows:

(1) A person is guilty of being in actual physical control of a motor vehicle while under the influence of intoxicating liquor or any drug if the person has actual physical control of a vehicle within this state:

(a) And the person has, within two hours after being in actual physical control of the vehicle, an alcohol concentration of 0.08 or higher as shown by analysis of the person's breath or blood made under RCW 46.61.506; or

(b) The person has, within two hours after being in actual physical control of a vehicle, a THC concentration of 5.00 or higher as shown by analysis of the person's blood made under RCW 46.61.506; or

(c) While the person is under the influence of or affected by intoxicating liquor or any drug; or

(d) While the person is under the combined influence of or affected by intoxicating liquor and any drug.

(2) The fact that a person charged with a violation of this section is or has been entitled to use a drug under the laws of this state does not constitute a defense against any charge of violating this section. No person may be convicted under this section and it is an affirmative defense to any action pursuant to RCW 46.20.308 to suspend, revoke, or deny the privilege to drive if, prior to being pursued by a law enforcement officer, the person has moved the vehicle safely off the roadway.

(3)(a) It is an affirmative defense to a violation of subsection (1)(a) of this section which the defendant must prove by a preponderance of the evidence that the defendant consumed a sufficient quantity of alcohol after the time of being in actual physical control of the vehicle and before the administration of an analysis of the person's breath or blood to cause the defendant's alcohol concentration to be 0.08 or more within two hours after being in such control. The court shall not admit evidence of this defense unless the defendant notifies the prosecution prior to the omnibus or pretrial hearing in the case of the defendant's intent to assert the affirmative defense.

(b) It is an affirmative defense to a violation of subsection (1)(b) of this section, which the defendant must prove by a preponderance of the evidence, that the defendant consumed a sufficient quantity of marijuana after the time of being in actual physical control of the vehicle and before the administration of an analysis of the person's blood to cause the defendant's THC concentration to be 5.00 or more within two hours after being in control of the vehicle. The court shall not admit evidence of this defense unless the defendant notifies the prosecution prior to the omnibus or pretrial hearing in the case of the defendant's intent to assert the affirmative defense.

(4)(a) Analyses of blood or breath samples obtained more than two hours after the alleged being in actual physical control of a vehicle may be used as evidence that within two hours of the alleged being in such control, a person had an alcohol concentration of 0.08 or more in violation of subsection (1)(a) of this section, and in any case in which the analysis shows an alcohol concentration above 0.00 may be used as evidence that a person was under the influence of or

affected by intoxicating liquor or any drug in violation of subsection (1)(c) or (d) of this section.

(b) Analyses of blood samples obtained more than two hours after the alleged being in actual physical control of a vehicle may be used as evidence that within two hours of the alleged being in control of the vehicle, a person had a THC concentration of 5.00 or more in violation of subsection (1)(b) of this section, and in any case in which the analysis shows a THC concentration above 0.00 may be used as evidence that a person was under the influence of or affected by marijuana in violation of subsection (1)(c) or (d) of this section.

(5) Except as provided in subsection (6) of this section, a violation of this section is a gross misdemeanor.

(6) It is a class C felony punishable under chapter 9.94A RCW, or chapter 13.40 RCW if the person is a juvenile, if:

(a) The person has (~~four~~) three or more prior offenses within ten years as defined in RCW 46.61.5055; or

(b) The person has ever previously been convicted of:

(i) Vehicular homicide while under the influence of intoxicating liquor or any drug, RCW 46.61.520(1)(a);

(ii) Vehicular assault while under the influence of intoxicating liquor or any drug, RCW 46.61.522(1)(b);

(iii) An out-of-state offense comparable to the offense specified in (b)(i) or (ii) of this subsection; or

(iv) A violation of this subsection (6) or RCW 46.61.502(6).

Sec. 3. RCW 46.61.5055 and 2016 sp.s. c 29 s 530 and 2016 c 203 s 17 are each reenacted and amended to read as follows:

(1) **No prior offenses in seven years.** Except as provided in RCW 46.61.502(6) or 46.61.504(6), a person who is convicted of a violation of RCW 46.61.502 or 46.61.504 and who has no prior offense within seven years shall be punished as follows:

(a) **Penalty for alcohol concentration less than 0.15.** In the case of a person whose alcohol concentration was less than 0.15, or for whom for reasons other than the person's refusal to take a test offered pursuant to RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) By imprisonment for not less than one day nor more than three hundred sixty-four days. Twenty-four consecutive hours of the imprisonment may not be suspended unless the court finds that the imposition of this mandatory minimum sentence would impose a substantial risk to the offender's physical or mental well-being. Whenever the mandatory minimum sentence is suspended, the court shall state in writing the reason for granting the suspension and the facts upon which the suspension is based. In lieu of the mandatory minimum term of imprisonment required under this subsection (1)(a)(i), the court may order not less than fifteen days of electronic home monitoring or a ninety-day period of 24/7 sobriety program monitoring. The court may consider the offender's pretrial 24/7 sobriety program monitoring as fulfilling a portion of posttrial sentencing. The offender shall pay the cost of electronic home monitoring. The county or municipality in which the penalty is being imposed shall determine the cost. The court may also require the offender's electronic home monitoring device or other separate alcohol monitoring device to include an alcohol detection breathalyzer,

and the court may restrict the amount of alcohol the offender may consume during the time the offender is on electronic home monitoring; and

(ii) By a fine of not less than three hundred fifty dollars nor more than five thousand dollars. Three hundred fifty dollars of the fine may not be suspended unless the court finds the offender to be indigent; or

(b) **Penalty for alcohol concentration at least 0.15.** In the case of a person whose alcohol concentration was at least 0.15, or for whom by reason of the person's refusal to take a test offered pursuant to RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) By imprisonment for not less than two days nor more than three hundred sixty-four days. Forty-eight consecutive hours of the imprisonment may not be suspended unless the court finds that the imposition of this mandatory minimum sentence would impose a substantial risk to the offender's physical or mental well-being. Whenever the mandatory minimum sentence is suspended, the court shall state in writing the reason for granting the suspension and the facts upon which the suspension is based. In lieu of the mandatory minimum term of imprisonment required under this subsection (1)(b)(i), the court may order not less than thirty days of electronic home monitoring or a one hundred twenty day period of 24/7 sobriety program monitoring. The court may consider the offender's pretrial 24/7 sobriety program testing as fulfilling a portion of posttrial sentencing. The offender shall pay the cost of electronic home monitoring. The county or municipality in which the penalty is being imposed shall determine the cost. The court may also require the offender's electronic home monitoring device to include an alcohol detection breathalyzer or other separate alcohol monitoring device, and the court may restrict the amount of alcohol the offender may consume during the time the offender is on electronic home monitoring; and

(ii) By a fine of not less than five hundred dollars nor more than five thousand dollars. Five hundred dollars of the fine may not be suspended unless the court finds the offender to be indigent.

(2) **One prior offense in seven years.** Except as provided in RCW 46.61.502(6) or 46.61.504(6), a person who is convicted of a violation of RCW 46.61.502 or 46.61.504 and who has one prior offense within seven years shall be punished as follows:

(a) **Penalty for alcohol concentration less than 0.15.** In the case of a person whose alcohol concentration was less than 0.15, or for whom for reasons other than the person's refusal to take a test offered pursuant to RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) By imprisonment for not less than thirty days nor more than three hundred sixty-four days and sixty days of electronic home monitoring. In lieu of the mandatory minimum term of sixty days electronic home monitoring, the court may order at least an additional four days in jail or, if available in that county or city, a six-month period of 24/7 sobriety program monitoring pursuant to RCW 36.28A.300 through 36.28A.390, and the court shall order an expanded alcohol assessment and treatment, if deemed appropriate by the assessment. The offender shall pay for the cost of the electronic monitoring. The county or municipality where the penalty is being imposed shall determine the cost. The court may also require the offender's electronic home monitoring device include an alcohol detection breathalyzer or other separate alcohol monitoring device, and may restrict the amount of alcohol the offender may consume during the

time the offender is on electronic home monitoring. Thirty days of imprisonment and sixty days of electronic home monitoring may not be suspended unless the court finds that the imposition of this mandatory minimum sentence would impose a substantial risk to the offender's physical or mental well-being. Whenever the mandatory minimum sentence is suspended, the court shall state in writing the reason for granting the suspension and the facts upon which the suspension is based; and

(ii) By a fine of not less than five hundred dollars nor more than five thousand dollars. Five hundred dollars of the fine may not be suspended unless the court finds the offender to be indigent; or

(b) **Penalty for alcohol concentration at least 0.15.** In the case of a person whose alcohol concentration was at least 0.15, or for whom by reason of the person's refusal to take a test offered pursuant to RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) By imprisonment for not less than forty-five days nor more than three hundred sixty-four days and ninety days of electronic home monitoring. In lieu of the mandatory minimum term of ninety days electronic home monitoring, the court may order at least an additional six days in jail or, if available in that county or city, a six-month period of 24/7 sobriety program monitoring pursuant to RCW 36.28A.300 through 36.28A.390, and the court shall order an expanded alcohol assessment and treatment, if deemed appropriate by the assessment. The offender shall pay for the cost of the electronic monitoring. The county or municipality where the penalty is being imposed shall determine the cost. The court may also require the offender's electronic home monitoring device include an alcohol detection breathalyzer or other separate alcohol monitoring device, and may restrict the amount of alcohol the offender may consume during the time the offender is on electronic home monitoring. Forty-five days of imprisonment and ninety days of electronic home monitoring may not be suspended unless the court finds that the imposition of this mandatory minimum sentence would impose a substantial risk to the offender's physical or mental well-being. Whenever the mandatory minimum sentence is suspended, the court shall state in writing the reason for granting the suspension and the facts upon which the suspension is based; and

(ii) By a fine of not less than seven hundred fifty dollars nor more than five thousand dollars. Seven hundred fifty dollars of the fine may not be suspended unless the court finds the offender to be indigent.

(3) **Two ((or three)) prior offenses in seven years.** Except as provided in RCW 46.61.502(6) or 46.61.504(6), a person who is convicted of a violation of RCW 46.61.502 or 46.61.504 and who has two ((or three)) prior offenses within seven years shall be punished as follows:

(a) **Penalty for alcohol concentration less than 0.15.** In the case of a person whose alcohol concentration was less than 0.15, or for whom for reasons other than the person's refusal to take a test offered pursuant to RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) By imprisonment for not less than ninety days nor more than three hundred sixty-four days, if available in that county or city, a six-month period of 24/7 sobriety program monitoring pursuant to RCW 36.28A.300 through 36.28A.390, and one hundred twenty days of electronic home monitoring. In lieu of the mandatory minimum term of one hundred twenty days of electronic

home monitoring, the court may order at least an additional eight days in jail. The court shall order an expanded alcohol assessment and treatment, if deemed appropriate by the assessment. The offender shall pay for the cost of the electronic monitoring. The county or municipality where the penalty is being imposed shall determine the cost. The court may also require the offender's electronic home monitoring device include an alcohol detection breathalyzer or other separate alcohol monitoring device, and may restrict the amount of alcohol the offender may consume during the time the offender is on electronic home monitoring. Ninety days of imprisonment and one hundred twenty days of electronic home monitoring may not be suspended unless the court finds that the imposition of this mandatory minimum sentence would impose a substantial risk to the offender's physical or mental well-being. Whenever the mandatory minimum sentence is suspended, the court shall state in writing the reason for granting the suspension and the facts upon which the suspension is based; and

(ii) By a fine of not less than one thousand dollars nor more than five thousand dollars. One thousand dollars of the fine may not be suspended unless the court finds the offender to be indigent; or

(b) Penalty for alcohol concentration at least 0.15. In the case of a person whose alcohol concentration was at least 0.15, or for whom by reason of the person's refusal to take a test offered pursuant to RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) By imprisonment for not less than one hundred twenty days nor more than three hundred sixty-four days, if available in that county or city, a six-month period of 24/7 sobriety program monitoring pursuant to RCW 36.28A.300 through 36.28A.390, and one hundred fifty days of electronic home monitoring. In lieu of the mandatory minimum term of one hundred fifty days of electronic home monitoring, the court may order at least an additional ten days in jail. The offender shall pay for the cost of the electronic monitoring. The court shall order an expanded alcohol assessment and treatment, if deemed appropriate by the assessment. The county or municipality where the penalty is being imposed shall determine the cost. The court may also require the offender's electronic home monitoring device include an alcohol detection breathalyzer or other separate alcohol monitoring device, and may restrict the amount of alcohol the offender may consume during the time the offender is on electronic home monitoring. One hundred twenty days of imprisonment and one hundred fifty days of electronic home monitoring may not be suspended unless the court finds that the imposition of this mandatory minimum sentence would impose a substantial risk to the offender's physical or mental well-being. Whenever the mandatory minimum sentence is suspended, the court shall state in writing the reason for granting the suspension and the facts upon which the suspension is based; and

(ii) By a fine of not less than one thousand five hundred dollars nor more than five thousand dollars. One thousand five hundred dollars of the fine may not be suspended unless the court finds the offender to be indigent.

(4) (~~Four~~) Three or more prior offenses in ten years. A person who is convicted of a violation of RCW 46.61.502 or 46.61.504 shall be punished under chapter 9.94A RCW if:

- (a) The person has (~~four~~) three or more prior offenses within ten years; or
- (b) The person has ever previously been convicted of:

(i) A violation of RCW 46.61.520 committed while under the influence of intoxicating liquor or any drug;

(ii) A violation of RCW 46.61.522 committed while under the influence of intoxicating liquor or any drug;

(iii) An out-of-state offense comparable to the offense specified in (b)(i) or (ii) of this subsection; or

(iv) A violation of RCW 46.61.502(6) or 46.61.504(6).

(5) **Monitoring.** (a) **Ignition interlock device.** The court shall require any person convicted of a violation of RCW 46.61.502 or 46.61.504 or an equivalent local ordinance to comply with the rules and requirements of the department regarding the installation and use of a functioning ignition interlock device installed on all motor vehicles operated by the person.

(b) **Monitoring devices.** If the court orders that a person refrain from consuming any alcohol, the court may order the person to submit to alcohol monitoring through an alcohol detection breathalyzer device, transdermal sensor device, or other technology designed to detect alcohol in a person's system. The person shall pay for the cost of the monitoring, unless the court specifies that the cost of monitoring will be paid with funds that are available from an alternative source identified by the court. The county or municipality where the penalty is being imposed shall determine the cost.

(c) **24/7 sobriety program monitoring.** In any county or city where a 24/7 sobriety program is available and verified by the Washington association of sheriffs and police chiefs, the court shall:

(i) Order the person to install and use a functioning ignition interlock or other device in lieu of such period of 24/7 sobriety program monitoring;

(ii) Order the person to a period of 24/7 sobriety program monitoring pursuant to subsections (1) through (3) of this section; or

(iii) Order the person to install and use a functioning ignition interlock or other device in addition to a period of 24/7 sobriety program monitoring pursuant to subsections (1) through (3) of this section.

(6) **Penalty for having a minor passenger in vehicle.** If a person who is convicted of a violation of RCW 46.61.502 or 46.61.504 committed the offense while a passenger under the age of sixteen was in the vehicle, the court shall:

(a) Order the use of an ignition interlock or other device for an additional six months;

(b) In any case in which the person has no prior offenses within seven years, and except as provided in RCW 46.61.502(6) or 46.61.504(6), order an additional twenty-four hours of imprisonment and a fine of not less than one thousand dollars and not more than five thousand dollars. One thousand dollars of the fine may not be suspended unless the court finds the offender to be indigent;

(c) In any case in which the person has one prior offense within seven years, and except as provided in RCW 46.61.502(6) or 46.61.504(6), order an additional five days of imprisonment and a fine of not less than two thousand dollars and not more than five thousand dollars. One thousand dollars of the fine may not be suspended unless the court finds the offender to be indigent;

(d) In any case in which the person has two (~~or three~~) prior offenses within seven years, and except as provided in RCW 46.61.502(6) or 46.61.504(6), order an additional ten days of imprisonment and a fine of not less than three thousand

dollars and not more than ten thousand dollars. One thousand dollars of the fine may not be suspended unless the court finds the offender to be indigent.

(7) **Other items courts must consider while setting penalties.** In exercising its discretion in setting penalties within the limits allowed by this section, the court shall particularly consider the following:

(a) Whether the person's driving at the time of the offense was responsible for injury or damage to another or another's property;

(b) Whether at the time of the offense the person was driving or in physical control of a vehicle with one or more passengers;

(c) Whether the driver was driving in the opposite direction of the normal flow of traffic on a multiple lane highway, as defined by RCW 46.04.350, with a posted speed limit of forty-five miles per hour or greater; and

(d) Whether a child passenger under the age of sixteen was an occupant in the driver's vehicle.

(8) **Treatment and information school.** An offender punishable under this section is subject to the alcohol assessment and treatment provisions of RCW 46.61.5056.

(9) **Driver's license privileges of the defendant.** The license, permit, or nonresident privilege of a person convicted of driving or being in physical control of a motor vehicle while under the influence of intoxicating liquor or drugs must:

(a) **Penalty for alcohol concentration less than 0.15.** If the person's alcohol concentration was less than 0.15, or if for reasons other than the person's refusal to take a test offered under RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) Where there has been no prior offense within seven years, be suspended or denied by the department for ninety days or until the person is evaluated by an alcoholism agency or probation department pursuant to RCW 46.20.311 and the person completes or is enrolled in a ninety-day period of 24/7 sobriety program monitoring. In no circumstances shall the license suspension be for fewer than two days;

(ii) Where there has been one prior offense within seven years, be revoked or denied by the department for two years; or

(iii) Where there have been two or more prior offenses within seven years, be revoked or denied by the department for three years;

(b) **Penalty for alcohol concentration at least 0.15.** If the person's alcohol concentration was at least 0.15:

(i) Where there has been no prior offense within seven years, be revoked or denied by the department for one year or until the person is evaluated by an alcoholism agency or probation department pursuant to RCW 46.20.311 and the person completes or is enrolled in a one hundred twenty day period of 24/7 sobriety program monitoring. In no circumstances shall the license revocation be for fewer than four days;

(ii) Where there has been one prior offense within seven years, be revoked or denied by the department for nine hundred days; or

(iii) Where there have been two or more prior offenses within seven years, be revoked or denied by the department for four years; or

(c) **Penalty for refusing to take test.** If by reason of the person's refusal to take a test offered under RCW 46.20.308, there is no test result indicating the person's alcohol concentration:

(i) Where there have been no prior offenses within seven years, be revoked or denied by the department for two years;

(ii) Where there has been one prior offense within seven years, be revoked or denied by the department for three years; or

(iii) Where there have been two or more previous offenses within seven years, be revoked or denied by the department for four years.

The department shall grant credit on a day-for-day basis for any portion of a suspension, revocation, or denial already served under this subsection for a suspension, revocation, or denial imposed under RCW 46.20.3101 arising out of the same incident.

Upon receipt of a notice from the court under RCW 36.28A.390 that a participant has been removed from a 24/7 sobriety program, the department must resume any suspension, revocation, or denial that had been terminated early under this subsection due to participation in the program, granting credit on a day-for-day basis for any portion of a suspension, revocation, or denial already served under RCW 46.20.3101 or this section arising out of the same incident.

Upon its own motion or upon motion by a person, a court may find, on the record, that notice to the department under RCW 46.20.270 has been delayed for three years or more as a result of a clerical or court error. If so, the court may order that the person's license, permit, or nonresident privilege shall not be revoked, suspended, or denied for that offense. The court shall send notice of the finding and order to the department and to the person. Upon receipt of the notice from the court, the department shall not revoke, suspend, or deny the license, permit, or nonresident privilege of the person for that offense.

For purposes of this subsection (9), the department shall refer to the driver's record maintained under RCW 46.52.120 when determining the existence of prior offenses.

(10) **Probation of driving privilege.** After expiration of any period of suspension, revocation, or denial of the offender's license, permit, or privilege to drive required by this section, the department shall place the offender's driving privilege in probationary status pursuant to RCW 46.20.355.

(11) **Conditions of probation.** (a) In addition to any nonsuspendable and nondeferrable jail sentence required by this section, whenever the court imposes up to three hundred sixty-four days in jail, the court shall also suspend but shall not defer a period of confinement for a period not exceeding five years. The court shall impose conditions of probation that include: (i) Not driving a motor vehicle within this state without a valid license to drive; (ii) not driving a motor vehicle within this state without proof of liability insurance or other financial responsibility for the future pursuant to RCW 46.30.020; (iii) not driving or being in physical control of a motor vehicle within this state while having an alcohol concentration of 0.08 or more or a THC concentration of 5.00 nanograms per milliliter of whole blood or higher, within two hours after driving; (iv) not refusing to submit to a test of his or her breath or blood to determine alcohol or drug concentration upon request of a law enforcement officer who has reasonable grounds to believe the person was driving or was in actual physical control of a motor vehicle within this state while under the

influence of intoxicating liquor or drug; and (v) not driving a motor vehicle in this state without a functioning ignition interlock device as required by the department under RCW 46.20.720. The court may impose conditions of probation that include nonrepetition, installation of an ignition interlock device on the probationer's motor vehicle, alcohol or drug treatment, supervised probation, or other conditions that may be appropriate. The sentence may be imposed in whole or in part upon violation of a condition of probation during the suspension period.

(b) For each violation of mandatory conditions of probation under (a)(i), (ii), (iii), (iv), or (v) of this subsection, the court shall order the convicted person to be confined for thirty days, which shall not be suspended or deferred.

(c) For each incident involving a violation of a mandatory condition of probation imposed under this subsection, the license, permit, or privilege to drive of the person shall be suspended by the court for thirty days or, if such license, permit, or privilege to drive already is suspended, revoked, or denied at the time the finding of probation violation is made, the suspension, revocation, or denial then in effect shall be extended by thirty days. The court shall notify the department of any suspension, revocation, or denial or any extension of a suspension, revocation, or denial imposed under this subsection.

(12) Waiver of electronic home monitoring. A court may waive the electronic home monitoring requirements of this chapter when:

(a) The offender does not have a dwelling, telephone service, or any other necessity to operate an electronic home monitoring system. However, if a court determines that an alcohol monitoring device utilizing wireless reporting technology is reasonably available, the court may require the person to obtain such a device during the period of required electronic home monitoring;

(b) The offender does not reside in the state of Washington; or

(c) The court determines that there is reason to believe that the offender would violate the conditions of the electronic home monitoring penalty.

Whenever the mandatory minimum term of electronic home monitoring is waived, the court shall state in writing the reason for granting the waiver and the facts upon which the waiver is based, and shall impose an alternative sentence with similar punitive consequences. The alternative sentence may include, but is not limited to, use of an ignition interlock device, the 24/7 sobriety program monitoring, additional jail time, work crew, or work camp.

Whenever the combination of jail time and electronic home monitoring or alternative sentence would exceed three hundred sixty-four days, the offender shall serve the jail portion of the sentence first, and the electronic home monitoring or alternative portion of the sentence shall be reduced so that the combination does not exceed three hundred sixty-four days.

(13) Extraordinary medical placement. An offender serving a sentence under this section, whether or not a mandatory minimum term has expired, may be granted an extraordinary medical placement by the jail administrator subject to the standards and limitations set forth in RCW 9.94A.728(1)(c).

(14) Definitions. For purposes of this section and RCW 46.61.502 and 46.61.504:

(a) A "prior offense" means any of the following:

(i) A conviction for a violation of RCW 46.61.502 or an equivalent local ordinance;

(ii) A conviction for a violation of RCW 46.61.504 or an equivalent local ordinance;

(iii) A conviction for a violation of RCW 46.25.110 or an equivalent local ordinance;

(iv) A conviction for a violation of RCW 79A.60.040(2) or an equivalent local ordinance;

(v) A conviction for a violation of RCW 79A.60.040(1) or an equivalent local ordinance committed in a reckless manner if the conviction is the result of a charge that was originally filed as a violation of RCW 79A.60.040(2) or an equivalent local ordinance;

(vi) A conviction for a violation of RCW 47.68.220 or an equivalent local ordinance committed while under the influence of intoxicating liquor or any drug;

(vii) A conviction for a violation of RCW 47.68.220 or an equivalent local ordinance committed in a careless or reckless manner if the conviction is the result of a charge that was originally filed as a violation of RCW 47.68.220 or an equivalent local ordinance while under the influence of intoxicating liquor or any drug;

(viii) A conviction for a violation of RCW 46.09.470(2) or an equivalent local ordinance;

(ix) A conviction for a violation of RCW 46.10.490(2) or an equivalent local ordinance;

(x) A conviction for a violation of RCW 46.61.520 committed while under the influence of intoxicating liquor or any drug, or a conviction for a violation of RCW 46.61.520 committed in a reckless manner or with the disregard for the safety of others if the conviction is the result of a charge that was originally filed as a violation of RCW 46.61.520 committed while under the influence of intoxicating liquor or any drug;

(xi) A conviction for a violation of RCW 46.61.522 committed while under the influence of intoxicating liquor or any drug, or a conviction for a violation of RCW 46.61.522 committed in a reckless manner or with the disregard for the safety of others if the conviction is the result of a charge that was originally filed as a violation of RCW 46.61.522 committed while under the influence of intoxicating liquor or any drug;

(xii) A conviction for a violation of RCW 46.61.5249, 46.61.500, or 9A.36.050 or an equivalent local ordinance, if the conviction is the result of a charge that was originally filed as a violation of RCW 46.61.502 or 46.61.504, or an equivalent local ordinance, or of RCW 46.61.520 or 46.61.522;

(xiii) An out-of-state conviction for a violation that would have been a violation of (a)(i), (ii), (x), (xi), or (xii) of this subsection if committed in this state;

(xiv) A deferred prosecution under chapter 10.05 RCW granted in a prosecution for a violation of RCW 46.61.502, 46.61.504, or an equivalent local ordinance;

(xv) A deferred prosecution under chapter 10.05 RCW granted in a prosecution for a violation of RCW 46.61.5249, or an equivalent local ordinance, if the charge under which the deferred prosecution was granted was originally filed as a violation of RCW 46.61.502 or 46.61.504, or an equivalent local ordinance, or of RCW 46.61.520 or 46.61.522;

(xvi) A deferred prosecution granted in another state for a violation of driving or having physical control of a vehicle while under the influence of intoxicating liquor or any drug if the out-of-state deferred prosecution is equivalent to the deferred prosecution under chapter 10.05 RCW, including a requirement that the defendant participate in a chemical dependency treatment program; or

(xvii) A deferred sentence imposed in a prosecution for a violation of RCW 46.61.5249, 46.61.500, or 9A.36.050, or an equivalent local ordinance, if the charge under which the deferred sentence was imposed was originally filed as a violation of RCW 46.61.502 or 46.61.504, or an equivalent local ordinance, or a violation of RCW 46.61.520 or 46.61.522;

If a deferred prosecution is revoked based on a subsequent conviction for an offense listed in this subsection (14)(a), the subsequent conviction shall not be treated as a prior offense of the revoked deferred prosecution for the purposes of sentencing;

(b) "Treatment" means substance use disorder treatment approved by the department of social and health services;

(c) "Within seven years" means that the arrest for a prior offense occurred within seven years before or after the arrest for the current offense; and

(d) "Within ten years" means that the arrest for a prior offense occurred within ten years before or after the arrest for the current offense.

(15) All fines imposed by this section apply to adult offenders only.

Sec. 4. RCW 9.94A.515 and 2016 c 213 s 5, 2016 c 164 s 13, and 2016 c 6 s 1 are each reenacted and amended to read as follows:

TABLE 2
CRIMES INCLUDED WITHIN EACH
SERIOUSNESS LEVEL

XVI	Aggravated Murder 1 (RCW 10.95.020)
XV	Homicide by abuse (RCW 9A.32.055)
	Malicious explosion 1 (RCW 70.74.280(1))
	Murder 1 (RCW 9A.32.030)
XIV	Murder 2 (RCW 9A.32.050)
	Trafficking 1 (RCW 9A.40.100(1))
XIII	Malicious explosion 2 (RCW 70.74.280(2))
	Malicious placement of an explosive 1 (RCW 70.74.270(1))
XII	Assault 1 (RCW 9A.36.011)
	Assault of a Child 1 (RCW 9A.36.120)
	Malicious placement of an imitation device 1 (RCW 70.74.272(1)(a))

CRIMES INCLUDED WITHIN EACH
SERIOUSNESS LEVEL

- Promoting Commercial Sexual Abuse of a
Minor (RCW 9.68A.101)
- Rape 1 (RCW 9A.44.040)
- Rape of a Child 1 (RCW 9A.44.073)
- Trafficking 2 (RCW 9A.40.100(3))
- XI Manslaughter 1 (RCW 9A.32.060)
- Rape 2 (RCW 9A.44.050)
- Rape of a Child 2 (RCW 9A.44.076)
- Vehicular Homicide, by being under the
influence of intoxicating liquor or any
drug (RCW 46.61.520)
- Vehicular Homicide, by the operation of
any vehicle in a reckless manner
(RCW 46.61.520)
- X Child Molestation 1 (RCW 9A.44.083)
- Criminal Mistreatment 1 (RCW
9A.42.020)
- Indecent Liberties (with forcible
compulsion) (RCW 9A.44.100(1)(a))
- Kidnapping 1 (RCW 9A.40.020)
- Leading Organized Crime (RCW
9A.82.060(1)(a))
- Malicious explosion 3 (RCW
70.74.280(3))
- Sexually Violent Predator Escape (RCW
9A.76.115)
- IX Abandonment of Dependent Person 1
(RCW 9A.42.060)
- Assault of a Child 2 (RCW 9A.36.130)
- Explosive devices prohibited (RCW
70.74.180)
- Hit and Run—Death (RCW
46.52.020(4)(a))
- Homicide by Watercraft, by being under
the influence of intoxicating liquor or
any drug (RCW 79A.60.050)
- Inciting Criminal Profiteering (RCW
9A.82.060(1)(b))

CRIMES INCLUDED WITHIN EACH
SERIOUSNESS LEVEL

- Malicious placement of an explosive 2
(RCW 70.74.270(2))
- Robbery 1 (RCW 9A.56.200)
- Sexual Exploitation (RCW 9.68A.040)
- VIII Arson 1 (RCW 9A.48.020)
- Commercial Sexual Abuse of a Minor
(RCW 9.68A.100)
- Homicide by Watercraft, by the operation
of any vessel in a reckless manner
(RCW 79A.60.050)
- Manslaughter 2 (RCW 9A.32.070)
- Promoting Prostitution 1 (RCW
9A.88.070)
- Theft of Ammonia (RCW 69.55.010)
- VII Air bag diagnostic systems (causing
bodily injury or death) (RCW
46.37.660(2)(b))
- Air bag replacement requirements
(causing bodily injury or death)
(RCW 46.37.660(1)(b))
- Burglary 1 (RCW 9A.52.020)
- Child Molestation 2 (RCW 9A.44.086)
- Civil Disorder Training (RCW
9A.48.120)
- Manufacture or import counterfeit,
nonfunctional, damaged, or
previously deployed air bag (causing
bodily injury or death) (RCW
46.37.650(1)(b))
- Sale, install, (~~for~~) or reinstall
counterfeit, nonfunctional, damaged,
or previously deployed airbag (RCW
46.37.650(2)(b))
- Dealing in depictions of minor engaged in
sexually explicit conduct 1 (RCW
9.68A.050(1))
- Drive-by Shooting (RCW 9A.36.045)

CRIMES INCLUDED WITHIN EACH
SERIOUSNESS LEVEL

- Homicide by Watercraft, by disregard for the safety of others (RCW 79A.60.050)
- Indecent Liberties (without forcible compulsion) (RCW 9A.44.100(1) (b) and (c))
- Introducing Contraband 1 (RCW 9A.76.140)
- Malicious placement of an explosive 3 (RCW 70.74.270(3))
- Negligently Causing Death By Use of a Signal Preemption Device (RCW 46.37.675)
- Sending, bringing into state depictions of minor engaged in sexually explicit conduct 1 (RCW 9.68A.060(1))
- Unlawful Possession of a Firearm in the first degree (RCW 9.41.040(1))
- Use of a Machine Gun in Commission of a Felony (RCW 9.41.225)
- Vehicular Homicide, by disregard for the safety of others (RCW 46.61.520)
- VI Bail Jumping with Murder 1 (RCW 9A.76.170(3)(a))
- Bribery (RCW 9A.68.010)
- Incest 1 (RCW 9A.64.020(1))
- Intimidating a Judge (RCW 9A.72.160)
- Intimidating a Juror/Witness (RCW 9A.72.110, 9A.72.130)
- Malicious placement of an imitation device 2 (RCW 70.74.272(1)(b))
- Possession of Depictions of a Minor Engaged in Sexually Explicit Conduct 1 (RCW 9.68A.070(1))
- Rape of a Child 3 (RCW 9A.44.079)
- Theft of a Firearm (RCW 9A.56.300)
- Unlawful Storage of Ammonia (RCW 69.55.020)

CRIMES INCLUDED WITHIN EACH
SERIOUSNESS LEVEL

- V Abandonment of Dependent Person 2
(RCW 9A.42.070)
- Advancing money or property for
extortionate extension of credit
(RCW 9A.82.030)
- Air bag diagnostic systems (RCW
46.37.660(2)(c))
- Air bag replacement requirements (RCW
46.37.660(1)(c))
- Bail Jumping with class A Felony (RCW
9A.76.170(3)(b))
- Child Molestation 3 (RCW 9A.44.089)
- Manufacture or import counterfeit,
nonfunctional, damaged, or
previously deployed air bag (RCW
46.37.650(1)(c))
- Sale, install, ~~((for))~~ or reinstall
counterfeit, nonfunctional, damaged,
or previously deployed airbag (RCW
46.37.650(2)(c))
- Criminal Mistreatment 2 (RCW
9A.42.030)
- Custodial Sexual Misconduct 1 (RCW
9A.44.160)
- Dealing in Depictions of Minor Engaged
in Sexually Explicit Conduct 2 (RCW
9.68A.050(2))
- Domestic Violence Court Order Violation
(RCW 10.99.040, 10.99.050,
26.09.300, 26.10.220, 26.26.138,
26.50.110, 26.52.070, or 74.34.145)
- ~~((Driving While Under the Influence
(RCW 46.61.502(6))))~~
- Extortion 1 (RCW 9A.56.120)
- Extortionate Extension of Credit (RCW
9A.82.020)
- Extortionate Means to Collect Extensions
of Credit (RCW 9A.82.040)
- Incest 2 (RCW 9A.64.020(2))

CRIMES INCLUDED WITHIN EACH
SERIOUSNESS LEVEL

- Kidnapping 2 (RCW 9A.40.030)
- Perjury 1 (RCW 9A.72.020)
- Persistent prison misbehavior (RCW 9.94.070)
- ~~((Physical Control of a Vehicle While Under the Influence (RCW 46.61.504(6))))~~
- Possession of a Stolen Firearm (RCW 9A.56.310)
- Rape 3 (RCW 9A.44.060)
- Rendering Criminal Assistance 1 (RCW 9A.76.070)
- Sending, Bringing into State Depictions of Minor Engaged in Sexually Explicit Conduct 2 (RCW 9.68A.060(2))
- Sexual Misconduct with a Minor 1 (RCW 9A.44.093)
- Sexually Violating Human Remains (RCW 9A.44.105)
- Stalking (RCW 9A.46.110)
- Taking Motor Vehicle Without Permission 1 (RCW 9A.56.070)
- IV Arson 2 (RCW 9A.48.030)
- Assault 2 (RCW 9A.36.021)
- Assault 3 (of a Peace Officer with a Projectile Stun Gun) (RCW 9A.36.031(1)(h))
- Assault by Watercraft (RCW 79A.60.060)
- Bribing a Witness/Bribe Received by Witness (RCW 9A.72.090, 9A.72.100)
- Cheating 1 (RCW 9.46.1961)
- Commercial Bribery (RCW 9A.68.060)
- Counterfeiting (RCW 9.16.035(4))
- Driving While Under the Influence (RCW 46.61.502(6))
- Endangerment with a Controlled Substance (RCW 9A.42.100)

CRIMES INCLUDED WITHIN EACH
SERIOUSNESS LEVEL

- Escape 1 (RCW 9A.76.110)
- Hit and Run—Injury (RCW 46.52.020(4)(b))
- Hit and Run with Vessel—Injury Accident (RCW 79A.60.200(3))
- Identity Theft 1 (RCW 9.35.020(2))
- Indecent Exposure to Person Under Age Fourteen (subsequent sex offense) (RCW 9A.88.010)
- Influencing Outcome of Sporting Event (RCW 9A.82.070)
- Malicious Harassment (RCW 9A.36.080)
- Physical Control of a Vehicle While Under the Influence (RCW 46.61.504(6))
- Possession of Depictions of a Minor Engaged in Sexually Explicit Conduct 2 (RCW 9.68A.070(2))
- Residential Burglary (RCW 9A.52.025)
- Robbery 2 (RCW 9A.56.210)
- Theft of Livestock 1 (RCW 9A.56.080)
- Threats to Bomb (RCW 9.61.160)
- Trafficking in Stolen Property 1 (RCW 9A.82.050)
- Unlawful factoring of a credit card or payment card transaction (RCW 9A.56.290(4)(b))
- Unlawful transaction of health coverage as a health care service contractor (RCW 48.44.016(3))
- Unlawful transaction of health coverage as a health maintenance organization (RCW 48.46.033(3))
- Unlawful transaction of insurance business (RCW 48.15.023(3))
- Unlicensed practice as an insurance professional (RCW 48.17.063(2))

CRIMES INCLUDED WITHIN EACH
SERIOUSNESS LEVEL

- Use of Proceeds of Criminal Profiteering
(RCW 9A.82.080 (1) and (2))
- Vehicle Prowling 2 (third or subsequent
offense) (RCW 9A.52.100(3))
- Vehicular Assault, by being under the
influence of intoxicating liquor or any
drug, or by the operation or driving of
a vehicle in a reckless manner (RCW
46.61.522)
- Viewing of Depictions of a Minor
Engaged in Sexually Explicit
Conduct 1 (RCW 9.68A.075(1))
- Willful Failure to Return from Furlough
(RCW 72.66.060)
- III Animal Cruelty 1 (Sexual Conduct or
Contact) (RCW 16.52.205(3))
- Assault 3 (Except Assault 3 of a Peace
Officer With a Projectile Stun Gun)
(RCW 9A.36.031 except subsection
(1)(h))
- Assault of a Child 3 (RCW 9A.36.140)
- Bail Jumping with class B or C Felony
(RCW 9A.76.170(3)(c))
- Burglary 2 (RCW 9A.52.030)
- Communication with a Minor for Immoral
Purposes (RCW 9.68A.090)
- Criminal Gang Intimidation (RCW
9A.46.120)
- Custodial Assault (RCW 9A.36.100)
- Cyberstalking (subsequent conviction or
threat of death) (RCW 9.61.260(3))
- Escape 2 (RCW 9A.76.120)
- Extortion 2 (RCW 9A.56.130)
- Harassment (RCW 9A.46.020)
- Intimidating a Public Servant (RCW
9A.76.180)
- Introducing Contraband 2 (RCW
9A.76.150)

CRIMES INCLUDED WITHIN EACH
SERIOUSNESS LEVEL

- Malicious Injury to Railroad Property
(RCW 81.60.070)
- Mortgage Fraud (RCW 19.144.080)
- Negligently Causing Substantial Bodily
Harm By Use of a Signal Preemption
Device (RCW 46.37.674)
- Organized Retail Theft 1 (RCW
9A.56.350(2))
- Perjury 2 (RCW 9A.72.030)
- Possession of Incendiary Device (RCW
9.40.120)
- Possession of Machine Gun or Short-
Barreled Shotgun or Rifle (RCW
9.41.190)
- Promoting Prostitution 2 (RCW
9A.88.080)
- Retail Theft with Special Circumstances 1
(RCW 9A.56.360(2))
- Securities Act violation (RCW 21.20.400)
- Tampering with a Witness (RCW
9A.72.120)
- Telephone Harassment (subsequent
conviction or threat of death) (RCW
9.61.230(2))
- Theft of Livestock 2 (RCW 9A.56.083)
- Theft with the Intent to Resell 1 (RCW
9A.56.340(2))
- Trafficking in Stolen Property 2 (RCW
9A.82.055)
- Unlawful Hunting of Big Game 1 (RCW
77.15.410(3)(b))
- Unlawful Imprisonment (RCW
9A.40.040)
- Unlawful Misbranding of Food Fish or
Shellfish 1 (RCW 69.04.938(3))
- Unlawful possession of firearm in the
second degree (RCW 9.41.040(2))

CRIMES INCLUDED WITHIN EACH
SERIOUSNESS LEVEL

- Unlawful Taking of Endangered Fish or
Wildlife 1 (RCW 77.15.120(3)(b))
- Unlawful Trafficking in Fish, Shellfish, or
Wildlife 1 (RCW 77.15.260(3)(b))
- Unlawful Use of a Nondesignated Vessel
(RCW 77.15.530(4))
- Vehicular Assault, by the operation or
driving of a vehicle with disregard for
the safety of others (RCW 46.61.522)
- Willful Failure to Return from Work
Release (RCW 72.65.070)
- II Commercial Fishing Without a License 1
(RCW 77.15.500(3)(b))
- Computer Trespass 1 (RCW 9A.90.040)
- Counterfeiting (RCW 9.16.035(3))
- Electronic Data Service Interference
(RCW 9A.90.060)
- Electronic Data Tampering 1 (RCW
9A.90.080)
- Electronic Data Theft (RCW 9A.90.100)
- Engaging in Fish Dealing Activity
Unlicensed 1 (RCW 77.15.620(3))
- Escape from Community Custody (RCW
72.09.310)
- Failure to Register as a Sex Offender
(second or subsequent offense)
(RCW 9A.44.130 prior to June 10,
2010, and RCW 9A.44.132)
- Health Care False Claims (RCW
48.80.030)
- Identity Theft 2 (RCW 9.35.020(3))
- Improperly Obtaining Financial
Information (RCW 9.35.010)
- Malicious Mischief 1 (RCW 9A.48.070)
- Organized Retail Theft 2 (RCW
9A.56.350(3))
- Possession of Stolen Property 1 (RCW
9A.56.150)

CRIMES INCLUDED WITHIN EACH
SERIOUSNESS LEVEL

- Possession of a Stolen Vehicle (RCW 9A.56.068)
- Retail Theft with Special Circumstances 2 (RCW 9A.56.360(3))
- Scrap Processing, Recycling, or Supplying Without a License (second or subsequent offense) (RCW 19.290.100)
- Theft 1 (RCW 9A.56.030)
- Theft of a Motor Vehicle (RCW 9A.56.065)
- Theft of Rental, Leased, Lease-purchased, or Loaned Property (valued at five thousand dollars or more) (RCW 9A.56.096(5)(a))
- Theft with the Intent to Resell 2 (RCW 9A.56.340(3))
- Trafficking in Insurance Claims (RCW 48.30A.015)
- Unlawful factoring of a credit card or payment card transaction (RCW 9A.56.290(4)(a))
- Unlawful Participation of Non-Indians in Indian Fishery (RCW 77.15.570(2))
- Unlawful Practice of Law (RCW 2.48.180)
- Unlawful Purchase or Use of a License (RCW 77.15.650(3)(b))
- Unlawful Trafficking in Fish, Shellfish, or Wildlife 2 (RCW 77.15.260(3)(a))
- Unlicensed Practice of a Profession or Business (RCW 18.130.190(7))
- Voyeurism (RCW 9A.44.115)
- I Attempting to Elude a Pursuing Police Vehicle (RCW 46.61.024)
- False Verification for Welfare (RCW 74.08.055)
- Forgery (RCW 9A.60.020)

CRIMES INCLUDED WITHIN EACH
SERIOUSNESS LEVEL

- Fraudulent Creation or Revocation of a
Mental Health Advance Directive
(RCW 9A.60.060)
- Malicious Mischief 2 (RCW 9A.48.080)
- Mineral Trespass (RCW 78.44.330)
- Possession of Stolen Property 2 (RCW
9A.56.160)
- Reckless Burning 1 (RCW 9A.48.040)
- Spotlighting Big Game 1 (RCW
77.15.450(3)(b))
- Suspension of Department Privileges 1
(RCW 77.15.670(3)(b))
- Taking Motor Vehicle Without
Permission 2 (RCW 9A.56.075)
- Theft 2 (RCW 9A.56.040)
- Theft of Rental, Leased, Lease-purchased,
or Loaned Property (valued at seven
hundred fifty dollars or more but less
than five thousand dollars) (RCW
9A.56.096(5)(b))
- Transaction of insurance business beyond
the scope of licensure (RCW
48.17.063)
- Unlawful Fish and Shellfish Catch
Accounting (RCW 77.15.630(3)(b))
- Unlawful Issuance of Checks or Drafts
(RCW 9A.56.060)
- Unlawful Possession of Fictitious
Identification (RCW 9A.56.320)
- Unlawful Possession of Instruments of
Financial Fraud (RCW 9A.56.320)
- Unlawful Possession of Payment
Instruments (RCW 9A.56.320)
- Unlawful Possession of a Personal
Identification Device (RCW
9A.56.320)
- Unlawful Production of Payment
Instruments (RCW 9A.56.320)

CRIMES INCLUDED WITHIN EACH
SERIOUSNESS LEVEL

- Unlawful Releasing, Planting, Possessing,
or Placing Deleterious Exotic
Wildlife (RCW 77.15.250(2)(b))
- Unlawful Trafficking in Food Stamps
(RCW 9.91.142)
- Unlawful Use of Food Stamps (RCW
9.91.144)
- Unlawful Use of Net to Take Fish 1
(RCW 77.15.580(3)(b))
- Unlawful Use of Prohibited Aquatic
Animal Species (RCW 77.15.253(3))
- Vehicle Prowl 1 (RCW 9A.52.095)
- Violating Commercial Fishing Area or
Time 1 (RCW 77.15.550(3)(b))

***Sec. 5.** RCW 46.61.5054 and 2015 c 265 s 32 are each amended to read as follows:

(1)(a) *In addition to penalties set forth in RCW 46.61.5051 through 46.61.5053 until September 1, 1995, and RCW 46.61.5055 thereafter, a two hundred fifty dollar fee shall be assessed to a person who is either convicted, sentenced to a lesser charge, or given deferred prosecution, as a result of an arrest for violating RCW 46.61.502, 46.61.504, 46.61.520, or 46.61.522. This fee is for the purpose of funding the Washington state toxicology laboratory and the Washington state patrol for grants and activities to increase the conviction rate and decrease the incidence of persons driving under the influence of alcohol or drugs.*

(b) *Upon a verified petition by the person assessed the fee, the court may suspend payment of all or part of the fee if it finds that the person does not have the ability to pay.*

(2) *The fee assessed under subsection (1) of this section shall be collected by the clerk of the court and, subject to subsection (~~((4))~~) (5) of this section, one hundred seventy-five dollars of the fee must be distributed as follows:*

(a) *Forty percent shall be subject to distribution under RCW 3.46.120, 3.50.100, 35.20.220, 3.62.020, 3.62.040, or 10.82.070.*

(b) *The remainder of the fee shall be forwarded to the state treasurer who shall, through June 30, 1997, deposit: Fifty percent in the death investigations' account to be used solely for funding the state toxicology laboratory blood or breath testing programs; and fifty percent in the state patrol highway account to be used solely for funding activities to increase the conviction rate and decrease the incidence of persons driving under the influence of alcohol or drugs. Effective July 1, 1997, the remainder of the fee shall be forwarded to the state treasurer who shall deposit: Fifteen percent in the death investigations' account to be used solely for funding the state toxicology laboratory blood or breath testing programs; and eighty-five*

percent in the state patrol highway account to be used solely for funding activities to increase the conviction rate and decrease the incidence of persons driving under the influence of alcohol or drugs.

(3) Twenty-five dollars of the fee assessed under subsection (1) of this section must be distributed to the highway safety fund to be used solely for funding Washington traffic safety commission grants to reduce statewide collisions caused by persons driving under the influence of alcohol or drugs. Grants awarded under this subsection may be for projects that encourage collaboration with other community, governmental, and private organizations, and that utilize innovative approaches based on best practices or proven strategies supported by research or rigorous evaluation. Grants recipients may include, for example:

(a) DUI courts; and

(b) Jurisdictions implementing the victim impact panel registries under RCW 46.61.5152 and 10.01.230.

(4) Fifty dollars of the fee assessed under subsection (1) of this section must be distributed to the highway safety fund to be used solely for funding Washington traffic safety commission grants to organizations within counties targeted for programs to reduce driving under the influence of alcohol or drugs.

(5) If the court has suspended payment of part of the fee pursuant to subsection (1)(b) of this section, amounts collected shall be distributed proportionately.

~~((5))~~ (6) This section applies to any offense committed on or after July 1, 1993, and only to adult offenders.

**Sec. 5 was vetoed. See message at end of chapter.*

Passed by the Senate February 23, 2017.

Passed by the House April 20, 2017.

Approved by the Governor May 16, 2017, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State May 17, 2017.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to Section 5, Senate Bill No. 5037 entitled:

"AN ACT Relating to making a fourth driving under the influence offense a felony."

Section 5 of this bill increases the \$200 fee assessed to alcohol violators by \$50. The revenue is used to fund grants to organizations that operate programs to reduce driving under the influence of alcohol or drugs. This language is nearly identical to Section 13 of Engrossed Second Substitute House Bill 1614, which passed on April 21, 2017, and will soon be signed into law. However, Engrossed Second Substitute House Bill 1614 includes a provision that a minimum of \$300,000 of these grant funds shall support newly established pilot programs for persons with two or more prior offenses in seven years, a preferable approach.

For these reasons I have vetoed Section 5 of Senate Bill No. 5037.

With the exception of Section 5, Senate Bill No. 5037 is approved."

CHAPTER 336

[Engrossed Second Substitute House Bill 1614]

IMPAIRED DRIVING--VARIOUS CHANGES

AN ACT Relating to impaired driving; amending RCW 46.20.385, 46.20.720, 46.61.506, 46.61.508, 18.130.140, 46.61.517, 46.64.025, 36.28A.370, 46.61.5054, 18.360.010, 18.360.020, 18.360.030, 18.360.040, and 18.130.040; reenacting and amending RCW 9.96.060, 10.31.100, 46.61.5055, and 18.120.020; creating a new section; providing an effective date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. The legislature finds that there is significant value in diligently combating the crime of driving under the influence and promoting the safety of all persons using our public roadways. The legislature also finds that phlebotomy, also known as venipuncture, is a health care procedure that involves removing blood from the body by making an incision in a vein with a needle. The legislature finds further that the use of forensic phlebotomy can be a useful tool when investigating whether a person may be impaired while operating a motor vehicle. The legislature also finds, however, that despite the value of forensic phlebotomy, both motorists and law enforcement officers must be protected from the potentially significant health risks inherent in allowing the practice of phlebotomy without adequate and appropriate training, as defined by the department of health.

Sec. 2. RCW 9.96.060 and 2014 c 176 s 1 and 2014 c 109 s 1 are each reenacted and amended to read as follows:

(1) Every person convicted of a misdemeanor or gross misdemeanor offense who has completed all of the terms of the sentence for the misdemeanor or gross misdemeanor offense may apply to the sentencing court for a vacation of the applicant's record of conviction for the offense. If the court finds the applicant meets the tests prescribed in subsection (2) of this section, the court may in its discretion vacate the record of conviction by: (a)(i) Permitting the applicant to withdraw the applicant's plea of guilty and to enter a plea of not guilty; or (ii) if the applicant has been convicted after a plea of not guilty, the court setting aside the verdict of guilty; and (b) the court dismissing the information, indictment, complaint, or citation against the applicant and vacating the judgment and sentence.

(2) An applicant may not have the record of conviction for a misdemeanor or gross misdemeanor offense vacated if any one of the following is present:

(a) There are any criminal charges against the applicant pending in any court of this state or another state, or in any federal court;

(b) The offense was a violent offense as defined in RCW 9.94A.030 or an attempt to commit a violent offense;

(c) The offense was a violation of RCW 46.61.502 (driving while under the influence), 46.61.504 (actual physical control while under the influence), 9.91.020 (operating a railroad, etc. while intoxicated), or the offense is considered a "prior offense" under RCW 46.61.5055 and the applicant has had a subsequent alcohol or drug violation within ten years of the date of arrest for the prior offense or less than ten years has elapsed since the date of the arrest for the prior offense;

(d) The offense was any misdemeanor or gross misdemeanor violation, including attempt, of chapter 9.68 RCW (obscenity and pornography), chapter

9.68A RCW (sexual exploitation of children), or chapter 9A.44 RCW (sex offenses);

(e) The applicant was convicted of a misdemeanor or gross misdemeanor offense as defined in RCW 10.99.020, or the court determines after a review of the court file that the offense was committed by one family member or household member against another, or the court, after considering the damage to person or property that resulted in the conviction, any prior convictions for crimes defined in RCW 10.99.020, or for comparable offenses in another state or in federal court, and the totality of the records under review by the court regarding the conviction being considered for vacation, determines that the offense involved domestic violence, and any one of the following factors exist:

(i) The applicant has not provided written notification of the vacation petition to the prosecuting attorney's office that prosecuted the offense for which vacation is sought, or has not provided that notification to the court;

(ii) The applicant has previously had a conviction for domestic violence. For purposes of this subsection, however, if the current application is for more than one conviction that arose out of a single incident, none of those convictions counts as a previous conviction;

(iii) The applicant has signed an affidavit under penalty of perjury affirming that the applicant has not previously had a conviction for a domestic violence offense, and a criminal history check reveals that the applicant has had such a conviction; or

(iv) Less than five years have elapsed since the person completed the terms of the original conditions of the sentence, including any financial obligations and successful completion of any treatment ordered as a condition of sentencing;

(f) For any offense other than those described in (e) of this subsection, less than three years have passed since the person completed the terms of the sentence, including any financial obligations;

(g) The offender has been convicted of a new crime in this state, another state, or federal court since the date of conviction;

(h) The applicant has ever had the record of another conviction vacated; or

(i) The applicant is currently restrained, or has been restrained within five years prior to the vacation application, by a domestic violence protection order, a no-contact order, an antiharassment order, or a civil restraining order which restrains one party from contacting the other party.

(3) Subject to RCW 9.96.070, every person convicted of prostitution under RCW 9A.88.030 who committed the offense as a result of being a victim of trafficking, RCW 9A.40.100, promoting prostitution in the first degree, RCW 9A.88.070, promoting commercial sexual abuse of a minor, RCW 9.68A.101, or trafficking in persons under the trafficking victims protection act of 2000, 22 U.S.C. Sec. 7101 et seq. may apply to the sentencing court for vacation of the applicant's record of conviction for the prostitution offense. An applicant may not have the record of conviction for prostitution vacated if any one of the following is present:

(a) There are any criminal charges against the applicant pending in any court of this state or another state, or in any federal court, for any crime other than prostitution; or

(b) The offender has been convicted of another crime, except prostitution, in this state, another state, or federal court since the date of conviction.

(4) Every person convicted prior to January 1, 1975, of violating any statute or rule regarding the regulation of fishing activities, including, but not limited to, RCW 75.08.260, 75.12.060, 75.12.070, 75.12.160, 77.16.020, 77.16.030, 77.16.040, 77.16.060, and 77.16.240 who claimed to be exercising a treaty Indian fishing right, may apply to the sentencing court for vacation of the applicant's record of the misdemeanor, gross misdemeanor, or felony conviction for the offense. If the person is deceased, a member of the person's family or an official representative of the tribe of which the person was a member may apply to the court on behalf of the deceased person. Notwithstanding the requirements of RCW 9.94A.640, the court shall vacate the record of conviction if:

(a) The applicant is a member of a tribe that may exercise treaty Indian fishing rights at the location where the offense occurred; and

(b) The state has been enjoined from taking enforcement action of the statute or rule to the extent that it interferes with a treaty Indian fishing right as determined under *United States v. Washington*, 384 F. Supp. 312 (W.D. Wash. 1974), or *Sohappy v. Smith*, 302 F. Supp. 899 (D. Oregon 1969), and any posttrial orders of those courts, or any other state supreme court or federal court decision.

(5) Once the court vacates a record of conviction under this section, the person shall be released from all penalties and disabilities resulting from the offense and the fact that the person has been convicted of the offense shall not be included in the person's criminal history for purposes of determining a sentence in any subsequent conviction. For all purposes, including responding to questions on employment or housing applications, a person whose conviction has been vacated under this section may state that he or she has never been convicted of that crime. Nothing in this section affects or prevents the use of an offender's prior conviction in a later criminal prosecution.

(6) All costs incurred by the court and probation services shall be paid by the person making the motion to vacate the record unless a determination is made pursuant to chapter 10.101 RCW that the person making the motion is indigent, at the time the motion is brought.

(7) The clerk of the court in which the vacation order is entered shall immediately transmit the order vacating the conviction to the Washington state patrol identification section and to the local police agency, if any, which holds criminal history information for the person who is the subject of the conviction. The Washington state patrol and any such local police agency shall immediately update their records to reflect the vacation of the conviction, and shall transmit the order vacating the conviction to the federal bureau of investigation. A conviction that has been vacated under this section may not be disseminated or disclosed by the state patrol or local law enforcement agency to any person, except other criminal justice enforcement agencies.

Sec. 3. RCW 10.31.100 and 2016 c 203 s 9 and 2016 c 113 s 1 are each reenacted and amended to read as follows:

A police officer having probable cause to believe that a person has committed or is committing a felony shall have the authority to arrest the person without a warrant. A police officer may arrest a person without a warrant for committing a misdemeanor or gross misdemeanor only when the offense is committed in the presence of an officer, except as provided in subsections (1) through (12) of this section.

(1) Any police officer having probable cause to believe that a person has committed or is committing a misdemeanor or gross misdemeanor, involving physical harm or threats of harm to any person or property or the unlawful taking of property or involving the use or possession of cannabis, or involving the acquisition, possession, or consumption of alcohol by a person under the age of twenty-one years under RCW 66.44.270, or involving criminal trespass under RCW 9A.52.070 or 9A.52.080, shall have the authority to arrest the person.

(2) A police officer shall arrest and take into custody, pending release on bail, personal recognizance, or court order, a person without a warrant when the officer has probable cause to believe that:

(a) An order has been issued of which the person has knowledge under RCW 26.44.063, or chapter 7.92, 7.90, 9A.46, 10.99, 26.09, 26.10, 26.26, 26.50, or 74.34 RCW restraining the person and the person has violated the terms of the order restraining the person from acts or threats of violence, or restraining the person from going onto the grounds of or entering a residence, workplace, school, or day care, or prohibiting the person from knowingly coming within, or knowingly remaining within, a specified distance of a location or, in the case of an order issued under RCW 26.44.063, imposing any other restrictions or conditions upon the person; or

(b) A foreign protection order, as defined in RCW 26.52.010, has been issued of which the person under restraint has knowledge and the person under restraint has violated a provision of the foreign protection order prohibiting the person under restraint from contacting or communicating with another person, or excluding the person under restraint from a residence, workplace, school, or day care, or prohibiting the person from knowingly coming within, or knowingly remaining within, a specified distance of a location, or a violation of any provision for which the foreign protection order specifically indicates that a violation will be a crime; or

(c) The person is eighteen years or older and within the preceding four hours has assaulted a family or household member as defined in RCW 10.99.020 and the officer believes: (i) A felonious assault has occurred; (ii) an assault has occurred which has resulted in bodily injury to the victim, whether the injury is observable by the responding officer or not; or (iii) that any physical action has occurred which was intended to cause another person reasonably to fear imminent serious bodily injury or death. Bodily injury means physical pain, illness, or an impairment of physical condition. When the officer has probable cause to believe that family or household members have assaulted each other, the officer is not required to arrest both persons. The officer shall arrest the person whom the officer believes to be the primary physical aggressor. In making this determination, the officer shall make every reasonable effort to consider: (A) The intent to protect victims of domestic violence under RCW 10.99.010; (B) the comparative extent of injuries inflicted or serious threats creating fear of physical injury; and (C) the history of domestic violence of each person involved, including whether the conduct was part of an ongoing pattern of abuse.

(3) A police officer shall, at the request of a parent or guardian, arrest the sixteen or seventeen year old child of that parent or guardian if the officer has probable cause to believe that the child has assaulted a family or household member as defined in RCW 10.99.020 in the preceding four hours. Nothing in

this subsection removes a police officer's existing authority provided in this section to make an arrest.

(4) Any police officer having probable cause to believe that a person has committed or is committing a violation of any of the following traffic laws shall have the authority to arrest the person:

(a) RCW 46.52.010, relating to duty on striking an unattended car or other property;

(b) RCW 46.52.020, relating to duty in case of injury to or death of a person or damage to an attended vehicle;

(c) RCW 46.61.500 or 46.61.530, relating to reckless driving or racing of vehicles;

(d) RCW 46.61.502 or 46.61.504, relating to persons under the influence of intoxicating liquor or drugs;

(e) RCW 46.61.503 or 46.25.110, relating to persons having alcohol or THC in their system;

(f) RCW 46.20.342, relating to driving a motor vehicle while operator's license is suspended or revoked;

(g) RCW 46.61.5249, relating to operating a motor vehicle in a negligent manner.

(5) A law enforcement officer investigating at the scene of a motor vehicle accident may arrest the driver of a motor vehicle involved in the accident if the officer has probable cause to believe that the driver has committed in connection with the accident a violation of any traffic law or regulation.

(6)(a) A law enforcement officer investigating at the scene of a motor vessel accident may arrest the operator of a motor vessel involved in the accident if the officer has probable cause to believe that the operator has committed, in connection with the accident, a criminal violation of chapter 79A.60 RCW.

(b) A law enforcement officer investigating at the scene of a motor vessel accident may issue a citation for an infraction to the operator of a motor vessel involved in the accident if the officer has probable cause to believe that the operator has committed, in connection with the accident, a violation of any boating safety law of chapter 79A.60 RCW.

(7) Any police officer having probable cause to believe that a person has committed or is committing a violation of RCW 79A.60.040 shall have the authority to arrest the person.

(8) An officer may act upon the request of a law enforcement officer in whose presence a traffic infraction was committed, to stop, detain, arrest, or issue a notice of traffic infraction to the driver who is believed to have committed the infraction. The request by the witnessing officer shall give an officer the authority to take appropriate action under the laws of the state of Washington.

(9) Any police officer having probable cause to believe that a person has committed or is committing any act of indecent exposure, as defined in RCW 9A.88.010, may arrest the person.

(10) A police officer may arrest and take into custody, pending release on bail, personal recognizance, or court order, a person without a warrant when the officer has probable cause to believe that an order has been issued of which the person has knowledge under chapter 10.14 RCW and the person has violated the terms of that order.

(11) Any police officer having probable cause to believe that a person has, within twenty-four hours of the alleged violation, committed a violation of RCW 9A.50.020 may arrest such person.

(12) A police officer having probable cause to believe that a person illegally possesses or illegally has possessed a firearm or other dangerous weapon on private or public elementary or secondary school premises shall have the authority to arrest the person.

For purposes of this subsection, the term "firearm" has the meaning defined in RCW 9.41.010 and the term "dangerous weapon" has the meaning defined in RCW 9.41.250 and 9.41.280(1) (c) through (e).

(13) A law enforcement officer having probable cause to believe that a person has committed a violation under RCW 77.15.160(4) may issue a citation for an infraction to the person in connection with the violation.

(14) A law enforcement officer having probable cause to believe that a person has committed a criminal violation under RCW 77.15.809 or 77.15.811 may arrest the person in connection with the violation.

(15) Except as specifically provided in subsections (2), (4), (5), and (8) of this section, nothing in this section extends or otherwise affects the powers of arrest prescribed in Title 46 RCW.

(16) No police officer may be held criminally or civilly liable for making an arrest pursuant to subsection (2) or (10) of this section if the police officer acts in good faith and without malice.

(17)(a) Except as provided in (b) of this subsection, a police officer shall arrest and keep in custody, until release by a judicial officer on bail, personal recognizance, or court order, a person without a warrant when the officer has probable cause to believe that the person has violated RCW 46.61.502 or 46.61.504 or an equivalent local ordinance and the police officer: (i) Has knowledge that the person has a prior offense as defined in RCW 46.61.5055 within ten years; or (ii) has knowledge, based on a review of the information available to the officer at the time of arrest, that the person is charged with or is awaiting arraignment for an offense that would qualify as a prior offense as defined in RCW 46.61.5055 if it were a conviction.

(b) A police officer is not required to keep in custody a person under (a) of this subsection if the person requires immediate medical attention and is admitted to a hospital.

(18) A juvenile detention facility shall book into detention any person under age eighteen brought to that detention facility pursuant to an arrest for assaulting a family or household member as defined in RCW 10.99.020.

Sec. 4. RCW 46.20.385 and 2016 c 203 s 13 are each amended to read as follows:

(1)(a) Any person licensed under this chapter or who has a valid driver's license from another state, who is convicted of: (i) A violation of RCW 46.61.502 or 46.61.504 or an equivalent local or out-of-state statute or ordinance, or (ii) a violation of RCW 46.61.520(1)(a) or an equivalent local or out-of-state statute or ordinance, or (iii) a conviction for a violation of RCW 46.61.520(1) (b) or (c) if the conviction is the result of a charge that was originally filed as a violation of RCW 46.61.520(1)(a), or (iv) RCW 46.61.522(1)(b) or an equivalent local or out-of-state statute or ordinance, or (v) RCW 46.61.522(1) (a) or (c) if the conviction is the result of a charge that was

originally filed as a violation of RCW 46.61.522(1)(b) committed while under the influence of intoxicating liquor or any drug, or (vi) who has had or will have his or her license suspended, revoked, or denied under RCW 46.20.3101, or who is otherwise permitted under subsection (8) of this section, may submit to the department an application for an ignition interlock driver's license. The department, upon receipt of the prescribed fee and upon determining that the petitioner is eligible to receive the license, may issue an ignition interlock driver's license.

(b) A person may apply for an ignition interlock driver's license anytime, including immediately after receiving the notices under RCW 46.20.308 or after his or her license is suspended, revoked, or denied.

(c) An applicant under this subsection shall provide proof to the satisfaction of the department that a functioning ignition interlock device has been installed on all vehicles operated by the person.

(i) The department shall require the person to maintain the device on all vehicles operated by the person and shall restrict the person to operating only vehicles equipped with the device, for the remainder of the period of suspension, revocation, or denial, unless otherwise permitted under RCW 46.20.720(6).

(ii) Subject to any periodic renewal requirements established by the department under this section and subject to any applicable compliance requirements under this chapter or other law, an ignition interlock driver's license granted upon a suspension or revocation under RCW 46.61.5055 or 46.20.3101 extends through the remaining portion of any concurrent or consecutive suspension or revocation that may be imposed as the result of administrative action and criminal conviction arising out of the same incident.

(2) An applicant for an ignition interlock driver's license who qualifies under subsection (1) of this section is eligible to receive a license only if the applicant files satisfactory proof of financial responsibility under chapter 46.29 RCW.

(3) Upon receipt of evidence that a holder of an ignition interlock driver's license granted under this subsection no longer has a functioning ignition interlock device installed on all vehicles operated by the driver, the director shall give written notice by first-class mail to the driver that the ignition interlock driver's license shall be canceled. If at any time before the cancellation goes into effect the driver submits evidence that a functioning ignition interlock device has been installed on all vehicles operated by the driver, the cancellation shall be stayed. If the cancellation becomes effective, the driver may obtain, at no additional charge, a new ignition interlock driver's license upon submittal of evidence that a functioning ignition interlock device has been installed on all vehicles operated by the driver.

(4) A person aggrieved by the decision of the department on the application for an ignition interlock driver's license may request a hearing as provided by rule of the department.

(5) The director shall cancel an ignition interlock driver's license after receiving notice that the holder thereof has been convicted of operating a motor vehicle in violation of its restrictions, no longer meets the eligibility requirements, or has been convicted of or found to have committed a separate offense or any other act or omission that under this chapter would warrant suspension or revocation of a regular driver's license. The department must give

notice of the cancellation as provided under RCW 46.20.245. A person whose ignition interlock driver's license has been canceled under this section may reapply for a new ignition interlock driver's license if he or she is otherwise qualified under this section and pays the fee required under RCW 46.20.380.

(6)(a) Unless costs are waived by the ignition interlock company or the person is indigent under RCW 10.101.010, the applicant shall pay the cost of installing, removing, and leasing the ignition interlock device and shall pay an additional fee of twenty dollars per month. Payments shall be made directly to the ignition interlock company. The company shall remit the additional (~~twenty dollar~~) fee to the department, except that the company may retain twenty-five cents per month of the additional fee to cover the expenses associated with administering the fee.

(b) The department shall deposit the proceeds of the twenty dollar fee into the ignition interlock device revolving account. Expenditures from the account may be used only to administer and operate the ignition interlock device revolving account program. The department shall adopt rules to provide monetary assistance according to greatest need and when funds are available.

(7) The department shall adopt rules to implement ignition interlock licensing. The department shall consult with the administrative office of the courts, the state patrol, the Washington association of sheriffs and police chiefs, ignition interlock companies, and any other organization or entity the department deems appropriate.

(8)(a) Any person licensed under this chapter who is convicted of a violation of RCW 46.61.500 when the charge was originally filed as a violation of RCW 46.61.502 or 46.61.504, or an equivalent local ordinance, may submit to the department an application for an ignition interlock driver's license under this section.

(b) A person who does not have any driver's license under this chapter, but who would otherwise be eligible under this section to apply for an ignition interlock license, may submit to the department an application for an ignition interlock license. The department may require the person to take any driver's licensing examination under this chapter and may require the person to also apply and qualify for a temporary restricted driver's license under RCW 46.20.391.

Sec. 5. RCW 46.20.720 and 2016 c 203 s 14 are each amended to read as follows:

(1) **Ignition interlock restriction.** The department shall require that a person may drive only a motor vehicle equipped with a functioning ignition interlock device:

(a) **Pretrial release.** Upon receipt of notice from a court that an ignition interlock device restriction has been imposed under RCW 10.21.055;

(b) **Ignition interlock driver's license.** As required for issuance of an ignition interlock driver's license under RCW 46.20.385;

(c) **Deferred prosecution.** Upon receipt of notice from a court that the person is participating in a deferred prosecution program under RCW 10.05.020 for a violation of:

(i) RCW 46.61.502 or 46.61.504 or an equivalent local ordinance; or

(ii) RCW 46.61.5249 or 46.61.500 or an equivalent local ordinance if the person would be required under RCW 46.61.5249(4) or 46.61.500(3) (a) or (b)

to install an ignition interlock device on all vehicles operated by the person in the event of a conviction;

(d) **Post conviction.** After any applicable period of suspension, revocation, or denial of driving privileges:

(i) Due to a conviction of a violation of RCW 46.61.502 or 46.61.504 or an equivalent local or out-of-state statute or ordinance; or

(ii) Due to a conviction of a violation of RCW 46.61.5249 or 46.61.500 or an equivalent local ordinance if the person is required under RCW 46.61.5249(4) or 46.61.500(3) (a) or (b) to install an ignition interlock device on all vehicles operated by the person; or

(e) **Court order.** Upon receipt of an order by a court having jurisdiction that a person charged or convicted of any offense involving the use, consumption, or possession of alcohol while operating a motor vehicle may drive only a motor vehicle equipped with a functioning ignition interlock. The court shall establish a specific calibration setting at which the ignition interlock will prevent the vehicle from being started. The court shall also establish the period of time for which ignition interlock use will be required.

(2) **Calibration.** Unless otherwise specified by the court for a restriction imposed under subsection (1)(e) of this section, the ignition interlock device shall be calibrated to prevent the motor vehicle from being started when the breath sample provided has an alcohol concentration of 0.025 or more.

(3) **Duration of restriction.** A restriction imposed under:

(a) Subsection (1)(a) of this section shall remain in effect until:

(i) The court has authorized the removal of the device under RCW 10.21.055; or

(ii) The department has imposed a restriction under subsection (1)(b), (c), or (d) of this section arising out of the same incident.

(b) Subsection (1)(b) of this section remains in effect during the validity of any ignition interlock driver's license that has been issued to the person.

(c) Subsection (1)(c)(i) or (d)(i) of this section shall be for no less than:

(i) For a person who has not previously been restricted under this subsection, a period of one year;

(ii) For a person who has previously been restricted under (c)(i) of this subsection, a period of five years;

(iii) For a person who has previously been restricted under (c)(ii) of this subsection, a period of ten years.

The restriction of a person who is convicted of a violation of RCW 46.61.502 or 46.61.504 or an equivalent local ordinance and who committed the offense while a passenger under the age of sixteen was in the vehicle shall be extended for an additional six-month period as required by RCW 46.61.5055(6)(a).

(d) Subsection (1)(c)(ii) or (d)(ii) of this section shall be for a period of no less than six months.

(e) Subsection (1)(e) of this section shall remain in effect for the period of time specified by the court.

The period of restriction under (c) and (d) of this subsection based on incidents occurring on or after June 9, 2016, must be tolled for any period in which the person does not have an ignition interlock device installed on a vehicle owned or operated by the person unless the person receives a

determination from the department that the person is unable to operate an ignition interlock device due to a physical disability. The department's determination that a person is unable to operate an ignition interlock device must be reasonable and be based upon good and substantial evidence. This determination is subject to review by a court of competent jurisdiction. The department may charge a person seeking a medical exemption under this subsection a reasonable fee for the assessment.

(4) **Requirements for removal.** A restriction imposed under subsection (1)(c) or (d) of this section shall remain in effect until the department receives a declaration from the person's ignition interlock device vendor, in a form provided or approved by the department, certifying that there have been none of the following incidents in the ~~((four))~~ one hundred eighty consecutive ~~((months))~~ days prior to the date of release:

(a) Any attempt to start the vehicle with a breath alcohol concentration of 0.04 or more unless a subsequent test performed within ten minutes registers a breath alcohol concentration lower than 0.04 and the digital image confirms the same person provided both samples;

(b) Failure to take any random test unless a review of the digital image confirms that the vehicle was not occupied by the driver at the time of the missed test;

(c) Failure to pass any random retest with a breath alcohol concentration of 0.025 or lower unless a subsequent test performed within ten minutes registers a breath alcohol concentration lower than 0.025, and the digital image confirms the same person provided both samples; or

(d) Failure of the person to appear at the ignition interlock device vendor when required for maintenance, repair, calibration, monitoring, inspection, or replacement of the device.

(5) **Day-for-day credit.** (a) The time period during which a person has an ignition interlock device installed in order to meet the requirements of subsection (1)(b) of this section shall apply on a day-for-day basis toward satisfying the period of time the ignition interlock device restriction is imposed under subsection (1)(c) or (d) of this section arising out of the same incident.

(b) The department must also give the person a day-for-day credit for any time period, beginning from the date of the incident, during which the person kept an ignition interlock device installed on all vehicles the person operates, other than those subject to the employer exemption under subsection (6) of this section.

(c) If the day-for-day credit granted under this subsection equals or exceeds the period of time the ignition interlock device restriction is imposed under subsection (1)(c) or (d) of this section arising out of the same incident, and the person has already met the requirements for removal of the device under subsection (4) of this section, the department may waive the requirement that a device be installed or that the person again meet the requirements for removal.

(6) **Employer exemption.** (a) Except as provided in (b) of this subsection, the installation of an ignition interlock device is not necessary on vehicles owned, leased, or rented by a person's employer and on those vehicles whose care and/or maintenance is the temporary responsibility of the employer, and driven at the direction of a person's employer as a requirement of employment during working hours. The person must provide the department with a

declaration pursuant to RCW 9A.72.085 from his or her employer stating that the person's employment requires the person to operate a vehicle owned by the employer or other persons during working hours.

(b) The employer exemption does not apply when the employer's vehicle is assigned exclusively to the restricted driver and used solely for commuting to and from employment.

(7) **Ignition interlock device revolving account.** In addition to any other costs associated with the use of an ignition interlock device imposed on the person restricted under this section, the person shall pay an additional fee of twenty dollars per month. Payments must be made directly to the ignition interlock company. The company shall remit the additional (~~twenty dollar~~) fee to the department to be deposited into the ignition interlock device revolving account, except that the company may retain twenty-five cents per month of the additional fee to cover the expenses associated with administering the fee. The department may waive the monthly fee if the person is indigent under RCW 10.101.010.

(8) **Foreign jurisdiction.** For a person restricted under this section who is residing outside of the state of Washington, the department may accept verification of installation of an ignition interlock device by an ignition interlock company authorized to do business in the jurisdiction in which the person resides, provided the device meets any applicable requirements of that jurisdiction. The department may waive the monthly fee required by subsection (7) of this section if collection of the fee would be impractical in the case of a person residing in another jurisdiction.

Sec. 6. RCW 46.61.5055 and 2016 sp.s. c 29 s 530 and 2016 c 203 s 17 are each reenacted and amended to read as follows:

(1) **No prior offenses in seven years.** Except as provided in RCW 46.61.502(6) or 46.61.504(6), a person who is convicted of a violation of RCW 46.61.502 or 46.61.504 and who has no prior offense within seven years shall be punished as follows:

(a) **Penalty for alcohol concentration less than 0.15.** In the case of a person whose alcohol concentration was less than 0.15, or for whom for reasons other than the person's refusal to take a test offered pursuant to RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) By imprisonment for not less than one day nor more than three hundred sixty-four days. Twenty-four consecutive hours of the imprisonment may not be suspended unless the court finds that the imposition of this mandatory minimum sentence would impose a substantial risk to the offender's physical or mental well-being. Whenever the mandatory minimum sentence is suspended, the court shall state in writing the reason for granting the suspension and the facts upon which the suspension is based. In lieu of the mandatory minimum term of imprisonment required under this subsection (1)(a)(i), the court may order not less than fifteen days of electronic home monitoring or a ninety-day period of 24/7 sobriety program monitoring. The court may consider the offender's pretrial 24/7 sobriety program monitoring as fulfilling a portion of posttrial sentencing. The offender shall pay the cost of electronic home monitoring. The county or municipality in which the penalty is being imposed shall determine the cost. The court may also require the offender's electronic home monitoring device or other separate alcohol monitoring device to include an alcohol detection breathalyzer,

and the court may restrict the amount of alcohol the offender may consume during the time the offender is on electronic home monitoring; and

(ii) By a fine of not less than three hundred fifty dollars nor more than five thousand dollars. Three hundred fifty dollars of the fine may not be suspended unless the court finds the offender to be indigent; or

(b) **Penalty for alcohol concentration at least 0.15.** In the case of a person whose alcohol concentration was at least 0.15, or for whom by reason of the person's refusal to take a test offered pursuant to RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) By imprisonment for not less than two days nor more than three hundred sixty-four days. Forty-eight consecutive hours of the imprisonment may not be suspended unless the court finds that the imposition of this mandatory minimum sentence would impose a substantial risk to the offender's physical or mental well-being. Whenever the mandatory minimum sentence is suspended, the court shall state in writing the reason for granting the suspension and the facts upon which the suspension is based. In lieu of the mandatory minimum term of imprisonment required under this subsection (1)(b)(i), the court may order not less than thirty days of electronic home monitoring or a one hundred twenty day period of 24/7 sobriety program monitoring. The court may consider the offender's pretrial 24/7 sobriety program testing as fulfilling a portion of posttrial sentencing. The offender shall pay the cost of electronic home monitoring. The county or municipality in which the penalty is being imposed shall determine the cost. The court may also require the offender's electronic home monitoring device to include an alcohol detection breathalyzer or other separate alcohol monitoring device, and the court may restrict the amount of alcohol the offender may consume during the time the offender is on electronic home monitoring; and

(ii) By a fine of not less than five hundred dollars nor more than five thousand dollars. Five hundred dollars of the fine may not be suspended unless the court finds the offender to be indigent.

(2) **One prior offense in seven years.** Except as provided in RCW 46.61.502(6) or 46.61.504(6), a person who is convicted of a violation of RCW 46.61.502 or 46.61.504 and who has one prior offense within seven years shall be punished as follows:

(a) **Penalty for alcohol concentration less than 0.15.** In the case of a person whose alcohol concentration was less than 0.15, or for whom for reasons other than the person's refusal to take a test offered pursuant to RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) By imprisonment for not less than thirty days nor more than three hundred sixty-four days and sixty days of electronic home monitoring. In lieu of the mandatory ~~((minimum))~~ term of ~~((sixty days))~~ imprisonment and electronic home monitoring under this subsection (2)(a)(i), the court may order ~~((at least an additional))~~ a minimum of four days in jail ~~((or, if available in that county or city, a six month))~~ and either one hundred eighty days of electronic home monitoring or a one hundred twenty-day period of 24/7 sobriety program monitoring pursuant to RCW 36.28A.300 through 36.28A.390 ~~((-and))~~. The court may consider the offender's pretrial 24/7 sobriety program monitoring as fulfilling a portion of posttrial sentencing. The court shall order an expanded alcohol assessment and treatment, if deemed appropriate by the assessment. The offender shall pay for the cost of the electronic monitoring. The county or

municipality where the penalty is being imposed shall determine the cost. The court may also require the offender's electronic home monitoring device include an alcohol detection breathalyzer or other separate alcohol monitoring device, and may restrict the amount of alcohol the offender may consume during the time the offender is on electronic home monitoring. Thirty days of imprisonment and sixty days of electronic home monitoring may not be suspended unless the court finds that the imposition of this mandatory minimum sentence would impose a substantial risk to the offender's physical or mental well-being. Whenever the mandatory minimum sentence is suspended, the court shall state in writing the reason for granting the suspension and the facts upon which the suspension is based; and

(ii) By a fine of not less than five hundred dollars nor more than five thousand dollars. Five hundred dollars of the fine may not be suspended unless the court finds the offender to be indigent; or

(b) Penalty for alcohol concentration at least 0.15. In the case of a person whose alcohol concentration was at least 0.15, or for whom by reason of the person's refusal to take a test offered pursuant to RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) By imprisonment for not less than forty-five days nor more than three hundred sixty-four days and ninety days of electronic home monitoring. In lieu of the mandatory minimum term of ~~((ninety days))~~ imprisonment and electronic home monitoring under this subsection (2)(b)(i), the court may order ~~((at least an additional))~~ a minimum of six days in jail ~~((or, if available in that county or city,))~~ and either six months of electronic home monitoring or a ~~((six-month))~~ one hundred twenty-day period of 24/7 sobriety program monitoring pursuant to RCW 36.28A.300 through 36.28A.390 ~~((, and))~~. The court may consider the offender's pretrial 24/7 sobriety program monitoring as fulfilling a portion of posttrial sentencing. The court shall order an expanded alcohol assessment and treatment, if deemed appropriate by the assessment. The offender shall pay for the cost of the electronic monitoring. The county or municipality where the penalty is being imposed shall determine the cost. The court may also require the offender's electronic home monitoring device include an alcohol detection breathalyzer or other separate alcohol monitoring device, and may restrict the amount of alcohol the offender may consume during the time the offender is on electronic home monitoring. Forty-five days of imprisonment and ninety days of electronic home monitoring may not be suspended unless the court finds that the imposition of this mandatory minimum sentence would impose a substantial risk to the offender's physical or mental well-being. Whenever the mandatory minimum sentence is suspended, the court shall state in writing the reason for granting the suspension and the facts upon which the suspension is based; and

(ii) By a fine of not less than seven hundred fifty dollars nor more than five thousand dollars. Seven hundred fifty dollars of the fine may not be suspended unless the court finds the offender to be indigent.

(3) Two or three prior offenses in seven years. Except as provided in RCW 46.61.502(6) or 46.61.504(6), a person who is convicted of a violation of RCW 46.61.502 or 46.61.504 and who has two or three prior offenses within seven years shall be punished as follows:

(a) Penalty for alcohol concentration less than 0.15. In the case of a person whose alcohol concentration was less than 0.15, or for whom for reasons

other than the person's refusal to take a test offered pursuant to RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) By imprisonment for not less than ninety days nor more than three hundred sixty-four days, if available in that county or city, a six-month period of 24/7 sobriety program monitoring pursuant to RCW 36.28A.300 through 36.28A.390, and one hundred twenty days of electronic home monitoring. In lieu of the mandatory minimum term of one hundred twenty days of electronic home monitoring, the court may order at least an additional eight days in jail. The court shall order an expanded alcohol assessment and treatment, if deemed appropriate by the assessment. The offender shall pay for the cost of the electronic monitoring. The county or municipality where the penalty is being imposed shall determine the cost. The court may also require the offender's electronic home monitoring device include an alcohol detection breathalyzer or other separate alcohol monitoring device, and may restrict the amount of alcohol the offender may consume during the time the offender is on electronic home monitoring. Ninety days of imprisonment and one hundred twenty days of electronic home monitoring may not be suspended unless the court finds that the imposition of this mandatory minimum sentence would impose a substantial risk to the offender's physical or mental well-being. Whenever the mandatory minimum sentence is suspended, the court shall state in writing the reason for granting the suspension and the facts upon which the suspension is based; and

(ii) By a fine of not less than one thousand dollars nor more than five thousand dollars. One thousand dollars of the fine may not be suspended unless the court finds the offender to be indigent; or

(b) Penalty for alcohol concentration at least 0.15. In the case of a person whose alcohol concentration was at least 0.15, or for whom by reason of the person's refusal to take a test offered pursuant to RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) By imprisonment for not less than one hundred twenty days nor more than three hundred sixty-four days, if available in that county or city, a six-month period of 24/7 sobriety program monitoring pursuant to RCW 36.28A.300 through 36.28A.390, and one hundred fifty days of electronic home monitoring. In lieu of the mandatory minimum term of one hundred fifty days of electronic home monitoring, the court may order at least an additional ten days in jail. The offender shall pay for the cost of the electronic monitoring. The court shall order an expanded alcohol assessment and treatment, if deemed appropriate by the assessment. The county or municipality where the penalty is being imposed shall determine the cost. The court may also require the offender's electronic home monitoring device include an alcohol detection breathalyzer or other separate alcohol monitoring device, and may restrict the amount of alcohol the offender may consume during the time the offender is on electronic home monitoring. One hundred twenty days of imprisonment and one hundred fifty days of electronic home monitoring may not be suspended unless the court finds that the imposition of this mandatory minimum sentence would impose a substantial risk to the offender's physical or mental well-being. Whenever the mandatory minimum sentence is suspended, the court shall state in writing the reason for granting the suspension and the facts upon which the suspension is based; and

(ii) By a fine of not less than one thousand five hundred dollars nor more than five thousand dollars. One thousand five hundred dollars of the fine may not be suspended unless the court finds the offender to be indigent.

(4) **Four or more prior offenses in ten years.** A person who is convicted of a violation of RCW 46.61.502 or 46.61.504 shall be punished under chapter 9.94A RCW if:

(a) The person has four or more prior offenses within ten years; or

(b) The person has ever previously been convicted of:

(i) A violation of RCW 46.61.520 committed while under the influence of intoxicating liquor or any drug;

(ii) A violation of RCW 46.61.522 committed while under the influence of intoxicating liquor or any drug;

(iii) An out-of-state offense comparable to the offense specified in (b)(i) or (ii) of this subsection; or

(iv) A violation of RCW 46.61.502(6) or 46.61.504(6).

(5) **Monitoring.** (a) **Ignition interlock device.** The court shall require any person convicted of a violation of RCW 46.61.502 or 46.61.504 or an equivalent local ordinance to comply with the rules and requirements of the department regarding the installation and use of a functioning ignition interlock device installed on all motor vehicles operated by the person.

(b) **Monitoring devices.** If the court orders that a person refrain from consuming any alcohol, the court may order the person to submit to alcohol monitoring through an alcohol detection breathalyzer device, transdermal sensor device, or other technology designed to detect alcohol in a person's system. The person shall pay for the cost of the monitoring, unless the court specifies that the cost of monitoring will be paid with funds that are available from an alternative source identified by the court. The county or municipality where the penalty is being imposed shall determine the cost.

(c) **24/7 sobriety program monitoring.** In any county or city where a 24/7 sobriety program is available and verified by the Washington association of sheriffs and police chiefs, the court shall:

(i) Order the person to install and use a functioning ignition interlock or other device in lieu of such period of 24/7 sobriety program monitoring;

(ii) Order the person to a period of 24/7 sobriety program monitoring pursuant to subsections (1) through (3) of this section; or

(iii) Order the person to install and use a functioning ignition interlock or other device in addition to a period of 24/7 sobriety program monitoring pursuant to subsections (1) through (3) of this section.

(6) **Penalty for having a minor passenger in vehicle.** If a person who is convicted of a violation of RCW 46.61.502 or 46.61.504 committed the offense while a passenger under the age of sixteen was in the vehicle, the court shall:

(a) Order the use of an ignition interlock or other device for an additional six months;

(b) In any case in which the person has no prior offenses within seven years, and except as provided in RCW 46.61.502(6) or 46.61.504(6), order an additional twenty-four hours of imprisonment and a fine of not less than one thousand dollars and not more than five thousand dollars. One thousand dollars of the fine may not be suspended unless the court finds the offender to be indigent;

(c) In any case in which the person has one prior offense within seven years, and except as provided in RCW 46.61.502(6) or 46.61.504(6), order an additional five days of imprisonment and a fine of not less than two thousand dollars and not more than five thousand dollars. One thousand dollars of the fine may not be suspended unless the court finds the offender to be indigent;

(d) In any case in which the person has two or three prior offenses within seven years, and except as provided in RCW 46.61.502(6) or 46.61.504(6), order an additional ten days of imprisonment and a fine of not less than three thousand dollars and not more than ten thousand dollars. One thousand dollars of the fine may not be suspended unless the court finds the offender to be indigent.

(7) **Other items courts must consider while setting penalties.** In exercising its discretion in setting penalties within the limits allowed by this section, the court shall particularly consider the following:

(a) Whether the person's driving at the time of the offense was responsible for injury or damage to another or another's property;

(b) Whether at the time of the offense the person was driving or in physical control of a vehicle with one or more passengers;

(c) Whether the driver was driving in the opposite direction of the normal flow of traffic on a multiple lane highway, as defined by RCW 46.04.350, with a posted speed limit of forty-five miles per hour or greater; and

(d) Whether a child passenger under the age of sixteen was an occupant in the driver's vehicle.

(8) **Treatment and information school.** An offender punishable under this section is subject to the alcohol assessment and treatment provisions of RCW 46.61.5056.

(9) **Driver's license privileges of the defendant.** The license, permit, or nonresident privilege of a person convicted of driving or being in physical control of a motor vehicle while under the influence of intoxicating liquor or drugs must:

(a) **Penalty for alcohol concentration less than 0.15.** If the person's alcohol concentration was less than 0.15, or if for reasons other than the person's refusal to take a test offered under RCW 46.20.308 there is no test result indicating the person's alcohol concentration:

(i) Where there has been no prior offense within seven years, be suspended or denied by the department for ninety days or until the person is evaluated by an alcoholism agency or probation department pursuant to RCW 46.20.311 and the person completes or is enrolled in a ninety-day period of 24/7 sobriety program monitoring. In no circumstances shall the license suspension be for fewer than two days;

(ii) Where there has been one prior offense within seven years, be revoked or denied by the department for two years or until the person is evaluated by an alcoholism agency or probation department pursuant to RCW 46.20.311 and the person completes or is enrolled in a six-month period of 24/7 sobriety program monitoring. In no circumstances shall the license suspension be for less than one year; or

(iii) Where there have been two or more prior offenses within seven years, be revoked or denied by the department for three years;

(b) **Penalty for alcohol concentration at least 0.15.** If the person's alcohol concentration was at least 0.15:

(i) Where there has been no prior offense within seven years, be revoked or denied by the department for one year or until the person is evaluated by an alcoholism agency or probation department pursuant to RCW 46.20.311 and the person completes or is enrolled in a one hundred twenty day period of 24/7 sobriety program monitoring. In no circumstances shall the license revocation be for fewer than four days;

(ii) Where there has been one prior offense within seven years, be revoked or denied by the department for nine hundred days; or

(iii) Where there have been two or more prior offenses within seven years, be revoked or denied by the department for four years; or

(c) **Penalty for refusing to take test.** If by reason of the person's refusal to take a test offered under RCW 46.20.308, there is no test result indicating the person's alcohol concentration:

(i) Where there have been no prior offenses within seven years, be revoked or denied by the department for two years;

(ii) Where there has been one prior offense within seven years, be revoked or denied by the department for three years; or

(iii) Where there have been two or more previous offenses within seven years, be revoked or denied by the department for four years.

The department shall grant credit on a day-for-day basis for any portion of a suspension, revocation, or denial already served under this subsection for a suspension, revocation, or denial imposed under RCW 46.20.3101 arising out of the same incident.

Upon receipt of a notice from the court under RCW 36.28A.390 that a participant has been removed from a 24/7 sobriety program, the department must resume any suspension, revocation, or denial that had been terminated early under this subsection due to participation in the program, granting credit on a day-for-day basis for any portion of a suspension, revocation, or denial already served under RCW 46.20.3101 or this section arising out of the same incident.

Upon its own motion or upon motion by a person, a court may find, on the record, that notice to the department under RCW 46.20.270 has been delayed for three years or more as a result of a clerical or court error. If so, the court may order that the person's license, permit, or nonresident privilege shall not be revoked, suspended, or denied for that offense. The court shall send notice of the finding and order to the department and to the person. Upon receipt of the notice from the court, the department shall not revoke, suspend, or deny the license, permit, or nonresident privilege of the person for that offense.

For purposes of this subsection (9), the department shall refer to the driver's record maintained under RCW 46.52.120 when determining the existence of prior offenses.

(10) **Probation of driving privilege.** After expiration of any period of suspension, revocation, or denial of the offender's license, permit, or privilege to drive required by this section, the department shall place the offender's driving privilege in probationary status pursuant to RCW 46.20.355.

(11) **Conditions of probation.** (a) In addition to any nonsuspendable and nondeferrable jail sentence required by this section, whenever the court imposes up to three hundred sixty-four days in jail, the court shall also suspend but shall not defer a period of confinement for a period not exceeding five years. The court shall impose conditions of probation that include: (i) Not driving a motor

vehicle within this state without a valid license to drive; (ii) not driving a motor vehicle within this state without proof of liability insurance or other financial responsibility for the future pursuant to RCW 46.30.020; (iii) not driving or being in physical control of a motor vehicle within this state while having an alcohol concentration of 0.08 or more or a THC concentration of 5.00 nanograms per milliliter of whole blood or higher, within two hours after driving; (iv) not refusing to submit to a test of his or her breath or blood to determine alcohol or drug concentration upon request of a law enforcement officer who has reasonable grounds to believe the person was driving or was in actual physical control of a motor vehicle within this state while under the influence of intoxicating liquor or drug; and (v) not driving a motor vehicle in this state without a functioning ignition interlock device as required by the department under RCW 46.20.720. The court may impose conditions of probation that include nonrepetition, installation of an ignition interlock device on the probationer's motor vehicle, alcohol or drug treatment, supervised probation, or other conditions that may be appropriate. The sentence may be imposed in whole or in part upon violation of a condition of probation during the suspension period.

(b) For each violation of mandatory conditions of probation under (a)(i), (ii), (iii), (iv), or (v) of this subsection, the court shall order the convicted person to be confined for thirty days, which shall not be suspended or deferred.

(c) For each incident involving a violation of a mandatory condition of probation imposed under this subsection, the license, permit, or privilege to drive of the person shall be suspended by the court for thirty days or, if such license, permit, or privilege to drive already is suspended, revoked, or denied at the time the finding of probation violation is made, the suspension, revocation, or denial then in effect shall be extended by thirty days. The court shall notify the department of any suspension, revocation, or denial or any extension of a suspension, revocation, or denial imposed under this subsection.

(12) **Waiver of electronic home monitoring.** A court may waive the electronic home monitoring requirements of this chapter when:

(a) The offender does not have a dwelling, telephone service, or any other necessity to operate an electronic home monitoring system. However, if a court determines that an alcohol monitoring device utilizing wireless reporting technology is reasonably available, the court may require the person to obtain such a device during the period of required electronic home monitoring;

(b) The offender does not reside in the state of Washington; or

(c) The court determines that there is reason to believe that the offender would violate the conditions of the electronic home monitoring penalty.

Whenever the mandatory minimum term of electronic home monitoring is waived, the court shall state in writing the reason for granting the waiver and the facts upon which the waiver is based, and shall impose an alternative sentence with similar punitive consequences. The alternative sentence may include, but is not limited to, use of an ignition interlock device, the 24/7 sobriety program monitoring, additional jail time, work crew, or work camp.

Whenever the combination of jail time and electronic home monitoring or alternative sentence would exceed three hundred sixty-four days, the offender shall serve the jail portion of the sentence first, and the electronic home

monitoring or alternative portion of the sentence shall be reduced so that the combination does not exceed three hundred sixty-four days.

(13) **Extraordinary medical placement.** An offender serving a sentence under this section, whether or not a mandatory minimum term has expired, may be granted an extraordinary medical placement by the jail administrator subject to the standards and limitations set forth in RCW 9.94A.728(1)(c).

(14) **Definitions.** For purposes of this section and RCW 46.61.502 and 46.61.504:

(a) A "prior offense" means any of the following:

(i) A conviction for a violation of RCW 46.61.502 or an equivalent local ordinance;

(ii) A conviction for a violation of RCW 46.61.504 or an equivalent local ordinance;

(iii) A conviction for a violation of RCW 46.25.110 or an equivalent local ordinance;

(iv) A conviction for a violation of RCW 79A.60.040(2) or an equivalent local ordinance;

(v) A conviction for a violation of RCW 79A.60.040(1) or an equivalent local ordinance committed in a reckless manner if the conviction is the result of a charge that was originally filed as a violation of RCW 79A.60.040(2) or an equivalent local ordinance;

(vi) A conviction for a violation of RCW 47.68.220 or an equivalent local ordinance committed while under the influence of intoxicating liquor or any drug;

(vii) A conviction for a violation of RCW 47.68.220 or an equivalent local ordinance committed in a careless or reckless manner if the conviction is the result of a charge that was originally filed as a violation of RCW 47.68.220 or an equivalent local ordinance while under the influence of intoxicating liquor or any drug;

(viii) A conviction for a violation of RCW 46.09.470(2) or an equivalent local ordinance;

(ix) A conviction for a violation of RCW 46.10.490(2) or an equivalent local ordinance;

(x) A conviction for a violation of RCW 46.61.520 committed while under the influence of intoxicating liquor or any drug, or a conviction for a violation of RCW 46.61.520 committed in a reckless manner or with the disregard for the safety of others if the conviction is the result of a charge that was originally filed as a violation of RCW 46.61.520 committed while under the influence of intoxicating liquor or any drug;

(xi) A conviction for a violation of RCW 46.61.522 committed while under the influence of intoxicating liquor or any drug, or a conviction for a violation of RCW 46.61.522 committed in a reckless manner or with the disregard for the safety of others if the conviction is the result of a charge that was originally filed as a violation of RCW 46.61.522 committed while under the influence of intoxicating liquor or any drug;

(xii) A conviction for a violation of RCW 46.61.5249, 46.61.500, or 9A.36.050 or an equivalent local ordinance, if the conviction is the result of a charge that was originally filed as a violation of RCW 46.61.502 or 46.61.504, or an equivalent local ordinance, or of RCW 46.61.520 or 46.61.522;

(xiii) An out-of-state conviction for a violation that would have been a violation of (a)(i), (ii), (x), (xi), or (xii) of this subsection if committed in this state;

(xiv) A deferred prosecution under chapter 10.05 RCW granted in a prosecution for a violation of RCW 46.61.502, 46.61.504, or an equivalent local ordinance;

(xv) A deferred prosecution under chapter 10.05 RCW granted in a prosecution for a violation of RCW 46.61.5249, or an equivalent local ordinance, if the charge under which the deferred prosecution was granted was originally filed as a violation of RCW 46.61.502 or 46.61.504, or an equivalent local ordinance, or of RCW 46.61.520 or 46.61.522;

(xvi) A deferred prosecution granted in another state for a violation of driving or having physical control of a vehicle while under the influence of intoxicating liquor or any drug if the out-of-state deferred prosecution is equivalent to the deferred prosecution under chapter 10.05 RCW, including a requirement that the defendant participate in a chemical dependency treatment program; or

(xvii) A deferred sentence imposed in a prosecution for a violation of RCW 46.61.5249, 46.61.500, or 9A.36.050, or an equivalent local ordinance, if the charge under which the deferred sentence was imposed was originally filed as a violation of RCW 46.61.502 or 46.61.504, or an equivalent local ordinance, or a violation of RCW 46.61.520 or 46.61.522;

If a deferred prosecution is revoked based on a subsequent conviction for an offense listed in this subsection (14)(a), the subsequent conviction shall not be treated as a prior offense of the revoked deferred prosecution for the purposes of sentencing;

(b) "Treatment" means substance use disorder treatment approved by the department of social and health services;

(c) "Within seven years" means that the arrest for a prior offense occurred within seven years before or after the arrest for the current offense; and

(d) "Within ten years" means that the arrest for a prior offense occurred within ten years before or after the arrest for the current offense.

(15) All fines imposed by this section apply to adult offenders only.

Sec. 7. RCW 46.61.506 and 2016 c 203 s 8 are each amended to read as follows:

(1) Upon the trial of any civil or criminal action or proceeding arising out of acts alleged to have been committed by any person while driving or in actual physical control of a vehicle while under the influence of intoxicating liquor or any drug, if the person's alcohol concentration is less than 0.08 or the person's THC concentration is less than 5.00, it is evidence that may be considered with other competent evidence in determining whether the person was under the influence of intoxicating liquor or any drug.

(2)(a) The breath analysis of the person's alcohol concentration shall be based upon grams of alcohol per two hundred ten liters of breath.

(b) The blood analysis of the person's THC concentration shall be based upon nanograms per milliliter of whole blood.

(c) The foregoing provisions of this section shall not be construed as limiting the introduction of any other competent evidence bearing upon the

question whether the person was under the influence of intoxicating liquor or any drug.

(3) Analysis of the person's blood or breath to be considered valid under the provisions of this section or RCW 46.61.502 or 46.61.504 shall have been performed according to methods approved by the state toxicologist and by an individual possessing a valid permit issued by the state toxicologist for this purpose. The state toxicologist is directed to approve satisfactory techniques or methods, to supervise the examination of individuals to ascertain their qualifications and competence to conduct such analyses, and to issue permits which shall be subject to termination or revocation at the discretion of the state toxicologist.

(4)(a) A breath test performed by any instrument approved by the state toxicologist shall be admissible at trial or in an administrative proceeding if the prosecution or department produces prima facie evidence of the following:

(i) The person who performed the test was authorized to perform such test by the state toxicologist;

(ii) The person being tested did not vomit or have anything to eat, drink, or smoke for at least fifteen minutes prior to administration of the test;

(iii) The person being tested did not have any foreign substances, not to include dental work or piercings, fixed or removable, in his or her mouth at the beginning of the fifteen-minute observation period;

(iv) Prior to the start of the test, the temperature of any liquid simulator solution utilized as an external standard, as measured by a thermometer approved of by the state toxicologist was thirty-four degrees centigrade plus or minus 0.3 degrees centigrade;

(v) The internal standard test resulted in the message "verified";

(vi) The two breath samples agree to within plus or minus ten percent of their mean to be determined by the method approved by the state toxicologist;

(vii) The result of the test of the liquid simulator solution external standard or dry gas external standard result did lie between .072 to .088 inclusive; and

(viii) All blank tests gave results of .000.

(b) For purposes of this section, "prima facie evidence" is evidence of sufficient circumstances that would support a logical and reasonable inference of the facts sought to be proved. In assessing whether there is sufficient evidence of the foundational facts, the court or administrative tribunal is to assume the truth of the prosecution's or department's evidence and all reasonable inferences from it in a light most favorable to the prosecution or department.

(c) Nothing in this section shall be deemed to prevent the subject of the test from challenging the reliability or accuracy of the test, the reliability or functioning of the instrument, or any maintenance procedures. Such challenges, however, shall not preclude the admissibility of the test once the prosecution or department has made a prima facie showing of the requirements contained in (a) of this subsection. Instead, such challenges may be considered by the trier of fact in determining what weight to give to the test result.

(5) When a blood test is administered under the provisions of RCW 46.20.308, the withdrawal of blood for the purpose of determining its ~~(alcoholic)~~ alcohol or drug content may be performed only by a physician licensed under chapter 18.71 RCW; an osteopathic physician licensed under chapter 18.57 RCW; a registered nurse, licensed practical nurse, or advanced

registered nurse practitioner licensed under chapter 18.79 RCW; a physician assistant licensed under chapter 18.71A RCW; an osteopathic physician assistant licensed under chapter 18.57A RCW; an advanced emergency medical technician or paramedic (~~(licensed)~~ certified under chapter ~~((18.73))~~ 18.71 RCW; ~~((until July 1, 2016, a health care assistant certified under chapter 18.135 RCW;))~~ or a medical assistant-certified or medical assistant-phlebotomist certified under chapter 18.360 RCW, a person holding another credential under Title 18 RCW whose scope of practice includes performing venous blood draws, or a forensic phlebotomist certified under chapter 18.360 RCW. When the blood test is performed outside the state of Washington, the withdrawal of blood for the purpose of determining its alcohol or drug content may be performed by any person who is authorized by the out-of-state jurisdiction to perform venous blood draws. Proof of qualification to draw blood may be established through the department of health's provider credential search. This limitation shall not apply to the taking of breath specimens.

(6) When a venous blood sample is performed by a forensic phlebotomist certified under chapter 18.360 RCW, it must be done under the following conditions:

(a) If taken at the scene, it must be performed in an ambulance or aid service vehicle licensed by the department of health under chapter 18.73 RCW.

(b) The collection of blood samples must not interfere with the provision of essential medical care.

(c) The blood sample must be collected using sterile equipment and the skin area of puncture must be thoroughly cleansed and disinfected.

(d) The person whose blood is collected must be seated, reclined, or lying down when the blood is collected.

(7) The person tested may have a licensed or certified health care provider listed in subsection (5) of this section, or a qualified technician, chemist, or other qualified person of his or her own choosing administer one or more tests in addition to any administered at the direction of a law enforcement officer. The test will be admissible if the person establishes the general acceptability of the testing technique or method. The failure or inability to obtain an additional test by a person shall not preclude the admission of evidence relating to the test or tests taken at the direction of a law enforcement officer.

~~((7))~~ (8) Upon the request of the person who shall submit to a test or tests at the request of a law enforcement officer, full information concerning the test or tests shall be made available to him or her or his or her attorney.

Sec. 8. RCW 46.61.508 and 2015 2nd sp.s. c 3 s 23 are each amended to read as follows:

No physician licensed under chapter 18.71 RCW; osteopathic physician licensed under chapter 18.57 RCW; registered nurse, licensed practical nurse, or advanced registered nurse practitioner licensed under chapter 18.79 RCW; physician assistant licensed under chapter 18.71A RCW; osteopathic physician assistant licensed under chapter 18.57A RCW; advanced emergency medical technician or paramedic (~~(licensed)~~ certified under chapter ~~((18.73))~~ 18.71 RCW; ~~((until July 1, 2016, health care assistant certified under chapter 18.135 RCW;))~~ or medical assistant-certified or medical assistant-phlebotomist certified under chapter 18.360 RCW, person holding another credential under Title 18 RCW whose scope of practice includes performing venous blood draws, or

forensic phlebotomist certified under chapter 18.360 RCW, or hospital, or duly licensed clinical laboratory employing or utilizing services of such licensed or certified health care provider, shall incur any civil or criminal liability as a result of the act of withdrawing blood from any person when directed by a law enforcement officer to do so for the purpose of a blood test under the provisions of a search warrant, a waiver of the search warrant requirement, exigent circumstances, or any other authority of law~~((or RCW 46.20.308, as now or hereafter amended))~~: PROVIDED, That nothing in this section shall relieve such licensed or certified health care provider, ~~((or))~~ hospital or duly licensed clinical laboratory, or forensic phlebotomist from civil liability arising from the use of improper procedures or failing to exercise the required standard of care.

Sec. 9. RCW 18.130.410 and 2015 2nd sp.s. c 3 s 21 are each amended to read as follows:

It is not professional misconduct for a physician licensed under chapter 18.71 RCW; osteopathic physician licensed under chapter 18.57 RCW; registered nurse, licensed practical nurse, or advanced registered nurse practitioner licensed under chapter 18.79 RCW; physician assistant licensed under chapter 18.71A RCW; osteopathic physician assistant licensed under chapter 18.57A RCW; advanced emergency medical technician or paramedic ~~((licensed))~~ certified under chapter ~~((18.73))~~ 18.71 RCW; ~~((until July 1, 2016, health care assistant certified under chapter 18.135 RCW;))~~ or medical assistant-certified ~~((or))~~, medical assistant-phlebotomist, or forensic phlebotomist certified under chapter 18.360 RCW, or person holding another credential under Title 18 RCW whose scope of practice includes performing venous blood draws, or hospital, or duly licensed clinical laboratory employing or utilizing services of such licensed or certified health care provider, to collect a blood sample without a person's consent when the physician licensed under chapter 18.71 RCW; osteopathic physician licensed under chapter 18.57 RCW; registered nurse, licensed practical nurse, or advanced registered nurse practitioner licensed under chapter 18.79 RCW; physician assistant licensed under chapter 18.71A RCW; osteopathic physician assistant licensed under chapter 18.57A RCW; advanced emergency medical technician or paramedic ~~((licensed))~~ certified under chapter ~~((18.73))~~ 18.71 RCW; ~~((until July 1, 2016, health care assistant certified under chapter 18.135 RCW;))~~ or medical assistant-certified ~~((or))~~, medical assistant-phlebotomist, or forensic phlebotomist certified under chapter 18.360 RCW, or person holding another credential under Title 18 RCW whose scope of practice includes performing venous blood draws, or hospital, or duly licensed clinical laboratory employing or utilizing services of such licensed or certified health care provider withdrawing blood was directed by a law enforcement officer to do so for the purpose of a blood test under the provisions of a search warrant or exigent circumstances: PROVIDED, That nothing in this section shall relieve a physician licensed under chapter 18.71 RCW; osteopathic physician licensed under chapter 18.57 RCW; registered nurse, licensed practical nurse, or advanced registered nurse practitioner licensed under chapter 18.79 RCW; physician assistant licensed under chapter 18.71A RCW; osteopathic physician assistant licensed under chapter 18.57A RCW; advanced emergency medical technician or paramedic ~~((licensed))~~ certified under chapter ~~((18.73))~~ 18.71 RCW; ~~((until July 1, 2016, health care assistant certified under chapter 18.135 RCW;))~~ or medical assistant-certified ~~((or))~~, medical assistant-phlebotomist, or

forensic phlebotomist certified under chapter 18.360 RCW, or person holding another credential under Title 18 RCW whose scope of practice includes performing venous blood draws, or hospital, or duly licensed clinical laboratory employing or utilizing services of such licensed or certified health care provider withdrawing blood from professional discipline arising from the use of improper procedures or from failing to exercise the required standard of care.

Sec. 10. RCW 46.61.517 and 2001 c 142 s 1 are each amended to read as follows:

The refusal of a person to submit to a test of the alcohol or drug concentration in the person's (~~blood or~~) breath under RCW 46.20.308 is admissible into evidence at a subsequent criminal trial. The refusal of a person to submit to a test of the person's blood is admissible into evidence at a subsequent criminal trial when a search warrant, or an exception to the search warrant, authorized the seizure.

Sec. 11. RCW 46.64.025 and 2016 c 203 s 4 are each amended to read as follows:

Whenever any person served with, or provided notice of, a traffic (~~citation~~) infraction or a traffic-related criminal complaint willfully fails to appear at a requested hearing for a moving violation, or fails to comply with the terms of a notice of (~~traffic citation~~) infraction for a moving violation or a traffic-related criminal complaint, the court (~~in which the defendant failed to appear~~) with jurisdiction over the traffic infraction or traffic-related criminal complaint shall promptly give notice of such fact to the department of licensing. Whenever thereafter the case in which the defendant failed to appear or comply is adjudicated, the court hearing the case shall promptly file with the department a certificate showing that the case has been adjudicated. For the purposes of this section, "moving violation" is defined by rule pursuant to RCW 46.20.2891.

Sec. 12. RCW 36.28A.370 and 2015 2nd sp.s. c 3 s 18 are each amended to read as follows:

(1) Any daily user fee, installation fee, deactivation fee, enrollment fee, or monitoring fee must be collected by the participating agency and used to defray the participating agency's costs of the 24/7 sobriety program.

(2) Any participation fee must be collected by the participating agency and deposited in the state 24/7 sobriety account to cover 24/7 sobriety program administration costs incurred by the Washington association of sheriffs and police chiefs.

(3) All applicable fees shall be paid by the participant contemporaneously or in advance of the time when the fee becomes due; however, cities and counties may subsidize or pay any applicable fees.

(4) A city or county may accept for deposit, donations, gifts, grants, local account fund transfers, and other assistance into its local 24/7 sobriety account to defray the participating agency's costs of the 24/7 sobriety program.

Sec. 13. RCW 46.61.5054 and 2015 c 265 s 32 are each amended to read as follows:

(1)(a) In addition to penalties set forth in RCW 46.61.5051 through 46.61.5053 until September 1, 1995, and RCW 46.61.5055 thereafter, a two hundred fifty dollar fee shall be assessed to a person who is either convicted, sentenced to a lesser charge, or given deferred prosecution, as a result of an

arrest for violating RCW 46.61.502, 46.61.504, 46.61.520, or 46.61.522. This fee is for the purpose of funding the Washington state toxicology laboratory and the Washington state patrol for grants and activities to increase the conviction rate and decrease the incidence of persons driving under the influence of alcohol or drugs.

(b) Upon a verified petition by the person assessed the fee, the court may suspend payment of all or part of the fee if it finds that the person does not have the ability to pay.

(2) The fee assessed under subsection (1) of this section shall be collected by the clerk of the court and, subject to subsection ~~((4))~~ (5) of this section, one hundred seventy-five dollars of the fee must be distributed as follows:

(a) Forty percent shall be subject to distribution under RCW 3.46.120, 3.50.100, 35.20.220, 3.62.020, 3.62.040, or 10.82.070.

(b) The remainder of the fee shall be forwarded to the state treasurer who shall, through June 30, 1997, deposit: Fifty percent in the death investigations' account to be used solely for funding the state toxicology laboratory blood or breath testing programs; and fifty percent in the state patrol highway account to be used solely for funding activities to increase the conviction rate and decrease the incidence of persons driving under the influence of alcohol or drugs. Effective July 1, 1997, the remainder of the fee shall be forwarded to the state treasurer who shall deposit: Fifteen percent in the death investigations' account to be used solely for funding the state toxicology laboratory blood or breath testing programs; and eighty-five percent in the state patrol highway account to be used solely for funding activities to increase the conviction rate and decrease the incidence of persons driving under the influence of alcohol or drugs.

(3) Twenty-five dollars of the fee assessed under subsection (1) of this section must be distributed to the highway safety fund to be used solely for funding Washington traffic safety commission grants to reduce statewide collisions caused by persons driving under the influence of alcohol or drugs. Grants awarded under this subsection may be for projects that encourage collaboration with other community, governmental, and private organizations, and that utilize innovative approaches based on best practices or proven strategies supported by research or rigorous evaluation. Grants recipients may include, for example:

(a) DUI courts; ~~(and)~~

(b) Jurisdictions implementing the victim impact panel registries under RCW 46.61.5152 and 10.01.230; and

(c) Pilot programs in King and Spokane counties that are designed for persons with two or more prior offenses in seven years and include evidence-based assessment, enhanced intensive outpatient substance use disorder treatment, monitoring, and, when needed, priority entry into voluntary or involuntary detoxification services or residential substance use disorder treatment, if state funding is provided specifically for this purpose.

(4) Fifty dollars of the fee assessed under subsection (1) of this section must be distributed to the highway safety fund to be used solely for funding Washington traffic safety commission grants to organizations within counties targeted for programs to reduce driving under the influence of alcohol or drugs. A minimum of three hundred thousand dollars of these grant funds shall support pilot programs in King and Spokane counties that are designed for persons with

two or more prior offenses in seven years, as described in subsection (3)(c) of this section.

(5) If the court has suspended payment of part of the fee pursuant to subsection (1)(b) of this section, amounts collected shall be distributed proportionately.

~~((5))~~ (6) This section applies to any offense committed on or after July 1, 1993, and only to adult offenders.

Sec. 14. RCW 18.360.010 and 2016 c 124 s 1 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Administer" means the retrieval of medication, and its application to a patient, as authorized in RCW 18.360.050.

(2) "Delegation" means direct authorization granted by a licensed health care practitioner to a medical assistant to perform the functions authorized in this chapter which fall within the scope of practice of the health care provider and the training and experience of the medical assistant.

(3) "Department" means the department of health.

(4) "Health care practitioner" means:

(a) A physician licensed under chapter 18.71 RCW;

(b) An osteopathic physician and surgeon licensed under chapter 18.57 RCW; or

(c) Acting within the scope of their respective licensure, a podiatric physician and surgeon licensed under chapter 18.22 RCW, a registered nurse or advanced registered nurse practitioner licensed under chapter 18.79 RCW, a naturopath licensed under chapter 18.36A RCW, a physician assistant licensed under chapter 18.71A RCW, an osteopathic physician assistant licensed under chapter 18.57A RCW, or an optometrist licensed under chapter 18.53 RCW.

(5) "Medical assistant-certified" means a person certified under RCW 18.360.040 who assists a health care practitioner with patient care, executes administrative and clinical procedures, and performs functions as provided in RCW 18.360.050 under the supervision of the health care practitioner.

(6) "Medical assistant-hemodialysis technician" means a person certified under RCW 18.360.040 who performs hemodialysis and other functions pursuant to RCW 18.360.050 under the supervision of a health care practitioner.

(7) "Medical assistant-phlebotomist" means a person certified under RCW 18.360.040 who performs capillary, venous, and arterial invasive procedures for blood withdrawal and other functions pursuant to RCW 18.360.050 under the supervision of a health care practitioner.

(8) "Medical assistant-registered" means a person registered under RCW 18.360.040 who, pursuant to an endorsement by a health care practitioner, clinic, or group practice, assists a health care practitioner with patient care, executes administrative and clinical procedures, and performs functions as provided in RCW 18.360.050 under the supervision of the health care practitioner.

(9) "Secretary" means the secretary of the department of health.

(10) "Supervision" means supervision of procedures permitted pursuant to this chapter by a health care practitioner who is physically present and is immediately available in the facility. The health care practitioner does not need

to be present during procedures to withdraw blood, but must be immediately available.

(11) "Forensic phlebotomist" means a police officer, law enforcement officer, or employee of a correctional facility or detention facility, who is certified under this chapter and meets any additional training and proficiency standards of his or her employer to collect a venous blood sample for forensic testing pursuant to a search warrant, a waiver of the warrant requirement, or exigent circumstances.

Sec. 15. RCW 18.360.020 and 2012 c 153 s 3 are each amended to read as follows:

(1) No person may practice as a medical assistant-certified, medical assistant-hemodialysis technician, ~~((and))~~ medical assistant-phlebotomist, or forensic phlebotomist unless he or she is certified under RCW 18.360.040.

(2) No person may practice as a medical assistant-registered unless he or she is registered under RCW 18.360.040.

Sec. 16. RCW 18.360.030 and 2012 c 153 s 4 are each amended to read as follows:

(1) The secretary shall adopt rules specifying the minimum qualifications for a medical assistant-certified, medical assistant-hemodialysis technician, ~~((and))~~ medical assistant-phlebotomist, and forensic phlebotomist.

(a) The qualifications for a medical assistant-hemodialysis technician must be equivalent to the qualifications for hemodialysis technicians regulated pursuant to chapter 18.135 RCW as of January 1, 2012.

(b) The qualifications for a forensic phlebotomist must include training consistent with the occupational safety and health administration guidelines and must include between twenty and thirty hours of work in a clinical setting with the completion of more than one hundred successful venipunctures. The secretary may not require more than forty hours of classroom training for initial training, which may include online preclass homework.

(2) The secretary shall adopt rules that establish the minimum requirements necessary for a health care practitioner, clinic, or group practice to endorse a medical assistant as qualified to perform the duties authorized by this chapter and be able to file an attestation of that endorsement with the department.

(3) The medical quality assurance commission, the board of osteopathic medicine and surgery, the podiatric medical board, the nursing care quality assurance commission, the board of naturopathy, and the optometry board shall each review and identify other specialty assistive personnel not included in this chapter and the tasks they perform. The department of health shall compile the information from each disciplining authority listed in this subsection and submit the compiled information to the legislature no later than December 15, 2012.

Sec. 17. RCW 18.360.040 and 2013 c 128 s 2 are each amended to read as follows:

(1)(a) The secretary shall issue a certification as a medical assistant-certified to any person who has satisfactorily completed a medical assistant training program approved by the secretary, passed an examination approved by the secretary, and met any additional qualifications established under RCW 18.360.030.

(b) The secretary shall issue an interim certification to any person who has met all of the qualifications in (a) of this subsection, except for the passage of the examination. A person holding an interim permit possesses the full scope of practice of a medical assistant-certified. The interim permit expires upon passage of the examination or after one year, whichever occurs first, and may not be renewed.

(2) The secretary shall issue a certification as a medical assistant-hemodialysis technician to any person who meets the qualifications for a medical assistant-hemodialysis technician established under RCW 18.360.030.

(3) The secretary shall issue a certification as a medical assistant-phlebotomist to any person who meets the qualifications for a medical assistant-phlebotomist established under RCW 18.360.030.

(4) The secretary shall issue a certification as a forensic phlebotomist to any person who meets the qualifications for a forensic phlebotomist established under RCW 18.360.030.

~~(5)~~(a) The secretary shall issue a registration as a medical assistant-registered to any person who has a current endorsement from a health care practitioner, clinic, or group practice.

(b) In order to be endorsed under this subsection (~~((4))~~) (5), a person must:

(i) Be endorsed by a health care practitioner, clinic, or group practice that meets the qualifications established under RCW 18.360.030; and

(ii) Have a current attestation of his or her endorsement to perform specific medical tasks signed by a supervising health care practitioner filed with the department. A medical assistant-registered may only perform the medical tasks listed in his or her current attestation of endorsement.

(c) A registration based on an endorsement by a health care practitioner, clinic, or group practice is not transferable to another health care practitioner, clinic, or group practice.

(d) An applicant for registration as a medical assistant-registered who applies to the department within seven days of employment by the endorsing health care practitioner, clinic, or group practice may work as a medical assistant-registered for up to sixty days while the application is processed. The applicant must stop working on the sixtieth day of employment if the registration has not been granted for any reason.

~~((5))~~ (6) A certification issued under subsections (1) through (3) of this section is transferable between different practice settings. A certification under subsection (4) of this section is transferable between law enforcement agencies.

Sec. 18. RCW 18.130.040 and 2016 c 41 s 18 are each amended to read as follows:

(1) This chapter applies only to the secretary and the boards and commissions having jurisdiction in relation to the professions licensed under the chapters specified in this section. This chapter does not apply to any business or profession not licensed under the chapters specified in this section.

(2)(a) The secretary has authority under this chapter in relation to the following professions:

(i) Dispensing opticians licensed and designated apprentices under chapter 18.34 RCW;

(ii) Midwives licensed under chapter 18.50 RCW;

(iii) Ocularists licensed under chapter 18.55 RCW;

- (iv) Massage therapists and businesses licensed under chapter 18.108 RCW;
 - (v) Dental hygienists licensed under chapter 18.29 RCW;
 - (vi) East Asian medicine practitioners licensed under chapter 18.06 RCW;
 - (vii) Radiologic technologists certified and X-ray technicians registered under chapter 18.84 RCW;
 - (viii) Respiratory care practitioners licensed under chapter 18.89 RCW;
 - (ix) Hypnotherapists and agency affiliated counselors registered and advisors and counselors certified under chapter 18.19 RCW;
 - (x) Persons licensed as mental health counselors, mental health counselor associates, marriage and family therapists, marriage and family therapist associates, social workers, social work associates—advanced, and social work associates—independent clinical under chapter 18.225 RCW;
 - (xi) Persons registered as nursing pool operators under chapter 18.52C RCW;
 - (xii) Nursing assistants registered or certified or medication assistants endorsed under chapter 18.88A RCW;
 - (xiii) Dietitians and nutritionists certified under chapter 18.138 RCW;
 - (xiv) Chemical dependency professionals and chemical dependency professional trainees certified under chapter 18.205 RCW;
 - (xv) Sex offender treatment providers and certified affiliate sex offender treatment providers certified under chapter 18.155 RCW;
 - (xvi) Persons licensed and certified under chapter 18.73 RCW or RCW 18.71.205;
 - (xvii) Orthotists and prosthetists licensed under chapter 18.200 RCW;
 - (xviii) Surgical technologists registered under chapter 18.215 RCW;
 - (xix) Recreational therapists under chapter 18.230 RCW;
 - (xx) Animal massage therapists certified under chapter 18.240 RCW;
 - (xxi) Athletic trainers licensed under chapter 18.250 RCW;
 - (xxii) Home care aides certified under chapter 18.88B RCW;
 - (xxiii) Genetic counselors licensed under chapter 18.290 RCW;
 - (xxiv) Reflexologists certified under chapter 18.108 RCW;
 - (xxv) Medical assistants-certified, medical assistants-hemodialysis technician, medical assistants-phlebotomist, forensic phlebotomist, and medical assistants-registered certified and registered under chapter 18.360 RCW; and
 - (xxvi) Behavior analysts, assistant behavior analysts, and behavior technicians under chapter 18.380 RCW.
- (b) The boards and commissions having authority under this chapter are as follows:
- (i) The podiatric medical board as established in chapter 18.22 RCW;
 - (ii) The chiropractic quality assurance commission as established in chapter 18.25 RCW;
 - (iii) The dental quality assurance commission as established in chapter 18.32 RCW governing licenses issued under chapter 18.32 RCW, licenses and registrations issued under chapter 18.260 RCW, and certifications issued under chapter 18.350 RCW;
 - (iv) The board of hearing and speech as established in chapter 18.35 RCW;
 - (v) The board of examiners for nursing home administrators as established in chapter 18.52 RCW;

(vi) The optometry board as established in chapter 18.54 RCW governing licenses issued under chapter 18.53 RCW;

(vii) The board of osteopathic medicine and surgery as established in chapter 18.57 RCW governing licenses issued under chapters 18.57 and 18.57A RCW;

(viii) The pharmacy quality assurance commission as established in chapter 18.64 RCW governing licenses issued under chapters 18.64 and 18.64A RCW;

(ix) The medical quality assurance commission as established in chapter 18.71 RCW governing licenses and registrations issued under chapters 18.71 and 18.71A RCW;

(x) The board of physical therapy as established in chapter 18.74 RCW;

(xi) The board of occupational therapy practice as established in chapter 18.59 RCW;

(xii) The nursing care quality assurance commission as established in chapter 18.79 RCW governing licenses and registrations issued under that chapter;

(xiii) The examining board of psychology and its disciplinary committee as established in chapter 18.83 RCW;

(xiv) The veterinary board of governors as established in chapter 18.92 RCW;

(xv) The board of naturopathy established in chapter 18.36A RCW; and

(xvi) The board of denturists established in chapter 18.30 RCW.

(3) In addition to the authority to discipline license holders, the disciplining authority has the authority to grant or deny licenses. The disciplining authority may also grant a license subject to conditions.

(4) All disciplining authorities shall adopt procedures to ensure substantially consistent application of this chapter, the uniform disciplinary act, among the disciplining authorities listed in subsection (2) of this section.

Sec. 19. RCW 18.120.020 and 2016 c 41 s 17 are each reenacted and amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Applicant group" includes any health professional group or organization, any individual, or any other interested party which proposes that any health professional group not presently regulated be regulated or which proposes to substantially increase the scope of practice of the profession.

(2) "Certificate" and "certification" mean a voluntary process by which a statutory regulatory entity grants recognition to an individual who (a) has met certain prerequisite qualifications specified by that regulatory entity, and (b) may assume or use "certified" in the title or designation to perform prescribed health professional tasks.

(3) "Grandfather clause" means a provision in a regulatory statute applicable to practitioners actively engaged in the regulated health profession prior to the effective date of the regulatory statute which exempts the practitioners from meeting the prerequisite qualifications set forth in the regulatory statute to perform prescribed occupational tasks.

(4) "Health professions" means and includes the following health and health-related licensed or regulated professions and occupations: Podiatric medicine and surgery under chapter 18.22 RCW; chiropractic under chapter

18.25 RCW; dental hygiene under chapter 18.29 RCW; dentistry under chapter 18.32 RCW; denturism under chapter 18.30 RCW; dental anesthesia assistants under chapter 18.350 RCW; dispensing opticians under chapter 18.34 RCW; hearing instruments under chapter 18.35 RCW; naturopaths under chapter 18.36A RCW; embalming and funeral directing under chapter 18.39 RCW; midwifery under chapter 18.50 RCW; nursing home administration under chapter 18.52 RCW; optometry under chapters 18.53 and 18.54 RCW; ocularists under chapter 18.55 RCW; osteopathic medicine and surgery under chapters 18.57 and 18.57A RCW; pharmacy under chapters 18.64 and 18.64A RCW; medicine under chapters 18.71 and 18.71A RCW; emergency medicine under chapter 18.73 RCW; physical therapy under chapter 18.74 RCW; practical nurses under chapter 18.79 RCW; psychologists under chapter 18.83 RCW; registered nurses under chapter 18.79 RCW; occupational therapists licensed under chapter 18.59 RCW; respiratory care practitioners licensed under chapter 18.89 RCW; veterinarians and veterinary technicians under chapter 18.92 RCW; massage therapists under chapter 18.108 RCW; East Asian medicine practitioners licensed under chapter 18.06 RCW; persons registered under chapter 18.19 RCW; persons licensed as mental health counselors, marriage and family therapists, and social workers under chapter 18.225 RCW; dietitians and nutritionists certified by chapter 18.138 RCW; radiologic technicians under chapter 18.84 RCW; nursing assistants registered or certified under chapter 18.88A RCW; reflexologists certified under chapter 18.108 RCW; medical assistants-certified, medical assistants-hemodialysis technician, medical assistants-phlebotomist, forensic phlebotomist, and medical assistants-registered certified and registered under chapter 18.360 RCW; and licensed behavior analysts, licensed assistant behavior analysts, and certified behavior technicians under chapter 18.380 RCW.

(5) "Inspection" means the periodic examination of practitioners by a state agency in order to ascertain whether the practitioners' occupation is being carried out in a fashion consistent with the public health, safety, and welfare.

(6) "Legislative committees of reference" means the standing legislative committees designated by the respective rules committees of the senate and house of representatives to consider proposed legislation to regulate health professions not previously regulated.

(7) "License," "licensing," and "licensure" mean permission to engage in a health profession which would otherwise be unlawful in the state in the absence of the permission. A license is granted to those individuals who meet prerequisite qualifications to perform prescribed health professional tasks and for the use of a particular title.

(8) "Practitioner" means an individual who (a) has achieved knowledge and skill by practice, and (b) is actively engaged in a specified health profession.

(9) "Professional license" means an individual, nontransferable authorization to carry on a health activity based on qualifications which include: (a) Graduation from an accredited or approved program, and (b) acceptable performance on a qualifying examination or series of examinations.

(10) "Public member" means an individual who is not, and never was, a member of the health profession being regulated or the spouse of a member, or an individual who does not have and never has had a material financial interest

in either the rendering of the health professional service being regulated or an activity directly related to the profession being regulated.

(11) "Registration" means the formal notification which, prior to rendering services, a practitioner shall submit to a state agency setting forth the name and address of the practitioner; the location, nature and operation of the health activity to be practiced; and, if required by the regulatory entity, a description of the service to be provided.

(12) "Regulatory entity" means any board, commission, agency, division, or other unit or subunit of state government which regulates one or more professions, occupations, industries, businesses, or other endeavors in this state.

(13) "State agency" includes every state office, department, board, commission, regulatory entity, and agency of the state, and, where provided by law, programs and activities involving less than the full responsibility of a state agency.

NEW SECTION. Sec. 20. Sections 18 and 19 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect July 1, 2017.

Passed by the House April 21, 2017.

Passed by the Senate April 20, 2017.

Approved by the Governor May 16, 2017.

Filed in Office of Secretary of State May 17, 2017.

WASHINGTON LAWS

2017 FIRST SPECIAL SESSION

CHAPTER 1

[Salary Schedule.sl]

SALARIES—STATE ELECTED OFFICIALS

AN ACT Relating to salaries of elected officials; and amending RCW 43.03.011, 43.03.012, and 43.03.013.

Be it enacted by the Washington citizens' commission on salaries for elected officials of the State of Washington:

Sec. 1. RCW 43.03.011 and 2015 1st sp.s. c 1 s 1 are each amended to read as follows:

Pursuant to Article XXVIII, section 1 of the state Constitution and RCW 43.03.010 and 43.03.310, the annual salaries of the state elected officials of the executive branch shall be as follows:

(1) Effective September 1, (~~2014~~) 2016:

(a) Governor	\$ ((166,891))	<u>173,617</u>
(b) Lieutenant governor	\$ ((97,000))	<u>101,889</u>
(c) Secretary of state	\$ ((116,950))	<u>121,663</u>
(d) Treasurer	\$ ((125,000))	<u>140,438</u>
(e) Auditor	\$ ((116,950))	<u>121,663</u>
(f) Attorney general	\$ ((151,718))	<u>159,395</u>
(g) Superintendent of public instruction	\$ ((127,772))	<u>134,212</u>
(h) Commissioner of public lands	\$ ((124,050))	<u>132,858</u>
(i) Insurance commissioner	\$ ((116,950))	<u>124,061</u>

(2) Effective September 1, (~~2015~~) 2017:

(a) Governor	\$ ((171,898))	<u>175,353</u>
(b) Lieutenant governor	\$ ((100,880))	<u>102,908</u>
(c) Secretary of state	\$ ((120,459))	<u>122,880</u>
(d) Treasurer	\$ ((133,750))	<u>143,247</u>
(e) Auditor	\$ ((120,459))	<u>122,880</u>
(f) Attorney general	\$ ((156,270))	<u>160,989</u>
(g) Superintendent of public instruction	\$ ((132,883))	<u>135,554</u>
(h) Commissioner of public lands	\$ ((130,253))	<u>135,515</u>

(i) Insurance commissioner	\$ ((121,628))
	<u>125,302</u>
(3) Effective September 1, ((2016)) <u>2018</u> :	
(a) Governor	\$ ((173,617))
	<u>177,107</u>
(b) Lieutenant governor	\$ ((101,889))
	<u>103,937</u>
(c) Secretary of state	\$ ((121,663))
	<u>124,108</u>
(d) Treasurer	\$ ((140,438))
	<u>144,679</u>
(e) Auditor	\$ ((121,663))
	<u>124,108</u>
(f) Attorney general	\$ ((159,395))
	<u>162,599</u>
(g) Superintendent of public instruction	\$ ((134,212))
	<u>136,910</u>
(h) Commissioner of public lands	\$ ((132,858))
	<u>138,225</u>
(i) Insurance commissioner	\$ ((124,064))
	<u>126,555</u>

(4) The lieutenant governor shall receive the fixed amount of his or her salary plus 1/260th of the difference between his or her salary and that of the governor for each day that the lieutenant governor is called upon to perform the duties of the governor by reason of the absence from the state, removal, resignation, death, or disability of the governor.

Sec. 2. RCW 43.03.012 and 2015 1st sp.s. c 1 s 2 are each amended to read as follows:

Pursuant to Article XXVIII, section 1 of the state Constitution and RCW 2.04.092, 2.06.062, 2.08.092, 3.58.010, and 43.03.310, the annual salaries of the judges of the state shall be as follows:

(1) Effective September 1, ((2014)) <u>2016</u> :	
(a) Chief justice of the supreme court	\$ ((172,534))
	<u>185,661</u>
(b) Justices of the supreme court	\$ ((172,534))
	<u>183,021</u>
(c) Judges of the court of appeals	\$ ((164,238))
	<u>174,224</u>
(d) Judges of the superior court	\$ ((156,363))
	<u>165,870</u>
(e) Full-time judges of the district court	\$ ((148,884))
	<u>157,933</u>
(2) Effective September 1, ((2015)) <u>2017</u> :	
(a) Chief justice of the supreme court	\$ ((182,020))
	<u>189,374</u>
(b) Justices of the supreme court	\$ ((179,432))
	<u>186,681</u>
(c) Judges of the court of appeals	\$ ((170,808))
	<u>177,708</u>

(d) Judges of the superior court	\$ ((162,618))	<u>169,187</u>
(e) Full-time judges of the district court	\$ ((154,836))	<u>161,092</u>
(3) Effective September 1, ((2016)) <u>2018</u> :		
(a) Chief justice of the supreme court	\$ ((185,664))	<u>193,162</u>
(b) Justices of the supreme court	\$ ((183,021))	<u>190,415</u>
(c) Judges of the court of appeals	\$ ((174,224))	<u>181,263</u>
(d) Judges of the superior court	\$ ((165,870))	<u>172,571</u>
(e) Full-time judges of the district court	\$ ((157,933))	<u>164,313</u>

(4) The salary for a part-time district court judge shall be the proportion of full-time work for which the position is authorized, multiplied by the salary for a full-time district court judge.

Sec. 3. RCW 43.03.013 and 2015 1st sp.s. c 1 s 3 are each amended to read as follows:

Pursuant to Article XXVIII, section 1 of the state Constitution and RCW 43.03.010 and 43.03.310, the annual salary of members of the legislature shall be:

(1) Effective September 1, ((2014)) <u>2016</u> :		
(a) Legislators	\$ ((42,106))	<u>46,839</u>
(b) Speaker of the house	\$ ((50,106))	<u>55,738</u>
(c) Senate majority leader	\$ ((50,106))	<u>55,738</u>
(d) House minority leader	\$ ((46,106))	<u>51,288</u>
(e) Senate minority leader	\$ ((46,106))	<u>51,288</u>
(2) Effective September 1, ((2015)) <u>2017</u> :		
(a) Legislators	\$ ((45,474))	<u>47,776</u>
(b) Speaker of the house	\$ ((54,114))	<u>56,853</u>
(c) Senate majority leader	\$ ((54,114))	<u>56,853</u>
(d) House minority leader	\$ ((49,794))	<u>52,314</u>
(e) Senate minority leader	\$ ((49,794))	<u>52,314</u>
(3) Effective September 1, ((2016)) <u>2018</u> :		
(a) Legislators	\$ ((46,839))	<u>48,731</u>
(b) Speaker of the house	\$ ((55,738))	

	<u>57,990</u>
(c) Senate majority leader	\$ ((55,738))
	<u>57,990</u>
(d) House minority leader	\$ ((51,288))
	<u>53,360</u>
(e) Senate minority leader	\$ ((51,288))
	<u>53,360</u>

Originally filed in Office of Secretary of State May 23, 2017.

WASHINGTON LAWS

2017 SECOND SPECIAL SESSION

CHAPTER 1

[House Bill 2213]

BIOMETRIC IDENTIFIERS--STATE AGENCIES--CORRECTION

AN ACT Relating to state agency collection, use, and retention of biometric identifiers; amending RCW 40.---; providing a contingent effective date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

Sec. 1. RCW 40.--- and 2017 1st sp.s. c ... (SHB 1717) s 2 are each amended to read as follows:

(1) Unless authorized by law, an agency may not collect, capture, purchase, or otherwise obtain a biometric identifier without first providing notice and obtaining the individual's consent, as follows:

(a) The notice provided must clearly specify the purpose and use of the biometric identifier; and

(b) The consent obtained must be specific to the terms of the notice, and must be recorded and maintained by the agency for the duration of the retention of the biometric identifier.

(2) Any biometric identifier obtained by an agency:

(a) May not be sold;

(b) May only be used consistent with the terms of the notice and consent obtained under subsection (1) of this section, or as authorized by law; and

(c) May be shared, including with other state agencies or local governments, only:

(i) As needed to execute the purposes of the collection, consistent with the notice and consent obtained under subsection (1) of this section, or as authorized by law; or

(ii) If such sharing is specified within the original consent.

(3) An agency that collects, purchases, or otherwise obtains biometric identifiers must:

(a) Establish security policies that ensure the integrity and appropriate confidentiality of the biometric identifiers;

(b) Address biometric identifiers in the agency's privacy policies;

(c) Only retain biometric identifiers necessary to fulfill the original purpose and use, as specified in the notice and consent obtained under subsection (1) of this section, or as authorized by law;

(d) Set record retention schedules tailored to the original purpose of the collection of biometric identifiers;

(e) Otherwise minimize the review and retention of the biometric identifiers, consistent with state record retention requirements; and

(f) Design a biometric policy to ensure that the agency is minimizing the collection of biometric identifiers to the fewest number necessary to accomplish the agency mission.

(4) The use and storage of biometric identifiers obtained by an agency must comply with all other applicable state and federal laws and regulations, including the health insurance portability and accountability act (HIPAA), the family educational rights and privacy act (FERPA), regulations regarding data breach notifications and individual privacy protections, and any policies or standards published by the office of the chief information officer.

(5) Biometric identifiers (~~((used or retained by an agency or a general authority Washington law enforcement agency))~~) may not be disclosed under the public records act, chapter 42.56 RCW.

(6) Agency policies, regulations, guidance, and retention schedules regarding biometric identifiers must be reviewed annually to incorporate any new technology, as appropriate, and respond to citizen complaints.

(7) ~~((The following definitions apply for purposes of this section:))~~ The definitions in this subsection apply throughout this section unless the context requires otherwise.

(a) "Agency" means every state office, department, division, bureau, board, commission, or other state agency(~~(, except that it does not include a general authority Washington law enforcement agency))~~).

(b) "Biometric identifier" means any information, regardless of how it is captured, converted, stored, or shared, based on an individual's retina or iris scan, fingerprint, voiceprint, DNA, or scan of hand or face geometry, except when such information is derived from:

(i) Writing samples, written signatures, photographs, human biological samples used for valid scientific testing or screening, demographic data, tattoo descriptions, or physical descriptions such as height, weight, hair color, or eye color;

(ii) Donated organ tissues or parts, or blood or serum stored on behalf of recipients or potential recipients of living or cadaveric transplants and obtained or stored by a federally designated organ procurement agency;

(iii) Information captured from a patient in a health care setting or information collected, used, or stored for health care treatment, payment, or operations under the federal health insurance portability and accountability act of 1996; or

(iv) X-ray, roentgen process, computed tomography, magnetic resonance imaging (MRI), positron emission tomography (PET) scan, mammography, or other image or film of the human anatomy used to diagnose, ~~((prognose))~~ develop a prognosis for, or treat an illness or other medical condition or to further validate scientific testing or screening.

~~((c) "General authority Washington law enforcement agency" has the definition given in RCW 10.93.020.))~~

(8) Subsection (1) of this section does not apply to general authority Washington law enforcement agencies, as defined under RCW 10.93.020.

(9)(a) For purposes of the restrictions and obligations in subsection (1) of this section, "biometric identifier" does not include fingerprints or DNA for the following:

(i) Limited authority Washington law enforcement agencies, as defined under RCW 10.93.020;

(ii) Agencies authorized by statute to confine a person involuntarily, or to petition for such confinement; and

(iii) The attorney general's office when obtaining or using biometric identifiers is necessary for law enforcement, legal advice, or legal representation.

(b) When an agency listed under (a) of this subsection has a need to collect, capture, purchase, or otherwise obtain a biometric identifier other than a fingerprint or DNA to fulfill a purpose authorized by law, for either an

individual circumstance or a categorical circumstance, the requirements of subsection (1) of this section are waived upon such agency providing prompt written notice to the state's chief privacy officer and to the appropriate committees of the legislature, stating the type of biometric identifier at issue and the general circumstances requiring the waiver.

NEW SECTION. Sec. 2. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect on the date that Substitute House Bill No. 1717 takes effect.

Passed by the House May 25, 2017.

Passed by the Senate June 13, 2017.

Approved by the Governor June 27, 2017.

Filed in Office of Secretary of State June 27, 2017.

WASHINGTON LAWS

2017 THIRD SPECIAL SESSION

CHAPTER 1

[Substitute Senate Bill 5883]
OPERATING BUDGET

AN ACT Relating to fiscal matters; amending RCW 19.118.110, 28B.15.210, 28B.15.310, 28B.35.370, 28B.50.360, 28B.95.092, 28B.115.070, 28B.122.050, 28C.04.535, 36.70A.725, 38.52.105, 41.26.450, 41.26.802, 41.60.050, 43.08.190, 43.09.475, 43.41.450, 43.43.839, 43.79.445, 43.79.460, 43.101.220, 43.101.200, 43.330.250, 43.320.110, 50.16.010, 66.08.170, 69.50.540, 70.105D.070, 71.24.580, 74.13.621, 77.12.201, 77.12.203, 79.64.040, 79.64.110, 79.105.150, 79A.80.090, 82.19.040, 82.19.040, 83.100.230, 39.26.200, and 79A.25.210; amending 2013 2nd sp.s. c 15 s 8 (uncodified); amending 2015 c 15 ss 8 and 9 (uncodified); amending 2017 c 313 s 201 (uncodified); amending 2016 sp.s. c 36 ss 112, 113, 114, 117, 119, 118, 120, 121, 124, 125, 127, 128, 130, 131, 132, 134, 135, 136, 137, 139, 141, 143, 147, 148, 149, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 216, 217, 218, 219, 220, 221, 301, 302, 303, 304, 305, 306, 307, 308, 310, 311, 402, 501, 502, 503, 504, 505, 506, 507, 508, 509, 511, 512, 513, 514, 516, 517, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 615, 617, 701, 706, 801, and 804 (uncodified); amending 2015 3rd sp.s. c 4 ss 125, 506, and 703 (uncodified); reenacting and amending RCW 43.155.050 and 43.155.050; adding new sections to 2015 3rd sp.s. c 4 (uncodified); adding a new section to chapter 43.31 RCW; adding a new section to chapter 43.41 RCW; adding a new section to chapter 28B.76 RCW; making appropriations; providing effective dates; providing an expiration date; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. (1) A budget is hereby adopted and, subject to the provisions set forth in the following sections, the several amounts specified in parts I through IX of this act, or so much thereof as shall be sufficient to accomplish the purposes designated, are hereby appropriated and authorized to be incurred for salaries, wages, and other expenses of the agencies and offices of the state and for other specified purposes for the fiscal biennium beginning July 1, 2017, and ending June 30, 2019, except as otherwise provided, out of the several funds of the state hereinafter named.

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

(a) "Fiscal year 2018" or "FY 2018" means the fiscal year ending June 30, 2018.

(b) "Fiscal year 2019" or "FY 2019" means the fiscal year ending June 30, 2019.

(c) "FTE" means full time equivalent.

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

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

PART I
GENERAL GOVERNMENT

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

Table with 2 columns: Description and Amount. Rows include General Fund—State Appropriation (FY 2018) \$37,642,000, General Fund—State Appropriation (FY 2019) \$39,205,000, Motor Vehicle Account—State Appropriation \$2,011,000, and TOTAL APPROPRIATION \$78,858,000.

The appropriations in this section are subject to the following conditions and limitations: The speaker shall designate one member from each of the major caucuses in the house of representatives as a work group to facilitate public discussions throughout the state regarding Washington's tax structure. As part of this effort, the work group may hold up to seven public meetings in geographically dispersed areas of the state throughout the 2017-2019 fiscal biennium. These discussions may include but are not limited to the advantages and disadvantages of the state's current tax structure and potential options to improve the current structure for the benefit of individuals, families, and businesses in Washington state. The work group is staffed by the office of program research. The work group may report to the house of representatives finance committee and other house of representatives committees upon request of the committee chair.

NEW SECTION. Sec. 102. FOR THE SENATE

General Fund—State Appropriation (FY 2018)	\$26,369,000
General Fund—State Appropriation (FY 2019)	\$29,451,000
Motor Vehicle Account—State Appropriation	\$1,903,000
TOTAL APPROPRIATION	\$57,723,000

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

General Fund—State Appropriation (FY 2018)	\$135,000
General Fund—State Appropriation (FY 2019)	\$29,000
Performance Audits of Government—State Appropriation	\$8,619,000
TOTAL APPROPRIATION	\$8,783,000

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

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

(2) The committee shall complete its analysis of fire suppression funding and costs for the department of natural resources and the state fire marshal. A report on the results of the analysis with any findings and recommendations shall be submitted to the appropriate committees of the legislature by December 2017.

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

(4) \$500,000 of the performance audits of government account—state appropriation is provided solely for an evaluation and comparison of the cost efficiency of market rate housing in Washington versus publicly subsidized housing projects intended to assist low-income households.

(a) The comparison will include, but not be limited to, a comparison of the costs of:

(i) Land acquisition;

(ii) Preconstruction activities including development and design, environmental review, permitting, and other state and local review processes;

(iii) Construction and rehabilitation;

(iv) Capital and financing;

(v) Labor costs;

(vi) Construction administrative costs including legal, contract, and finance activities; and

(vii) Ongoing maintenance and operating of the housing constructed.

(b) The comparison will include a review of the department of commerce housing root cause analysis due to the governor on June 1, 2018. Included in the review will be a consideration of geographic and regional factors affecting costs. The report will include a recommendation for publicly available and easy to read sources and labels for each publicly subsidized housing project. For purposes of the evaluation and comparison, publicly subsidized housing project means housing that is funded, in whole or in part, by state, local, or federal funds or financing programs to assist low-income households.

(c) The evaluation must solicit input from interested housing stakeholders, including representatives from the Washington state affordable housing advisory board, the department of commerce, the Washington state housing finance commission, representatives from the private rental housing industry, housing authorities, community action agencies, local governments, and nonprofit and for-profit housing developers.

(d) The evaluation and comparison is due to the legislature by December 31, 2018.

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

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

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

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

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

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

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

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

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

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

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

**Sec 103 was partially vetoed. See message at end of chapter.*

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

Performance Audits of Government—State Appropriation \$4,175,000

The appropriation in this section is subject to the following conditions and limitations: The agency is directed to use its moneys in the savings incentive account for one-time relocation, furniture, equipment, and tenant improvements costs to move to the 1063 building.

NEW SECTION. Sec. 105. FOR THE JOINT LEGISLATIVE SYSTEMS COMMITTEE

General Fund—State Appropriation (FY 2018) \$10,730,000
General Fund—State Appropriation (FY 2019) \$10,254,000
TOTAL APPROPRIATION \$20,984,000

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

General Fund—State Appropriation (FY 2018) \$302,000
General Fund—State Appropriation (FY 2019) \$308,000
State Health Care Authority Administrative Account—State
Appropriation \$406,000
Department of Retirement Systems Expense
Account—State Appropriation \$5,110,000
TOTAL APPROPRIATION \$6,126,000

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

General Fund—State Appropriation (FY 2018) \$4,936,000
General Fund—State Appropriation (FY 2019) \$5,455,000
TOTAL APPROPRIATION \$10,391,000

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

General Fund—State Appropriation (FY 2018) \$4,043,000
General Fund—State Appropriation (FY 2019) \$4,485,000
TOTAL APPROPRIATION \$8,528,000

NEW SECTION. Sec. 109. LEGISLATIVE AGENCIES

In order to achieve operating efficiencies within the financial resources available to the legislative branch, the executive rules committee of the house of representatives and the facilities and operations committee of the senate by joint action may transfer funds among the house of representatives, senate, joint legislative audit and review committee, legislative evaluation and accountability program committee, joint transportation committee, office of the state actuary, joint legislative systems committee, statute law committee, and office of legislative support services.

NEW SECTION. Sec. 110. FOR THE SUPREME COURT

General Fund—State Appropriation (FY 2018) \$8,046,000
General Fund—State Appropriation (FY 2019) \$8,368,000
TOTAL APPROPRIATION \$16,414,000

NEW SECTION. Sec. 111. FOR THE LAW LIBRARY

General Fund—State Appropriation (FY 2018) \$1,685,000

General Fund—State Appropriation (FY 2019)	\$1,714,000
TOTAL APPROPRIATION	\$3,399,000

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

General Fund—State Appropriation (FY 2018)	\$1,340,000
General Fund—State Appropriation (FY 2019)	\$1,236,000
TOTAL APPROPRIATION	\$2,576,000

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

General Fund—State Appropriation (FY 2018)	\$18,077,000
General Fund—State Appropriation (FY 2019)	\$18,860,000
TOTAL APPROPRIATION	\$36,937,000

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

General Fund—State Appropriation (FY 2018)	\$56,910,000
General Fund—State Appropriation (FY 2019)	\$58,751,000
General Fund—Federal Appropriation	\$2,175,000
General Fund—Private/Local Appropriation	\$677,000
Judicial Information Systems Account—State Appropriation	\$58,486,000
Judicial Stabilization Trust Account—State Appropriation	\$6,691,000
TOTAL APPROPRIATION	\$183,690,000

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

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

(2) \$1,399,000 of the general fund—state appropriation for fiscal year 2018 and \$1,399,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for school districts for petitions to juvenile court for truant students as provided in RCW 28A.225.030 and 28A.225.035. The administrator for the courts shall develop an interagency agreement with the superintendent of public instruction to allocate the funding provided in this subsection. Allocation of this money to school districts shall be based on the number of petitions filed. This funding includes amounts school districts may expend on the cost of serving petitions filed under RCW 28A.225.030 by certified mail or by personal service or for the performance of service of process for any hearing associated with RCW 28A.225.030.

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

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

(4) \$12,000,000 of the judicial information systems account—state appropriation is provided solely for the continued implementation of the superior courts case management system. Of the amount appropriated, \$8,300,000 is provided solely for expenditures in fiscal year 2018. The remaining appropriation of \$3,700,000 is provided solely for expenditures in fiscal year 2019 and shall lapse and remain unexpended if the superior court case management system is not live and fully functional in Cowlitz, Grays Harbor, Klickitat, Mason, Pacific, and Skamania counties by July 1, 2017, and Clallum, Jefferson, Kitsap, Skagit, and Whatcom counties by January 1, 2018.

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

(6)(a) \$10,000,000 of the judicial information systems account—state appropriation is provided solely for other judicial branch information technology projects, including:

- (i) The superior court case management system;
- (ii) The courts of limited jurisdiction case management system;
- (iii) Equipment replacement; and
- (iv) Support staff for information technology projects.

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

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

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

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

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

General Fund—State Appropriation (FY 2018)	\$41,558,000
General Fund—State Appropriation (FY 2019)	\$42,539,000
Judicial Stabilization Trust Account—State	
Appropriation	\$3,710,000
TOTAL APPROPRIATION	\$87,807,000

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

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

(2) \$1,101,000 of the general fund—state appropriation for fiscal year 2018 and \$1,101,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for parents representation program costs related to increased parental rights termination filings from the department of social and health services permanency initiative.

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

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

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

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

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

General Fund—State Appropriation (FY 2018)	\$14,855,000
General Fund—State Appropriation (FY 2019)	\$16,490,000
Judicial Stabilization Trust Account—State	
Appropriation	\$1,463,000

TOTAL APPROPRIATION \$32,808,000

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

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

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

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

General Fund—State Appropriation (FY 2018) \$6,406,000
General Fund—State Appropriation (FY 2019) \$5,833,000
TOTAL APPROPRIATION \$12,239,000

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

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

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

NEW SECTION. Sec. 118. FOR THE LIEUTENANT GOVERNOR

General Fund—State Appropriation (FY 2018) \$833,000
General Fund—State Appropriation (FY 2019) \$859,000
General Fund—Private/Local Appropriation \$90,000
TOTAL APPROPRIATION \$1,782,000

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

General Fund—State Appropriation (FY 2018) \$2,826,000
General Fund—State Appropriation (FY 2019) \$2,872,000
TOTAL APPROPRIATION \$5,698,000

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

General Fund—State Appropriation (FY 2018) \$15,131,000
General Fund—State Appropriation (FY 2019) \$13,465,000
General Fund—Federal Appropriation \$7,801,000
Public Records Efficiency, Preservation, and Access

Account—State Appropriation	\$9,223,000
Charitable Organization Education Account—State Appropriation.	\$673,000
Local Government Archives Account—State Appropriation.	\$10,946,000
Election Account—Federal Appropriation.	\$4,387,000
Washington State Heritage Center Account—State Appropriation.	\$10,383,000
TOTAL APPROPRIATION	\$72,009,000

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

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

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

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

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

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

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

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

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

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

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

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

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

General Fund—State Appropriation (FY 2018)	\$289,000
General Fund—State Appropriation (FY 2019)	\$276,000
TOTAL APPROPRIATION	\$565,000

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

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

General Fund—State Appropriation (FY 2018)	\$253,000
General Fund—State Appropriation (FY 2019)	\$263,000
TOTAL APPROPRIATION	\$516,000

NEW SECTION. Sec. 123. FOR THE STATE TREASURER

State Treasurer's Service Account—State Appropriation	\$18,918,000
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The appropriation in this section is subject to the following conditions and limitations: \$75,000 of the state treasurer's service account—state appropriation is provided solely to establish a task force on public infrastructure and a publicly-owned depository. The task force must examine the scope of financial needs for local governments for constructing public infrastructure; the feasibility of creating a publicly-owned depository to facilitate investment in, and financing of, public infrastructure systems that will increase public health and safety, and leverage the financial capital and resources of Washington state by working in partnership with financial institutions that benefit local communities, or with community-based organizations, economic development organizations, local governments, guaranty agencies, and other stakeholder groups to create jobs and economic opportunities within our state for public benefit.

(1) The task force will consist of one member from each of the two largest caucuses of the senate appointed by the president of the senate; one member from each of the two largest caucuses of the house of representatives appointed by the speaker of the house of representatives; members representing a small

sized state-chartered bank, a medium sized state-chartered bank, a federally chartered bank, local governments, and four citizens with a background in financial issues or public infrastructure selected by the president of the senate and the speaker of the house of representatives; and the attorney general, the state auditor, the treasurer, and the governor, or their designees. The task force will ensure that ample opportunity for input from interested stakeholders is provided. The department of commerce, the department of financial institutions, and the treasurer must cooperate with the task force and provide information and assistance at the request of the task force.

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

NEW SECTION. Sec. 124. FOR THE STATE AUDITOR

General Fund—State Appropriation (FY 2018)	\$28,000
General Fund—State Appropriation (FY 2019)	\$32,000
State Auditing Services Revolving Account—State Appropriation.	\$10,219,000
Performance Audit of Government Account—State Appropriation.	\$3,019,000
TOTAL APPROPRIATION	\$13,298,000

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

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

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

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

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

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

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

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

(3) \$667,000 of the performance audits of government account—state appropriation for fiscal year 2018 is provided solely for the state auditor's office to conduct a performance audit of Washington charter public schools to satisfy

the requirement to contract for an independent performance audit pursuant to RCW 28A.710.030(2). The final report of the performance audit must be submitted to the appropriate legislative policy committees by June 30, 2018. The audit must include eight schools currently in their first year of operation and, subject to the availability of data, must address the following questions:

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

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

(c) Whether the charter school performance framework includes a disaggregation of student performance data by major student subgroups, including gender, race and ethnicity, poverty status, special education status, English language learner status, and highly capable status.

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

General Fund—State Appropriation (FY 2018)	.....	\$204,000
General Fund—State Appropriation (FY 2019)	.....	\$205,000
TOTAL APPROPRIATION	.....	\$409,000

NEW SECTION. Sec. 126. FOR THE ATTORNEY GENERAL

General Fund—State Appropriation (FY 2018)	.....	\$8,641,000
General Fund—State Appropriation (FY 2019)	.....	\$8,951,000
General Fund—Federal Appropriation	.....	\$6,969,000
New Motor Vehicle Arbitration Account—State		
Appropriation	.....	\$1,145,000
Legal Services Revolving Account—State		
Appropriation	.....	\$245,290,000
Tobacco Prevention and Control Account—State		
Appropriation	.....	\$273,000
Medicaid Fraud Penalty Account—State Appropriation	.....	\$3,526,000
Public Service Revolving Account—State		
Appropriation	.....	\$2,373,000
Child Rescue Fund—State Appropriation	.....	\$550,000
Local Government Archives Account—State Appropriation	.....	\$660,000
TOTAL APPROPRIATION	.....	\$278,378,000

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

(1) The attorney general shall report each fiscal year on actual legal services expenditures and actual attorney staffing levels for each agency receiving legal services. The report shall be submitted to the office of financial management and the fiscal committees of the senate and house of representatives no later than ninety days after the end of each fiscal year. As part of its by agency report to the legislative fiscal committees and the office of financial management, the office of the attorney general shall include information detailing the agency's

expenditures for its agency-wide overhead and a breakdown by division of division administration expenses.

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

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

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

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

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

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

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

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

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

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

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

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

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

General Fund—State Appropriation (FY 2018)	\$1,606,000
General Fund—State Appropriation (FY 2019)	\$1,576,000
TOTAL APPROPRIATION	\$3,182,000

The appropriations in this section are subject to the following conditions and limitations: In addition to caseload forecasts for common schools as defined in RCW 43.88C.010(7), during the 2017-2019 fiscal biennium the council must provide a separate forecast of enrollment for charter schools authorized by chapter 28A.710 RCW.

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

General Fund—State Appropriation (FY 2018)	\$64,989,000
General Fund—State Appropriation (FY 2019)	\$65,634,000
General Fund—Federal Appropriation	\$295,855,000
General Fund—Private/Local Appropriation	\$8,623,000
Public Works Assistance Account—State Appropriation.	\$8,092,000
Drinking Water Assistance Administrative Account—State Appropriation	\$508,000
Lead Paint Account—State Appropriation	\$238,000
Building Code Council Account—State Appropriation	\$15,000
Home Security Fund Account—State Appropriation	\$48,400,000
Affordable Housing for All Account—State Appropriation.	\$13,867,000
Financial Fraud and Identity Theft Crimes Investigation and Prosecution Account—State Appropriation.	\$1,974,000
Low-Income Weatherization and Structural Rehabilitation Assistance Account—State Appropriation.	\$1,398,000
Community and Economic Development Fee Account—State Appropriation.	\$4,630,000
Washington Housing Trust Account—State Appropriation.	\$12,617,000
Prostitution Prevention and Intervention Account— State Appropriation	\$26,000
Public Facility Construction Loan Revolving Account—State Appropriation	\$842,000
Drinking Water Assistance Account—State Appropriation.	\$46,000
Liquor Revolving Account—State Appropriation	\$5,613,000
Energy Freedom Account—State Appropriation	\$6,000
Liquor Excise Tax Account—State Appropriation	\$665,000
Economic Development Strategic Reserve Account—State Appropriation.	\$5,611,000
Financial Services Regulation Account—State Appropriation.	\$468,000
TOTAL APPROPRIATION	\$540,117,000

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

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

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

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

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

(5) \$375,000 of the general fund—state appropriation for fiscal year 2018 and \$375,000 of the general fund—state appropriation for fiscal year 2019 are provided solely as pass-through funding to Walla Walla Community College for its water and environmental center.

(6) \$5,602,000 of the economic development strategic reserve account—state appropriation is provided solely for associate development organizations. During the 2017-2019 fiscal biennium, the department shall consider an associate development organization's total resources when making contracting and fund allocation decisions, in addition to the schedule provided in RCW 43.330.086.

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

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

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

(9) \$700,000 of the general fund—state appropriation for fiscal year 2018 and \$700,000 of the general fund—state appropriation for fiscal year 2019 are

provided solely for the department to identify and invest in strategic growth areas, support key sectors, and align existing economic development programs and priorities. The department must consider Washington's position as the most trade-dependent state when identifying priority investments. The department must engage states and provinces in the northwest as well as associate development organizations, small business development centers, chambers of commerce, ports, and other partners to leverage the funds provided. For each dollar expended, the department must receive a one hundred percent match. The match may be provided by the department through nongeneral fund sources, or any partnering governments or organizations. Sector leads established by the department must include the industries of: (a) Tourism; (b) agriculture, wood products, and other natural resource industries; and (c) clean technology and renewable and nonrenewable energy. The department may establish these sector leads by hiring new staff, expanding the duties of current staff, or working with partner organizations and or other agencies to serve in the role of sector lead.

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

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

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

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

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

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

(16) \$150,000 of the general fund—state appropriation for fiscal year 2018 and \$150,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the regulatory roadmap program for the construction industry

and to identify and coordinate with businesses in key industry sectors to develop additional regulatory roadmap tools.

(17) \$1,000,000 of the general fund—state appropriation for fiscal year 2018 and \$1,000,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the Washington new Americans program.

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

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

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

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

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

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

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

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

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

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

(c) The department must distribute appropriated amounts from the home security account through performance-based contracts that require, at a minimum, monthly reporting of performance and financial metrics. The

contracts must require that auditable documentation for the performance and financial metrics be provided to the joint legislative audit and review committee as requested for performance audits.

(25) \$140,000 of the general fund—state appropriation for fiscal year 2018 and \$140,000 of the general fund—state appropriation for fiscal year 2019 are provided solely to create a behavioral health supportive housing administrator within the department to coordinate development of effective behavioral health housing options and services statewide to aide in the discharge of individuals from the state psychiatric hospitals. This position must work closely with the health care authority, department of social and health services, and other entities to facilitate linkages among disparate behavioral health community bed capacity-building efforts. This position must work to integrate building infrastructure capacity with ongoing supportive housing benefits, and must also develop and maintain a statewide inventory of mental health community beds by bed type.

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

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

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

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

(28) \$557,000 of the general fund—state appropriation for fiscal year 2018 and \$557,000 of the general fund—state appropriation for fiscal year 2019 are

provided solely for the department to design and administer the achieving a better life experience program.

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

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

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

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

(33)(a) \$83,000 of the general fund—state appropriation for fiscal year 2018 and \$83,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the department to create el nuevo camino pilot project for the purpose of addressing serious youth gang problems in midsize counties in eastern Washington. El nuevo camino pilot project must include one grant to an eligible applicant for the 2017-2019 fiscal biennium. The department shall adopt policies and procedures as necessary to administer the pilot project, including the application process, disbursement of the grant award to the selected applicant, and tracking compliance and measuring outcomes.

(b) An eligible applicant:

- (i) Is a county located in Washington or its designee;
- (ii) Is located east of the Cascade mountain range with an estimated county population between ninety thousand and one hundred thousand as of January 1, 2017;
- (iii) Has an identified gang problem;
- (iv) Pledges and provides a minimum of sixty percent of matching funds over the same time period of the grant;
- (v) Has established a coordinated effort with committed partners, including law enforcement, prosecutors, mental health practitioners, and schools;
- (vi) Has established goals, priorities, and policies in compliance with the requirements of (c) of this subsection; and
- (vii) Demonstrates a clear plan to engage in long-term antigang efforts after the conclusion of the pilot project.

(c) The grant recipient must:

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

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

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

(iv) Hire a project manager and quality assurance coordinator;

(v) Adhere to recommended quality control standards for Washington state research-based juvenile offender programs as set forth by the Washington state institute for public policy; and

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

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

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

(C) The estimated change in domestic violence rates;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

- (i) Be a 501(c)(3) nonprofit organization;
- (ii) Be located in a county with a population of less than two million; and
- (iii) Provide statewide business representation and expertise with relevant experience in the evaluation of rural economies.

(b) The study must include the following:

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

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

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

(iv) Discussion on the implications for projects that receive federal funding. The study must be provided to the office of financial management and fiscal committees of the legislature by December 31, 2017.

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

(41) \$40,000 of the general fund—state appropriation for fiscal year 2018 and \$40,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the Federal Way day center to provide housing and other assistance to persons over 18 experiencing homelessness.

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

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

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

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

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

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

General Fund—State Appropriation (FY 2018)	\$850,000
General Fund—State Appropriation (FY 2019)	\$905,000
Lottery Administrative Account—State Appropriation	\$50,000
TOTAL APPROPRIATION	\$1,805,000

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

General Fund—State Appropriation (FY 2018)	\$11,711,000
General Fund—State Appropriation (FY 2019)	\$11,956,000
General Fund—Federal Appropriation	\$39,716,000
General Fund—Private/Local Appropriation	\$501,000
Economic Development Strategic Reserve Account—State Appropriation	\$314,000
Personnel Service Fund—State Appropriation	\$8,882,000
Higher Education Personnel Services Account—State Appropriation	\$1,497,000
Performance Audits of Government Account—State Appropriation	\$621,000
Statewide Information Technology System Development Revolving Account—State Appropriation	\$6,503,000
OFM Central Services—State Appropriation	\$19,237,000
TOTAL APPROPRIATION	\$100,938,000

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

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

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

- (i) The number of state need grant recipients;
- (ii) The number of students on the unserved waiting list of the state need grant;
- (iii) Persistence and completion rates of state need grant recipients and students on the state need grant unserved waiting list, disaggregated by institutions of higher education;
- (iv) State need grant recipients and students on state need grant unserved waiting list grade point averages; and
- (v) State need grant program costs.

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

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

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

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

(6) \$500,000 of the general fund—state appropriation for fiscal year 2018, \$131,000 of the general fund—state appropriation for fiscal year 2019, and \$139,000 of the personnel service account—state appropriation are provided solely for implementation of Engrossed Second Substitute House Bill No. 1661 (children, youth, families department). The cost allocation contract must include a determination of the amount of administrative funding to be transferred between appropriations in sections 223(1) and 223(2) of this act to section 222(3) of this act for the new department of children, youth, and families. If the bill is not enacted by July 31, 2017, the amounts provided in this subsection shall lapse.

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

(8) \$4,000,000 of the general fund—federal appropriation is provided solely for the procurement and implementation of the Washington state all payer claims

database project and this project is subject to the conditions, limitations, and review provided in section 724 of this act.

(9) \$140,000 of the general fund—state appropriation for fiscal year 2018 and \$140,000 of the general fund—federal appropriation are provided solely for the authority to incorporate long-term inpatient care as defined in RCW 71.24.025 into the psychiatric managed care capitation risk model. The model shall be submitted to the governor and appropriate committees of the legislature by December 1, 2017. The model must integrate civil inpatient psychiatric hospital services including ninety and one hundred eighty day commitments provided in state hospitals or community settings into medicaid managed care capitation rates and nonmedicaid contracts. The model should phase-in the financial risk such that managed care organizations bear full financial risk for long-term civil inpatient psychiatric hospital commitments beginning January 2020. The model must address strategies to ensure that the state is able to maximize the state's allotment of federal disproportionate share funding.

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

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

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

Administrative Hearings Revolving Account—State

Appropriation. \$38,898,000

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

Lottery Administrative Account—State

Appropriation. \$28,028,000

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. 133. FOR THE COMMISSION ON HISPANIC AFFAIRS

General Fund—State Appropriation (FY 2018)	\$258,000
General Fund—State Appropriation (FY 2019)	\$268,000
TOTAL APPROPRIATION	\$526,000

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

General Fund—State Appropriation (FY 2018)	\$268,000
General Fund—State Appropriation (FY 2019)	\$254,000
TOTAL APPROPRIATION	\$522,000

NEW SECTION. Sec. 135. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS—OPERATIONS

Department of Retirement Systems Expense	
Account—State Appropriation	\$56,498,000

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

General Fund—State Appropriation (FY 2018)	\$140,954,000
General Fund—State Appropriation (FY 2019)	\$138,496,000
Timber Tax Distribution Account—State	
Appropriation	\$6,772,000
Waste Reduction/Recycling/Litter Control—State	
Appropriation	\$157,000
State Toxics Control Account—State Appropriation	\$112,000
Business License Account—State Appropriation	\$28,211,000
Performance Audits of Government Account—State	
Appropriation	\$4,640,000
Financial Services Regulation Account—State	
Appropriations	\$5,000,000
TOTAL APPROPRIATION	\$324,342,000

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

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

(2) *The department must renegotiate the contract for the collection and distribution of the Regional Transit Authority sales tax under RCW 81.104.107 and the Regional Transit Authority rental car tax under RCW 81.104.160 so that the administration fee for the collection and distribution of the taxes is set at one percent. This new contract must be in place by January 1, 2018.*

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

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

**Sec 136 was partially vetoed. See message at end of chapter.*

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

General Fund—State Appropriation (FY 2018)	\$1,409,000
General Fund—State Appropriation (FY 2019)	\$1,438,000
TOTAL APPROPRIATION	\$2,847,000

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

OMWBE Enterprises Account—State Appropriation	\$4,887,000
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NEW SECTION. Sec. 139. FOR THE INSURANCE COMMISSIONER

General Fund—Federal Appropriation	\$4,615,000
Insurance Commissioners Regulatory Account—State Appropriation	\$59,548,000
TOTAL APPROPRIATION	\$64,163,000

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

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

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

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

State Investment Board Expense Account—State Appropriation	\$48,916,000
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NEW SECTION. Sec. 141. FOR THE LIQUOR AND CANNABIS BOARD

Dedicated Marijuana Fund—State Appropriation (FY 2018)	\$10,400,000
Dedicated Marijuana Fund—State Appropriation (FY 2019)	\$9,596,000

Liquor Revolving Account—State Appropriation	\$69,578,000
General Fund—Federal Appropriation	\$2,912,000
General Fund—State Appropriation (FY 2018)	\$372,000
General Fund—State Appropriation (FY 2019)	\$393,000
General Fund—Private/Local Appropriation	\$50,000
TOTAL APPROPRIATION	\$93,301,000

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

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

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

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

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

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

NEW SECTION. Sec. 142. FOR THE UTILITIES AND TRANSPORTATION COMMISSION

General Fund—Private/Local Appropriation	\$16,464,000
Public Service Revolving Account—State Appropriation	\$40,248,000
Pipeline Safety Account—State Appropriation	\$3,412,000
Pipeline Safety Account—Federal Appropriation	\$3,072,000
TOTAL APPROPRIATION	\$63,196,000

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

(1) By December 31, 2017, the commission shall report findings and recommendations to the energy committees of the legislature on best practices and policies for electric utilities to develop distributed energy resource plans, applying the traditional utility regulatory principles of fairness, efficiency,

reliability, and revenue stability. The report must address: A review of policies and practices for distributed energy resource planning in other states, an inventory of current utility distribution planning practices and capabilities in Washington, and recommendations for using distributed energy resource planning to inform utility integrated resource plans.

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

NEW SECTION. Sec. 143. FOR THE MILITARY DEPARTMENT

General Fund—State Appropriation (FY 2018)	\$7,676,000
General Fund—State Appropriation (FY 2019)	\$7,910,000
General Fund—Federal Appropriation	\$118,521,000
Enhanced 911 Account—State Appropriation	\$51,857,000
Disaster Response Account—State Appropriation	\$29,433,000
Disaster Response Account—Federal Appropriation	\$81,560,000
Military Department Rent and Lease Account—State Appropriation	\$615,000
Worker and Community Right-to-Know Account—State Appropriation	\$2,339,000
Oil Spill Prevention Account—State Appropriation	\$1,028,000
TOTAL APPROPRIATION	\$300,939,000

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

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

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

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

(4) \$5,389,000 of the enhanced 911 account—state appropriation is provided solely for transitioning to an internet protocol based next generation 911 network and increased network costs during the transition and hardware required for the new system. The department's activities and procurement is a major information technology project subject to oversight and review by the office of the chief information officer.

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

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

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

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

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

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

(11) \$951,000 of the disaster response account—state appropriation is provided solely to Okanogan and Ferry counties to continue to address deficiencies within their communications infrastructure for 911 dispatch. Funding will be used to replace failing radio dispatching hardware within 911 dispatch centers; build interoperable communications between each county's dispatch center such that each can serve as a back-up to the other; and build upon the existing wireless microwave network for 911 calls, dispatch centers, and first responder radio operations.

NEW SECTION. Sec. 144. FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION

General Fund—State Appropriation (FY 2018)	\$2,076,000
General Fund—State Appropriation (FY 2019)	\$2,251,000
Higher Education Personnel Services Account—State Appropriation	\$1,327,000
Personnel Service Account—State Appropriation	\$4,032,000
TOTAL APPROPRIATION	\$9,686,000

NEW SECTION. Sec. 145. FOR THE BOARD OF ACCOUNTANCY
Certified Public Accountants' Account—State

Appropriation	\$2,907,000
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NEW SECTION. Sec. 146. FOR THE FORENSIC INVESTIGATION COUNCIL

Death Investigations Account—State Appropriation	\$633,000
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The appropriation in this section is subject to the following conditions and limitations:

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

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

(3) \$130,000 of the death investigations account appropriation is provided solely for the council to establish a statewide case management system for coroners and medical examiners. The council must confer with the state association of coroners and medical examiners in the implementation of the system.

NEW SECTION. Sec. 147. FOR THE DEPARTMENT OF ENTERPRISE SERVICES

General Fund—State Appropriation (FY 2018)	\$4,368,000
General Fund—State Appropriation (FY 2019)	\$4,405,000
General Fund—Private/Local Appropriation	\$102,000
Building Code Council Account—State Appropriation	\$1,056,000
TOTAL APPROPRIATION	\$9,931,000

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

NEW SECTION. Sec. 148. FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS

Volunteer Firefighters' and Reserve Officers'

Administrative Account—State Appropriation \$1,216,000

The appropriation in this section is subject to the following conditions and limitations: \$256,000 of the volunteer firefighters' and reserve officers' relief and pension administrative account—state appropriation is provided solely to the pension and benefit tracking system project and are subject to the conditions, limitations, and review provided in section 724 of this act.

NEW SECTION. Sec. 149. FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION

General Fund—State Appropriation (FY 2018)	\$1,607,000
General Fund—State Appropriation (FY 2019)	\$1,633,000
General Fund—Federal Appropriation	\$2,228,000
General Fund—Private/Local Appropriation	\$264,000
TOTAL APPROPRIATION	\$5,732,000

The appropriations in this section are subject to the following conditions and limitations: \$103,000 of the general fund—state appropriation for fiscal year 2018 and \$103,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for archaeological determinations and excavations of

inadvertently discovered skeletal human remains, and removal and reinterment of such remains when necessary.

***NEW SECTION. Sec. 150. FOR THE CONSOLIDATED TECHNOLOGY SERVICES AGENCY**

General Fund—State Appropriation (FY 2018)	\$187,000
General Fund—State Appropriation (FY 2019)	\$188,000
Consolidated Technology Services Revolving	
Account—State Appropriation	\$19,136,000
TOTAL APPROPRIATION	\$19,511,000

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

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

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

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

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

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

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

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

(6) The consolidated technology services agency must not increase fees charged for existing services without prior approval by the office of financial management. The agency may develop fees to recover the actual cost of new infrastructure to support increased use of cloud technologies.

(7) \$500,000 of the consolidated technology services revolving account—state appropriation is provided solely for the agency, in collaboration with the

office of financial management, to conduct a zero-based budget review of the agency's services. Information and analysis submitted by the department for the zero-based review under this subsection shall include:

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

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

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

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

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

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

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

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

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

(8) \$1,779,000 of the consolidated technology services revolving account—state appropriation is provided solely for the Washington business onestop portal.

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

**Sec 150 was partially vetoed. See message at end of chapter.*

PART II

HUMAN SERVICES

NEW SECTION. Sec. 201. 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 federal government, historical utilization, economic data, and clinical input constitute reliable data upon which to determine the payment rates.

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

(5) Information technology projects or investments and proposed projects or investments impacting time capture, payroll and payment processes and systems, eligibility, case management, and authorization systems within the department of social and health services are subject to technical oversight by the office of the chief information officer.

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

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

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

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

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

NEW SECTION. Sec. 202. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—CHILDREN AND FAMILY SERVICES PROGRAM

General Fund—State Appropriation (FY 2018)	\$348,992,000
General Fund—Federal Appropriation	\$265,365,000
General Fund—Private/Local Appropriation	\$1,477,000
Domestic Violence Prevention Account—State Appropriation	\$1,002,000
TOTAL APPROPRIATION	\$616,836,000

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(17) \$839,000 of the general fund—state appropriation for fiscal year 2018 and \$160,000 of the general fund—federal appropriation are provided solely for a six percent base rate increase for child care center providers, effective September 1, 2017.

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

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

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

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

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

NEW SECTION. Sec. 203. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—JUVENILE REHABILITATION PROGRAM

General Fund—State Appropriation (FY 2018)	\$95,885,000
General Fund—State Appropriation (FY 2019)	\$97,123,000
General Fund—Federal Appropriation	\$3,464,000
General Fund—Private/Local Appropriation	\$1,985,000
Washington Auto Theft Prevention Authority Account—	
State Appropriation	\$196,000
TOTAL APPROPRIATION	\$198,653,000

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

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

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

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

treatments and therapies at a limited number of programs to deliver the treatments in a cost-effective manner.

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

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

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

(d) The juvenile rehabilitation administration and the juvenile courts shall establish a block grant funding formula oversight committee with equal representation from the juvenile rehabilitation administration and the juvenile courts. The purpose of this committee is to assess the ongoing implementation of

the block grant funding formula, utilizing data-driven decision making and the most current available information. The committee will be co-chaired by the juvenile rehabilitation administration and the juvenile courts, who will also have the ability to change members of the committee as needed to achieve its purpose. The committee may make changes to the formula categories in (b) of this subsection if it determines the changes will increase statewide service delivery or effectiveness of evidence-based program or disposition alternative resulting in increased cost/benefit savings to the state, including long-term cost/benefit savings. The committee must also consider these outcomes in determining when evidence-based expansion or special sex offender disposition alternative funds should be included in the block grant or left separate.

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

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

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

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

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

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

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

NEW SECTION. Sec. 204. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—MENTAL HEALTH PROGRAM

(1) COMMUNITY SERVICES/BEHAVIORAL HEALTH ORGANIZATIONS

General Fund—State Appropriation (FY 2018)	\$391,457,000
General Fund—State Appropriation (FY 2019)	\$409,108,000
General Fund—Federal Appropriation	\$1,021,705,000
General Fund—Private/Local Appropriation	\$17,864,000
Dedicated Marijuana Account—State Appropriation (FY 2018)	\$3,684,000
Dedicated Marijuana Account—State Appropriation (FY 2019)	\$3,684,000
TOTAL APPROPRIATION	\$1,847,502,000

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

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

(b) \$6,590,000 of the general fund—state appropriation for fiscal year 2018, \$6,590,000 of the general fund—state appropriation for fiscal year 2019, and \$7,620,000 of the general fund—federal appropriation are provided solely for the department and behavioral health organizations to continue to contract for implementation of high-intensity programs for assertive community treatment (PACT) teams. In determining the proportion of medicaid and nonmedicaid funding provided to behavioral health organizations with PACT teams, the department shall consider the differences between behavioral health organizations in the percentages of services and other costs associated with the teams that are not reimbursable under medicaid. The department may allow behavioral health organizations which have nonmedicaid reimbursable costs that are higher than the nonmedicaid allocation they receive under this section to supplement these funds with local dollars or funds received under (g) of this subsection. The department and behavioral health organizations shall maintain

consistency with all essential elements of the PACT evidence-based practice model in programs funded under this section.

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

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

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

(f) \$15,862,000 of the general fund—state appropriation for fiscal year 2018 is provided solely to assist behavioral health organizations with the costs of providing services to medicaid clients receiving services in psychiatric facilities classified as institutions of mental diseases. The department must distribute these amounts proportionate to the number of bed days for medicaid clients in institutions for mental diseases that were excluded from behavioral health organization fiscal year 2018 capitation rates because they exceeded the amounts allowed under federal regulations. The department must also use these amounts to directly pay for costs that are ineligible for medicaid reimbursement in institutions of mental disease facilities for American Indian and Alaska Natives who opt to receive behavioral health services on a fee for service basis. The amounts used for these individuals must be reduced from the allocation of the behavioral health organization where the individual resides. If a behavioral health organization receives more funding through this subsection than is needed to pay for the cost of their medicaid clients in institutions for mental diseases, they must use the remainder of the amounts to provide other services not covered under the medicaid program. The department must apply for a waiver from the center for medicaid and medicare services to allow for the full cost of stays in institutions of mental diseases to be included in fiscal year 2019 behavioral health organization capitation rates. The department must submit a report on the status of the waiver to the office of financial management and the appropriate committees of the legislature by December 1, 2017.

(g) \$81,930,000 of the general fund—state appropriation for fiscal year 2018 and \$81,930,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for persons and services not covered by the medicaid

program. To the extent possible, levels of behavioral health organization spending shall be maintained in the following priority order: Crisis and commitment services; community inpatient services; and residential care services, including personal care and emergency housing assistance. These amounts must be distributed to behavioral health organizations proportionate to the fiscal year 2017 allocation of flexible nonmedicaid funds. The department must include the following language in medicaid contracts with behavioral health organizations unless they are provided formal notification from the center for medicaid and medicare services that the language will result in the loss of federal medicaid participation: "The contractor may voluntarily provide services that are in addition to those covered under the state plan, although the cost of these services cannot be included when determining payment rates unless including these costs are specifically allowed under federal law or an approved waiver."

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

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

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

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

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

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

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

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

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

(l) \$2,291,000 of the general fund—state appropriation for fiscal year 2018 and \$2,291,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for mental health services for mentally ill offenders while confined in a county or city jail and for facilitating access to programs that offer mental health services upon release from confinement. The department must collect information from the behavioral health organizations on their plan for using these funds, the numbers of individuals served, and the types of services provided and submit a report to the office of financial management and the appropriate fiscal committees of the legislature by December 1st of each year of the biennium.

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

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

(o) \$2,309,000 of the general fund—state appropriation for fiscal year 2018, \$3,079,000 of the general fund—state appropriation for fiscal year 2019, and \$5,061,000 of the general fund—federal appropriation are provided solely for the department to increase rates for community hospitals that provide a minimum of 200 medicaid psychiatric inpatient days. The department must increase both medicaid and nonmedicaid psychiatric per-diem reimbursement rates for these providers within these amounts. The amounts in this subsection include funding for additional hold harmless payments resulting from the rate increase. The department shall prioritize increases for hospitals not currently paid based on provider specific costs using a similar methodology used to set rate for existing inpatient facilities and the latest available cost report information. Rate increases for providers must be set so as not to exceed the amounts provided within this subsection. The rate increase related to nonmedicaid clients must be done to maintain the provider at the same percentage as currently required under WAC 182-550-4800.

(p) \$100,000 of the general fund—state appropriation for fiscal year 2018 and \$100,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the department to collaborate with tribal governments and

develop a plan for establishing an evaluation and treatment facility that will specialize in providing care specifically to the American Indian and Alaska Native population. The plan must include options for maximizing federal participation and ensuring that utilization will be based on medical necessity.

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

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

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

(t) The number of beds allocated for use by behavioral health organizations at eastern state hospital shall be 192 per day. The number of nonforensic beds allocated for use by behavioral health organizations at western state hospital shall be 557 per day. In fiscal year 2019, the department must reduce the number of beds allocated for use by behavioral health organizations at western state hospital by 30 beds to allow for the repurposing of a civil ward at western state hospital to provide forensic services. The contracted beds provided under (q) of this subsection shall be allocated to the behavioral health organizations in lieu of

beds at the state hospitals and be incorporated in their allocation of state hospital patient days of care for the purposes of calculating reimbursements pursuant to RCW 71.24.310. It is the intent of the legislature to continue the policy of expanding community based alternatives for long term civil commitment services that allow for state hospital beds to be prioritized for forensic patients.

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

(v) \$200,000 of the general fund—state appropriation for fiscal year 2018 and \$1,296,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for clubhouse programs. Of this amount, \$400,000 must be used for support of the Spokane clubhouse program and the remaining funds must be used for support of new clubhouse programs. The department must develop options and cost estimates for implementation of clubhouse programs statewide through a medicaid state plan amendment or a medicaid waiver and submit a report to the office of financial management and the appropriate committees of the legislature by December 1, 2018.

(w) \$212,000 of the general fund—state appropriation for fiscal year 2018 and \$213,000 of the general fund—state appropriation for fiscal year 2019 are provided solely to fund one pilot project in Pierce county and one in Yakima county to promote increased utilization of assisted outpatient treatment programs. The department shall require two behavioral health organizations to contract with local government to establish the necessary infrastructure for the programs. The department shall provide a report by October 15, 2018, to the office of financial management and the appropriate fiscal and policy committees of the legislature to include the number of individuals served, outcomes to include reduced use of inpatient treatment and state hospital stays, and

recommendations for further implementation based on lessons learned and best practices identified by the pilot projects.

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

(2) INSTITUTIONAL SERVICES

General Fund—State Appropriation (FY 2018)	\$286,936,000
General Fund—State Appropriation (FY 2019)	\$277,823,000
General Fund—Federal Appropriation	\$148,093,000
General Fund—Private/Local Appropriation	\$52,630,000
TOTAL APPROPRIATION	\$765,482,000

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

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

(b) \$311,000 of the general fund—state appropriation for fiscal year 2018 and \$310,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for a community partnership between western state hospital and the city of Lakewood to support community policing efforts in the Lakewood community surrounding western state hospital. The amounts provided in this subsection (2)(b) are for the salaries, benefits, supplies, and equipment for one full-time investigator, one full-time police officer, and one full-time community service officer at the city of Lakewood. The department must collect data from the city of Lakewood on the use of the funds and the number of calls responded to by the community policing program and submit a report with this information to the office of financial management and the appropriate fiscal committees of the legislature each December of the fiscal biennium.

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

(d) \$44,000 of the general fund—state appropriation for fiscal year 2018 and \$19,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for payment to the city of Medical Lake for police services provided by the city at eastern state hospital and adjacent areas. The city must develop a proposal and estimated costs for developing a community policing program in the area surrounding eastern state hospital and submit the proposal to the department by September 30, 2017.

(e) \$25,053,000 of the general fund—state appropriation for fiscal year 2018 and \$25,847,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of efforts to improve the timeliness of competency restoration services pursuant to chapter 5, Laws of 2015 (SSB 5889) (timeliness of competency treatment and evaluation services). These amounts must be used to maintain and further increase the number of forensic

beds at western state hospital and eastern state hospital. Pursuant to chapter 7, Laws of 2015 1st sp. sess. (2E2SSB 5177) (timeliness of competency treatment and evaluation services), the department may contract some of these amounts for services at alternative locations if the secretary determines that there is a need.

(f) \$3,261,000 of the general fund—state appropriation for fiscal year 2018 and \$3,261,000 of the general fund—state appropriation for fiscal year 2019 are provided solely to maintain implementation of efforts to improve the timeliness of competency evaluation services for individuals who are in local jails pursuant to chapter 5, Laws of 2015 (SSB 5889) (timeliness of competency treatment and evaluation services). This funding must be used solely to maintain increases in the number of staff providing competency evaluation services.

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

(h) \$20,234,000 of the general fund—state appropriation for fiscal year 2018 and \$20,234,000 of the general fund—state appropriation for fiscal year 2019 are provided solely to meet the requirements of the systems improvement agreement with the centers for medicare and medicaid services as outlined in seven conditions of participation and to maintain federal funding. The department shall specifically account for all spending related to the agreement and reconcile it back to the original funding plan. Changes of more than ten percent in any area of the spending plan must be submitted to the office of financial management for approval. The department must submit a financial analysis to the office of financial management and the appropriate committees of the legislature which compares current staffing levels at eastern and western state hospitals, at the ward level, with the specific staffing levels recommended in the state hospitals' clinical model analysis project report submitted by OTB Solutions in 2016. To the extent that the financial analysis includes any differential in staffing from what was recommended in the report, the department must clearly identify these differences and the associated costs. The department must submit the financial analysis by September 1, 2017.

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

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

(3) SPECIAL PROJECTS

General Fund—State Appropriation (FY 2018)	\$514,000
General Fund—State Appropriation (FY 2019)	\$508,000
General Fund—Federal Appropriation	\$25,852,000
TOTAL APPROPRIATION	\$26,874,000

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

(a) \$446,000 of the general fund—state appropriation for fiscal year 2018, \$446,000 of the general fund—state appropriation for fiscal year 2019, and \$178,000 of the general fund—federal appropriation are provided solely for the University of Washington's evidence-based practice institute which supports the identification, evaluation, and implementation of evidence-based or promising practices. The institute must work with the department to develop a plan to seek private, federal, or other grant funding in order to reduce the need for state general funds. The department must collect information from the institute on the use of these funds and submit a report to the office of financial management and the appropriate fiscal committees of the legislature by December 1st of each year of the biennium.

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

(4) PROGRAM SUPPORT

General Fund—State Appropriation (FY 2018)	\$10,175,000
General Fund—State Appropriation (FY 2019)	\$9,543,000
General Fund—Federal Appropriation	\$12,046,000
General Fund—Private/Local Appropriation	\$502,000
TOTAL APPROPRIATION	\$32,266,000

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

(a) The department must complete an update of the state quality strategy required under federal managed care regulations and submit to the center for medicaid and medicare services by October 1, 2017. The department must provide a report to the office of financial management and the appropriate committees of the legislature by December 1, 2017, which includes the following: (i) A copy of the quality strategy submitted to the center for medicaid and medicare services; (ii) identification of all performance measures that are currently being measured for behavioral health organizations, and managed care organizations and the variations in performance among these entities; (iii) identification of any performance measures that are included in behavioral health organization and managed care organization 2018 contracts and whether

these measures are connected to payment; and (iv) identification of any performance measures planned for incorporation of behavioral health organization and managed care organization 2019 contracts and whether these measures will be connected to payment during that contract period.

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

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

NEW SECTION. Sec. 205. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—DEVELOPMENTAL DISABILITIES PROGRAM

(1) COMMUNITY SERVICES

General Fund—State Appropriation (FY 2018)	\$612,748,000
General Fund—State Appropriation (FY 2019)	\$662,252,000
General Fund—Federal Appropriation	\$1,301,629,000
General Fund—Private/Local Appropriation	\$534,000
TOTAL APPROPRIATION	\$2,577,163,000

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

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

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

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

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

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

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

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

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

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

(g) \$650,000 of the general fund—state appropriation for fiscal year 2018, \$650,000 of the general fund—state appropriation for fiscal year 2019, and \$800,000 of the general fund—federal appropriation are provided solely for the development and implementation of eight enhanced respite beds across the state for children. These services are intended to provide families and caregivers with a break in caregiving, the opportunity for behavioral stabilization of the child, and the ability to partner with the state in the development of an individualized service plan that allows the child to remain in his or her family home. The department must provide the legislature with a respite utilization report in January of each year that provides information about the number of children who have used enhanced respite in the preceding year, as well as the location and number of days per month that each respite bed was occupied.

(h) \$900,000 of the general fund—state appropriation for fiscal year 2018 and \$900,000 of the general fund—state appropriation for fiscal year 2019 are

provided solely for the development and implementation of eight community respite beds across the state for adults. These services are intended to provide families and caregivers with a break in caregiving and the opportunity for stabilization of the individual in a community-based setting as an alternative to using a residential habilitation center to provide planned or emergent respite. The department must provide the legislature with a respite utilization report by January of each year that provides information about the number of individuals who have used community respite in the preceding year, as well as the location and number of days per month that each respite bed was occupied.

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

(j) \$1,239,000 of the general fund—state appropriation for fiscal year 2018, \$2,055,000 of the general fund—state appropriation for fiscal year 2019, and \$3,218,000 of the general fund—federal appropriation are provided solely to create new community alternative placement beds that prioritize the transition of clients who are ready for discharge from the state psychiatric hospitals, but who have additional long-term care or developmental disability needs.

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

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

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

(iv) During fiscal year 2018, in a presentation to the select committee on quality improvement in state hospitals, the department must describe the process of fielding and subsequently investigating complaints of abuse, neglect, and exploitation within the community alternative placement options described in (j)(i) of this subsection. At a minimum, the presentation must include data about

the number of complaints, and the nature of complaints, over the preceding five fiscal years.

(v) During fiscal year 2019, in a presentation to the select committee on quality improvement in state hospitals, the department must provide an update about clients placed out of the state psychiatric hospitals into the community alternative placement options described in (j)(i) of this subsection. At a minimum, for each setting, the presentation must include data about the number of placements, average daily rate, complaints fielded, and complaints investigated. The presentation must also include information about modifications, including the placement of clients into alternate settings, that occurred due to the evaluations required under (j)(iii) of this subsection.

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

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

(l) \$14,127,000 of the general fund—state appropriation for fiscal year 2018, \$25,428,000 of the general fund—state appropriation for fiscal year 2019, and \$39,554,000 of the general fund—federal appropriation are provided solely to increase the benchmark rate for community residential service providers offering supported living, group home, and licensed staff residential services to individuals with development disabilities. The amounts in this subsection (1)(l) include funding to increase the benchmark rate by the following amounts:

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

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

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

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

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

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

(i) Within the amounts provided in this subsection, \$1,674,000 of the general fund—state appropriation for fiscal year 2018, \$3,424,000 of the general fund—state appropriation for fiscal year 2019, and \$4,126,000 of the general fund—federal appropriation are provided solely for a vendor rate increase of two

percent in fiscal year 2018 and an additional two percent in fiscal year 2019 for all contracted vendors with the exception of nursing home providers, the program of all-inclusive care for the elderly, nurse delegators, community residential service providers, individual providers, agency providers, and adult family homes.

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

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

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

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

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

(2) INSTITUTIONAL SERVICES

General Fund—State Appropriation (FY 2018)	\$104,159,000
General Fund—State Appropriation (FY 2019)	\$106,818,000
General Fund—Federal Appropriation	\$195,757,000
General Fund—Private/Local Appropriation	\$25,041,000
TOTAL APPROPRIATION	\$431,775,000

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

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

(b) \$495,000 of the general fund—state appropriation for fiscal year 2018 and \$495,000 of the general fund—state appropriation for fiscal year 2019 are

for the department to fulfill its contracts with the school districts under chapter 28A.190 RCW to provide transportation, building space, and other support services as are reasonably necessary to support the educational programs of students living in residential habilitation centers.

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

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

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

(3) PROGRAM SUPPORT

General Fund—State Appropriation (FY 2018)	\$2,469,000
General Fund—State Appropriation (FY 2019)	\$2,531,000
General Fund—Federal Appropriation	\$2,946,000
TOTAL APPROPRIATION	\$7,946,000

(4) SPECIAL PROJECTS

General Fund—State Appropriation (FY 2018)	\$64,000
General Fund—State Appropriation (FY 2019)	\$64,000
General Fund—Federal Appropriation	\$1,092,000
TOTAL APPROPRIATION	\$1,220,000

NEW SECTION. Sec. 206. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—AGING AND ADULT SERVICES PROGRAM

General Fund—State Appropriation (FY 2018)	\$1,099,017,000
General Fund—State Appropriation (FY 2019)	\$1,196,263,000
General Fund—Federal Appropriation	\$2,839,653,000
General Fund—Private/Local Appropriation	\$33,572,000
Traumatic Brain Injury Account—State Appropriation	\$4,540,000
Skilled Nursing Facility Safety Net Trust Account— State Appropriation	\$133,360,000
TOTAL APPROPRIATION	\$5,306,405,000

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

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

(b) The department shall provide a medicaid rate add-on to reimburse the medicaid share of the skilled nursing facility safety net assessment as a medicaid allowable cost. The nursing facility safety net rate add-on may not be included in

the calculation of the annual statewide weighted average nursing facility payment rate.

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

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

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

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

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

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

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

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

(7) \$5,094,000 of the general fund—state appropriation for fiscal year 2018 and \$5,094,000 of the general fund—state appropriation for fiscal year 2019 are

provided solely for services and support to individuals who are deaf, hard of hearing, or deaf-blind.

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

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

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

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

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

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

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

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

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

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

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

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

(vi) The insurance commissioner or his or her designee, who shall serve as an ex officio member; and

(vii) Other agency directors or designees as necessary.

(b) The committee must make recommendations and continue to identify key strategic actions to prepare for the aging of the population in Washington, including state budget and policy options, by conducting at least, but not limited to, the following tasks:

(i) Identify strategies to better serve the health care needs of an aging population and people with disabilities to promote healthy living and palliative care planning;

(ii) Identify strategies and policy options to create financing mechanisms for long-term service and supports that allow individuals and families to meet their needs for service;

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

(iv) Identify ways to promote advance planning and advance care directives and implementation strategies for the Bree collaborative palliative care and related guidelines;

(v) Identify ways to meet the needs of the aging demographic impacted by reduced federal support;

(vi) Identify ways to protect the rights of vulnerable adults through assisted decision-making and guardianship and other relevant vulnerable adult protections;

(vii) Identify options for promoting client safety through residential care services and consider methods of protecting older people and people with disabilities from physical abuse and financial exploitation;

(viii) Identify other policy options and recommendations to help communities adapt to the aging demographic in planning for housing, land use, and transportation; and

(ix) Identify ways to support individuals with developmental disabilities with long-term care needs who are enrolled members of a federally recognized Indian tribe, or residing in the household of an enrolled members of a federally recognized Indian tribe, and are receiving care from a family member.

(c) At least one committee meeting must be devoted to the exploration of legislation that would allow family members to provide personal care services to persons with developmental disabilities or long-term care needs under a voluntary consumer-directed medicaid service program. During the meeting, the committee should hear testimony from as many impacted parties as possible, including clients, providers, advocacy groups, and staff from state agencies. Testimony should explore program design, program oversight, necessary statutory changes, barriers to implementation, fiscal estimates, and timeline for implementation.

(d) Staff support for the committee shall be provided by the office of program research, senate committee services, the office of financial management, and the department of social and health services.

(e) Within existing appropriations, the cost of meetings must be paid jointly by the senate, house of representatives, and the office of financial management. Joint committee expenditures are subject to approval by the senate facilities and operations committee and the house of representatives executive rules committee, or their successor committees. The joint committee members may be reimbursed for travel expenses as authorized under RCW 43.03.050 and 43.03.060, and chapter 44.04 RCW as appropriate. Advisory committee members may not receive compensation or reimbursement for travel and expenses.

(14)(a) The department of social and health services must facilitate a stakeholder work group consisting of assisted living provider associations and the state long-term care ombuds in a collaborative effort to redesign the medicaid payment methodology for contracted assisted living, adult residential

care, and enhanced adult residential care. The department must submit a report with the final work group recommendations to the appropriate legislative committees by November 30, 2017. A proposed timeline for implementation of the new methodology must be included in the report. The new methodology must:

(i) Adhere to the standards of an acuity-based payment system as originally intended by the legislature, and the department will rely on the time study conducted in 2003 in establishing the acuity scale;

(ii) Create a standardized methodology that supports a reasonable medicaid payment that promotes access, choice, and quality;

(iii) Incorporate metrics such as medians, lids, floors, and other options that provide flexibility to adjust to economic conditions while maintaining the integrity of the methodology;

(iv) Be supported by relevant, reliable, verifiable, and independent data to the extent possible; and

(v) To the extent possible, repurpose and streamline data sources and modeling that the aging and long-term support administration uses for other rate-setting processes.

(b) In developing payment metrics for medicaid-covered services, staff and service requirements must be reviewed for assisted living, adult residential care, and enhanced adult residential care as described in chapters 74.39A and 18.20 RCW. At a minimum, the proposed rate methodology must include a component that recognizes staffing for intermittent nursing and personal care services. Service area adjustments based on population density must be reviewed and compared with other options to recognize high-cost areas. The most recent and complete wage data available through the bureau of labor statistics must also be included for review and consideration. The methodology work group must consider operational requirements and indirect services in developing the model. The work group must include a rate component that recognizes statutory and regulatory physical plant requirements. The work group must review and consider physical plant requirements for assisted living as described in chapter 51.50 RCW. A fair rental valuation must be reviewed and considered as an option for the capital component. The recognition of food for medicaid residents must also be included in the work group considerations. The department's current methodology to address room and board requirements, and the appropriateness of the continued use of the 2003 time study and whether it can be reasonably adjusted or whether a new time study should be conducted, must be reviewed and considered by the work group.

(15) Within amounts appropriated in this section, the department must pay medicaid nursing facility payment rates for public hospital district providers in rural communities as defined under chapter 70.44 RCW that are no less than June 30, 2016, reimbursement levels. This action is intended to assure continued access to essential services in rural communities.

(16) \$5,370,000 of the general fund—state appropriation for fiscal year 2018, \$10,199,000 of the general fund—state appropriation for fiscal year 2019, and \$18,346,000 of the general fund—federal appropriation are provided solely for a targeted vendor rate increase to contracted client service providers.

(a) Within the amounts provided in this subsection, \$2,763,000 of the general fund—state appropriation for fiscal year 2018, \$5,741,000 of the general

fund—state appropriation for fiscal year 2019, and \$9,775,000 of the general fund—federal appropriation are provided solely for a vendor rate increase of two percent in fiscal year 2018 and an additional two percent in fiscal year 2019 for all contracted vendors with the exception of nursing home providers, the program of all-inclusive care for the elderly, nurse delegators, community residential service providers, individual providers, agency providers, and adult family homes.

(b) Within the amounts provided in this subsection, \$2,607,000 of the general fund—state appropriation for fiscal year 2018, \$4,458,000 of the general fund—state appropriation for fiscal year 2019, and \$8,571,000 of the general fund—federal appropriation are provided solely to increase vendor rates for nursing homes, assisted living facilities including adult residential care and enhanced adult residential care, adult day health and adult day care providers, and home care agency administration in the 2017-2019 fiscal biennium up to the statewide minimum wage established in Initiative Measure No. 1433.

(17) \$4,815,000 of the general fund—state appropriation for fiscal year 2018, \$8,527,000 of the general fund—state appropriation for fiscal year 2019, and \$12,277,000 of the general fund—federal appropriation are provided solely to create new community alternative placement beds that prioritize the transition of clients who are ready for discharge from the state psychiatric hospitals, but who have additional long-term care or developmental disability needs.

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

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

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

(d) During fiscal year 2018, in a presentation to the select committee on quality improvement in state hospitals, the department must describe the process of fielding and subsequently investigating complaints of abuse, neglect, and exploitation within the community alternative placement options described in (a) of this subsection. At a minimum, the presentation must include data about the

number of complaints, and the nature of complaints, over the preceding five fiscal years.

(e) During fiscal year 2019, in a presentation to the select committee on quality improvement in state hospitals, the department must provide an update about clients placed out of the state psychiatric hospitals into the community alternative placement options described in (a) of this subsection. At a minimum, for each setting, the presentation must include data about the number of placements, average daily rate, complaints fielded, and complaints investigated. The presentation must also include information about modifications, including the placement of clients into alternate settings, that occurred due to the evaluations required under (c) of this subsection.

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

(18) \$315,000 of the general fund—state appropriation for fiscal year 2018, \$315,000 of the general fund—state appropriation for fiscal year 2019, and \$630,000 of the general fund—federal appropriation are provided solely for discharge case managers stationed at the state psychiatric hospitals. Discharge case managers will transition clients ready for hospital discharge into less restrictive alternative community placements. The transition of clients ready for discharge will free up bed capacity at the state psychiatric hospitals.

(19) \$135,000 of the general fund—state appropriation for fiscal year 2018, \$135,000 of the general fund—state appropriation for fiscal year 2019, and \$270,000 of the general fund—federal appropriation are provided solely for financial service specialists stationed at the state psychiatric hospitals. Financial service specialists will help to transition clients ready for hospital discharge into alternative community placements. The transition of clients ready for discharge will free up bed capacity at the state hospitals.

(20) \$5,007,000 of the general fund—state appropriation for fiscal year 2018, \$5,143,000 of the general fund—state appropriation for fiscal year 2019, and \$10,154,000 of the general fund—federal appropriation are provided solely to implement chapter 286, Laws of 2017 (SB 5715) (nursing home payments).

(21) \$750,000 of the general fund—state appropriation for fiscal year 2018 and \$750,000 of the general fund—state appropriation for fiscal year 2019 are provided solely to implement chapter 287, Laws of 2017 (SB 5736) (nutrition programs).

(22) \$183,000 of the general fund—state appropriation for fiscal year 2018, \$92,000 of the general fund—state appropriation for fiscal year 2019, and \$2,479,000 of the general fund—federal appropriation are provided solely to finish the programming necessary to give the department the ability to pay individual provider overtime when hours over 40 hours per week are authorized for payment and are subject to the conditions, limitations, and review provided in section 724 of this act.

(23) \$229,000 of the general fund—state appropriation for fiscal year 2018, \$229,000 of the general fund—state appropriation for fiscal year 2019, and \$458,000 of the general fund—federal appropriation are provided solely to increase the daily rate for private duty nursing in adult family homes by \$63.77.

(24) \$246,000 of the general fund—state appropriation for fiscal year 2018 and \$313,000 of the general fund—federal appropriation are provided solely to

implement Senate Bill No. . . . (S-2907.2). If the bill is not enacted by July 31, 2017, the amounts provided in this subsection shall lapse.

(25)(a) No more than \$41,388,000 of the general fund—federal appropriation may be expended for tailored support for older adults and medicaid alternative care described in initiative 2 of the medicaid transformation demonstration waiver under healthier Washington. The department shall not increase general fund—state expenditures on this initiative. The secretary in collaboration with the director of the health care authority shall report to the joint select committee on health care oversight no less than quarterly on financial and health outcomes. The secretary in cooperation with the director shall also report to the fiscal committees of the legislature all of the expenditures of this subsection and shall provide such fiscal data in the time, manner, and form requested by the legislative fiscal committees.

(b) No more than \$2,200,000 of the general fund—federal appropriation may be expended for supported housing and employment services described in initiative 3a and 3b of the medicaid transformation demonstration waiver under healthier Washington. Under this initiative, the department and the health care authority shall ensure that allowable and necessary services are provided to eligible clients as identified by the department or its providers third party administrator. The department and the authority in consultation with the medicaid forecast work group shall ensure that reasonable reimbursements are established for services deemed necessary within an identified limit per individual. The department shall not increase general fund—state expenditures under this initiative. The secretary in cooperation with the director shall report to the joint select committee on health care oversight no less than quarterly on financial and health outcomes. The secretary in cooperation with the director shall also report to the fiscal committees of the legislature all of the expenditures of this subsection and shall provide such fiscal data in the time, manner, and form requested by the legislative fiscal committees.

(26) \$351,000 of the general fund—state appropriation for fiscal year 2018, \$421,000 of the general fund—state appropriation for fiscal year 2019, and \$1,012,000 of the general fund—federal appropriation are provided solely for increasing the hourly rate for nurse delegators from \$32.96 to \$45.32 effective September 1, 2017.

(27) \$10,017,000 of the general fund—state appropriation for fiscal year 2018, \$13,111,000 of the general fund—state appropriation for fiscal year 2019, and \$29,104,000 of the general fund—federal appropriation are provided solely for the implementation of an agreement reached between the governor and the adult family home council under the provisions of chapter 41.56 RCW for the 2017-2019 fiscal biennium. Funding is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining). If the bill is not enacted by July 31, 2017, the amounts provided in this subsection shall lapse.

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

General Fund—State Appropriation (FY 2018)	\$396,063,000
General Fund—State Appropriation (FY 2019)	\$415,638,000
General Fund—Federal Appropriation	\$1,421,095,000
General Fund—Private/Local Appropriation	\$5,144,000

Administrative Contingency Account—State

Appropriation	\$5,400,000
TOTAL APPROPRIATION	\$2,243,340,000

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

(1)(a) \$155,022,000 of the general fund—state appropriation for fiscal year 2018, \$160,136,000 of the general fund—state appropriation for fiscal year 2019, \$836,761,000 of the general fund—federal appropriation, and \$5,400,000 of the administrative contingency account—state appropriation are provided solely for all components of the WorkFirst program. Within the amounts provided for the WorkFirst program, the department may provide assistance using state-only funds for families eligible for temporary assistance for needy families. The department must create a WorkFirst budget structure that allows for transparent tracking of budget units and subunits of expenditures where these units and subunits are mutually exclusive from other department budget units. The budget structure must include budget units for the following: Cash assistance, child care, WorkFirst activities, and administration of the program. Within these budget units, the department must develop program index codes for specific activities and develop allotments and track expenditures using these codes. The department shall report to the office of financial management and the relevant fiscal and policy committees of the legislature prior to adopting a structure change.

(b) \$267,057,000 of the amounts in (a) of this subsection are provided solely for assistance to clients, including grants, diversion cash assistance, and additional diversion emergency assistance including but not limited to assistance authorized under RCW 74.08A.210. The department may use state funds to provide support to working families that are eligible for temporary assistance for needy families but otherwise not receiving cash assistance. Within amounts provided in (b) of this subsection, \$1,622,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Engrossed Substitute Senate Bill No. 5890 (foster care and adoption). If the bill is not enacted by July 31, 2017, the amount provided in this subsection shall lapse.

(c) \$168,005,000 of the amounts in (a) of this subsection are provided solely for WorkFirst job search, education and training activities, barrier removal services, limited English proficiency services, and tribal assistance under RCW 74.08A.040. The department must allocate this funding based on client outcomes and cost effectiveness measures. Amounts provided in (c) of this subsection include funding for implementation of chapter 156, Laws of 2017 (2SSB 5347) (WorkFirst "work activity"). Within amounts provided in (c) of this subsection, the department shall implement the working family support program. The department shall adopt rules to take effect July 31, 2017, to limit the working family support program at 10,000 households.

(i) \$1,700,000 of the funds appropriated in (c) of this subsection are provided solely for enhanced transportation assistance provided that the department prioritize the use of these funds for the recipients most in need of financial assistance to facilitate their return to work. The department must not

utilize these funds to supplant repayment arrangements that are currently in place to facilitate the reinstatement of drivers' licenses.

(ii) Prior to renewal of intergovernmental TANF agreements with a tribe, the department shall request information on the total expenditures and total number of clients served in the tribal TANF program. When the per-client costs in the tribal TANF program have increased since the initial agreement, the department may negotiate a lower state maintenance of effort level based on the increased resources provided by the tribe since the original agreement. The department shall report to the office of financial management and the fiscal committees of the legislature the revised amount of the state maintenance of effort level within two weeks of each newly signed intergovernmental TANF agreement.

(d)(i) \$501,608,000 of the amounts in (a) of this subsection are provided solely for the working connections child care program under RCW 43.215.135. In order to not exceed the appropriated amount, the department shall manage the program so that the average monthly caseload does not exceed 33,000 households and the department shall give prioritized access into the program according to the following order:

(A) Families applying for or receiving temporary assistance for needy families (TANF);

(B) TANF families curing sanction;

(C) Foster children;

(D) Families that include a child with special needs;

(E) Families in which a parent of a child in care is a minor who is not living with a parent or guardian and who is a full-time student in a high school that has a school-sponsored on-site child care center;

(F) Families with a child residing with a biological parent or guardian who have received child protective services, child welfare services, or a family assessment response from the department in the past six months, and has received a referral for child care as part of the family's case management.

(G) Families that received subsidies within the last thirty days and:

(I) Have reapplied for subsidies; and

(II) Have household income of two hundred percent federal poverty level or below; and

(H) All other eligible families.

(ii) The department, within existing appropriations, must ensure quality control measures for the working connections child care program by maximizing the use of information technology systems and the development or modification of the application and standard operating procedures to ensure that cases are:

(A) Appropriately and accurately processed; and

(B) Routinely monitored for eligibility in a manner that is similar to processes and systems currently in place for regular monitoring in other public assistance programs. Eligibility criteria routinely monitored must include, at a minimum:

(I) Participation in work or other approved activities;

(II) Household composition; and

(III) Maximum number of subsidized child care hours authorized.

The department must submit a preliminary report by December 1, 2017, and a final report by December 1, 2018, to the governor and the appropriate fiscal and

policy committees of the legislature detailing the specific actions taken to implement this subsection.

(iii) Of the amounts provided in (d) of this subsection, \$4,620,000 of the appropriation for fiscal year 2018 and \$4,792,000 of the appropriation for fiscal year 2019 are provided for a base rate increase, a rate increase for Family Friend and Neighbor providers, covering an increase for health insurance premiums, and increasing paid professional development days from three days to five days. This funding is for the 2017-2019 collective bargaining agreement covering family child care providers as set forth in section 940 of this act.

(iv) Of the amounts provided in (d) of this subsection, \$8,547,000 of the general fund—state appropriation for fiscal year 2018 and \$10,438,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for subsidy base rate increases for child care center providers.

(e) \$34,248,000 of the general fund—federal appropriation is provided solely for child welfare services within the department of children, youth, and families.

(f) \$170,442,000 of the amounts in (1)(a) of this section are provided solely for WorkFirst and working connections child care administration and overhead.

(g) The amounts in subsections (1)(b) through (e) of this section shall be expended for the programs and in the amounts specified. However, the department may transfer up to 10 percent of funding between subsections (1)(b) through (f) of this section. The department shall provide notification prior to any transfer to the office of financial management and to the appropriate legislative committees and the legislative-executive WorkFirst oversight task force. The approval of the director of financial management is required prior to any transfer under this subsection.

(h) Each calendar quarter, the department shall provide a maintenance of effort and participation rate tracking report for temporary assistance for needy families to the office of financial management, the appropriate policy and fiscal committees of the legislature, and the legislative-executive WorkFirst oversight task force. The report must detail the following information for temporary assistance for needy families:

(i) An overview of federal rules related to maintenance of effort, excess maintenance of effort, participation rates for temporary assistance for needy families, and the child care development fund as it pertains to maintenance of effort and participation rates;

(ii) Countable maintenance of effort and excess maintenance of effort, by source, provided for the previous federal fiscal year;

(iii) Countable maintenance of effort and excess maintenance of effort, by source, for the current fiscal year, including changes in countable maintenance of effort from the previous year;

(iv) The status of reportable federal participation rate requirements, including any impact of excess maintenance of effort on participation targets;

(v) Potential new sources of maintenance of effort and progress to obtain additional maintenance of effort; and

(vi) A two-year projection for meeting federal block grant and contingency fund maintenance of effort, participation targets, and future reportable federal participation rate requirements.

(i) In the 2017-2019 fiscal biennium, it is the intent of the legislature to provide appropriations from the state general fund for the purposes of (b) through (f) of this subsection if the department does not receive additional federal temporary assistance for needy families contingency funds in each fiscal year as assumed in the budget outlook.

(2) \$1,657,000 of the general fund—state appropriation for fiscal year 2018 and \$1,657,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for naturalization services.

(3) \$2,366,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for employment services for refugees and immigrants, of which \$1,774,000 is provided solely for the department to pass through to statewide refugee and immigrant assistance organizations for limited English proficiency pathway services; and \$2,366,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for employment services for refugees and immigrants, of which \$1,774,000 is provided solely for the department to pass through to statewide refugee and immigrant assistance organizations for limited English proficiency pathway services.

(4) On December 1, 2017, and annually thereafter, the department must report to the governor and the legislature on all sources of funding available for both refugee and immigrant services and naturalization services during the current fiscal year and the amounts expended to date by service type and funding source. The report must also include the number of clients served and outcome data for the clients.

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

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

(7) \$433,000 of the general fund—state appropriation for fiscal year 2018, \$451,000 of the general fund—state appropriation for fiscal year 2019, and \$6,451,000 of the general fund—federal appropriation are provided solely for ESAR Architectural Development and are subject to the conditions, limitations, and review provided in section 724 of this act.

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

(9) \$750,000 of the general fund—state appropriation for fiscal year 2018 and \$750,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for operational support of the Washington information network 211 organization.

(10) \$90,000 of the general fund—state appropriation for fiscal year 2018, \$8,000 of the general fund—state appropriation for fiscal year 2019, and

\$36,000 of the general fund—federal appropriation are provided solely for implementation of chapter 270, Laws of 2017 (SB 5118) (personal needs allowance).

(11) \$127,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Substitute House Bill No. 1624 (working connections child care). If the bill is not enacted by July 31, 2017, the amount provided in this subsection shall lapse.

(12) \$22,000 of the general fund—state appropriation for fiscal year 2018 and \$22,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for a legislative-executive WorkFirst poverty reduction oversight task force during the 2017-2019 fiscal biennium.

(a) The primary goals of the task force are to:

(i) Reduce the overall percentage of people living below two hundred percent of the federal poverty level by fifty percent by the year 2025. The task force must work toward this goal in a manner that seeks to eliminate disparities including, but not limited to, disparities by race, ethnicity, sex, gender, zip code, immigration status, age, household type, and disability status; and

(ii) Prevent and address adverse childhood experiences and the trauma of children who are living in poverty through the provision of effective services.

(b) The task force shall include diverse, statewide representation and its membership shall reflect regional, racial, and cultural diversity to adequately represent the needs of all children and families in the state. The task force shall consist of the following members:

(i) Two members from each of the two largest caucuses of the senate;

(ii) Two members from each of the two largest caucuses of the house of representatives;

(iii) One governor appointed representative from each of the following agencies: (A) The department of social and health services; (B) the department of early learning; (C) the department of commerce; (D) the employment security department; (E) the office of the superintendent of public instruction; (F) the department of corrections; and (G) the state board for community and technical colleges;

(iv) One governor appointed representative from each of the following agencies to serve in an advisory capacity to the task force: The department of health, the health care authority, and the workforce training and education coordinating board; and

(v) One or more representatives of tribal governments.

(vi) The cochair of the intergenerational poverty advisory committee created in this subsection shall serve as voting member of the task force.

(c) The task force shall choose cochair, one from among the legislative members and one from among the executive branch members. The legislative members shall convene the initial meeting of the task force.

(d) The task force shall:

(i) Oversee the partner agencies' operation of the WorkFirst program and operation of the temporary assistance for needy families program to ensure that the programs are achieving desired outcomes for their clients;

(ii) Determine evidence-based outcome measures for the WorkFirst program, including measures related to equitably serving the needs of

historically underrepresented populations, such as English language learners, immigrants, refugees, and other diverse communities;

(iii) Develop accountability measures for WorkFirst recipients and the state agencies responsible for their progress toward self-sufficiency;

(iv) Review existing statutes, administrative codes, and budget appropriations for their impact on advancing the goal of fifty percent poverty reduction by 2025;

(v) Seek input on best practices from service providers, community-based organizations, legislators, state agencies, stakeholders, the business community, and subject matter experts;

(vi) Collaborate with partner agencies to share and analyze data and information collected from other sources regarding intergenerational poverty in the state, with a primary focus on data and information regarding children who are at risk of continuing the cycle of poverty and welfare dependency unless outside intervention is made;

(vii) Make recommendations to the governor and the legislature regarding:

(A) Policies to improve the effectiveness of the WorkFirst program over time;

(B) Early identification of those recipients most likely to experience long stays on the program and strategies to improve their ability to achieve progress toward self-sufficiency; and

(C) Necessary changes to the program, including taking into account federal changes to the temporary assistance for needy families program;

(viii) Direct the department of social and health services to develop a five-year and ten-year plan to address intergenerational poverty, subject to oversight and approval by the task force. Upon approval by the task force, the department must submit these plans to the governor and the appropriate committees of the legislature by December 1, 2018; and

(ix) No later than December 1, 2018, provide a report to the governor and the appropriate committees of the legislature on the progress being made towards the goals identified in this section.

(e) Staff support for the task force must be provided by senate committee services, the house of representatives office of program research, and the state agency members of the task force.

(f) The task force shall meet on a quarterly basis, or as determined necessary by the task force cochairs.

(g) Legislative members of the task force are reimbursed for travel expenses in accordance with RCW 44.04.120. Nonlegislative members are not entitled to be reimbursed for travel expenses if they are elected officials or are participating on behalf of an employer, governmental entity, or other organization. Any reimbursement for other nonlegislative members is subject to chapter 43.03 RCW.

(h) The expenses of the task force must be paid jointly by the senate and the house of representatives. Task force expenditures are subject to approval by the senate facilities and operations committee and the house of representatives executive rules committee, or their successor committees.

(i) During its tenure, the state agency members of the task force shall respond in a timely manner to data requests from the cochairs.

**Sec 207 was partially vetoed. See message at end of chapter.*

NEW SECTION. Sec. 208. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—ALCOHOL AND SUBSTANCE ABUSE PROGRAM

General Fund—State Appropriation (FY 2018)	\$78,842,000
General Fund—State Appropriation (FY 2019)	\$71,308,000
General Fund—Federal Appropriation	\$575,249,000
General Fund—Private/Local Appropriation	\$20,211,000
Criminal Justice Treatment Account—State Appropriation	\$12,978,000
Problem Gambling Account—State Appropriation	\$1,453,000
Dedicated Marijuana Account—State Appropriation (FY 2018)	\$24,802,000
Dedicated Marijuana Account—State Appropriation (FY 2019)	\$24,802,000
TOTAL APPROPRIATION	\$809,645,000

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

(1) \$3,278,000 of the dedicated marijuana account—state appropriation for fiscal year 2018 and \$3,278,000 of the dedicated marijuana account—state appropriation for fiscal year 2019 are provided solely for a memorandum of understanding with the department of social and health services juvenile rehabilitation administration to provide substance abuse treatment programs for juvenile offenders. Of the amounts provided in this subsection:

(a) \$1,130,000 of the dedicated marijuana account—state appropriation for fiscal year 2018 and \$1,130,000 of the dedicated marijuana account—state appropriation for fiscal year 2019 are provided solely for alcohol and substance abuse treatment programs for locally committed offenders. The juvenile rehabilitation administration shall award these funds as described in section 203(4) of this act.

(b) \$282,000 of the dedicated marijuana account—state appropriation for fiscal year 2017 and \$282,000 of the dedicated marijuana account—state appropriation for fiscal year 2019 are provided solely for the expansion of evidence-based treatments and therapies as described in section 203(2) of this act.

(2) During the 2017-19 fiscal biennium, any amounts provided in this section that are used for case management services for pregnant and parenting women must be contracted directly between the department and providers rather than through contracts with behavioral health organizations.

(3) Within the amounts appropriated in this section, the department may contract with the University of Washington and community-based providers for the provision of the parent-child assistance program or other specialized chemical dependency case management providers for pregnant, post-partum, and parenting women. For all contractors: (i) Service and other outcome data must be provided to the department by request; and (ii) indirect charges for administering the program shall not exceed ten percent of the total contract amount.

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

(5) \$200,000 of the dedicated marijuana account—state appropriation for fiscal year 2018 and \$200,000 of the dedicated marijuana account—state appropriation for fiscal year 2019 are provided solely for a contract with the Washington state institute for public policy to conduct cost-benefit evaluations of the implementation of chapter 3, Laws of 2013 (Initiative Measure No. 502).

(6) \$500,000 of the dedicated marijuana account—state appropriation for fiscal year 2018 and \$500,000 of the dedicated marijuana account—state appropriation for fiscal year 2019 are provided solely to design and administer the Washington state healthy youth survey and the Washington state young adult behavioral health survey.

(7) \$396,000 of the dedicated marijuana account—state appropriation for fiscal year 2018 and \$396,000 of the dedicated marijuana account—state appropriation for fiscal year 2019 are provided solely for maintaining increased services to pregnant and parenting women provided through the parent child assistance program.

(8) \$250,000 of the dedicated marijuana account—state appropriation for fiscal year 2018 and \$250,000 of the dedicated marijuana account—state appropriation for fiscal year 2019 are provided solely for a grant to the office of superintendent of public instruction to provide life skills training to children and youth in schools that are in high needs communities.

(9) \$386,000 of the dedicated marijuana account—state appropriation for fiscal year 2018 and \$386,000 of the dedicated marijuana account—state appropriation for fiscal year 2019 are provided solely to maintain increased prevention and treatment services provided by tribes to children and youth.

(10) \$2,684,000 of the dedicated marijuana account—state appropriation for fiscal year 2018, \$2,684,000 of the dedicated marijuana account—state appropriation for fiscal year 2019, and \$1,900,000 of the general fund—federal appropriation are provided solely to maintain increased residential treatment services for children and youth.

(11) \$250,000 of the dedicated marijuana account—state appropriation for fiscal year 2018 and \$250,000 of the dedicated marijuana account—state appropriation for fiscal year 2019 are provided solely for training and technical assistance for the implementation of evidence based, research based, and promising programs which prevent or reduce substance use disorders.

(12) \$2,434,000 of the dedicated marijuana account—state appropriation for fiscal year 2018 and \$2,434,000 of the dedicated marijuana account—state appropriation for fiscal year 2019 are provided solely for expenditure into the home visiting services account.

(13) \$2,500,000 of the dedicated marijuana account—state appropriation for fiscal year 2018 and \$2,500,000 of the dedicated marijuana account—state appropriation for fiscal year 2019 are provided solely for grants to community-based programs that provide prevention services or activities to youth, including programs for school-based resource officers. These funds must be utilized in accordance with RCW 69.50.540.

(14) Within the amounts provided in this section, behavioral health organizations must provide outpatient chemical dependency treatment for offenders enrolled in the medicaid program who are supervised by the department of corrections pursuant to a term of community supervision. Contracts with behavioral health organizations must require that behavioral health organizations include in their provider network specialized expertise in the provision of manualized, evidence-based chemical dependency treatment services for offenders. The department of corrections and the department must develop a memorandum of understanding for department of corrections offenders on active supervision who are medicaid eligible and meet medical necessity for outpatient substance use disorder treatment. The agreement will ensure that treatment services provided are coordinated, do not result in duplication of services, and maintain access and quality of care for the individuals being served. The department must provide all necessary data, access, and reports to the department of corrections for all department of corrections offenders that receive medicaid paid services.

(15) \$1,125,000 of the general fund—federal appropriation is provided solely for the department to develop a memorandum of understanding with the department of health for implementation of chapter 297, Laws of 2017 (ESHB 1427) (opioid treatment programs). The department must use these amounts to reimburse the department of health for costs incurred through the implementation of the bill.

(16) \$891,000 of the general fund—state appropriation for fiscal year 2018, \$2,580,000 of the general fund—state appropriation for fiscal year 2019, and \$2,755,000 of the general fund—federal appropriation are provided solely for the development and operation of two secure detoxification facilities. The department must not use any of these amounts for services in facilities that are subject to federal funding restrictions that apply to institutions for mental diseases, unless they have received a waiver that allows for full federal participation in these facilities.

(17) \$1,000,000 of the criminal justice treatment account—state appropriation is provided solely to maintain increased funding for substance abuse treatment and support services for offenders and support of drug courts.

(18) The department must review the treatment services provided by the behavioral health organizations (BHO) to individuals supervised by the department of corrections in the community. In reviewing, the department shall compile data specific to BHOs and in the aggregate for access to services, timeliness, number of referrals from the department of corrections, and number of individuals served. The department will consult with the department of corrections and must report to the governor and the appropriate legislative committees no later than November 30, 2017, the transition of services from the department of corrections to the BHOs and identify barriers to access and services for community supervised individuals and provide recommendations for improved services to this population.

(19) \$100,000 of the general fund—state appropriation for fiscal year 2018 and \$100,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for parenting education services focused on pregnant and parenting women.

(20) Within existing appropriations, the department shall prioritize the prevention and treatment of intravenous opiate-based drug use.

(21) In accordance with RCW 70.96A.090, 71.24.035, 43.20B.110, and 43.135.055, the department is authorized to adopt fees for the review and approval of mental health and substance use disorder treatment programs in fiscal years 2018 and 2019 as necessary to support the costs of the regulatory program. The department's fee schedule shall have differential rates for providers with proof of accreditation from organizations that the department has determined to have substantially equivalent standards to those of the department, including but not limited to the joint commission on accreditation of health care organizations, the commission on accreditation of rehabilitation facilities, and the council on accreditation. To reflect the reduced costs associated with regulation of accredited programs, the department's fees for organizations with such proof of accreditation must reflect the lower cost of licensing for these programs than for other organizations which are not accredited. To the extent that the fees charged in fiscal year 2018 are not expected to fully cover the cost of the program, the department must submit a report to the office of financial management and the appropriate fiscal committees of the legislature identifying what further increases would be required and the differential impact on providers. This report must be submitted by December 1, 2017.

NEW SECTION. Sec. 209. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—VOCATIONAL REHABILITATION PROGRAM

General Fund—State Appropriation (FY 2018)	\$14,899,000
General Fund—State Appropriation (FY 2019)	\$15,603,000
General Fund—Federal Appropriation	\$97,328,000
TOTAL APPROPRIATION	\$127,830,000

NEW SECTION. Sec. 210. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—SPECIAL COMMITMENT PROGRAM

General Fund—State Appropriation (FY 2018)	\$45,488,000
General Fund—State Appropriation (FY 2019)	\$46,173,000
TOTAL APPROPRIATION	\$91,661,000

The appropriations in this section are subject to the following conditions and limitations: The special commitment center may use funds appropriated in this subsection to purchase goods and supplies through hospital group purchasing organizations when it is cost-effective to do so.

NEW SECTION. Sec. 211. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—ADMINISTRATION AND SUPPORTING SERVICES PROGRAM

General Fund—State Appropriation (FY 2018)	\$36,681,000
General Fund—State Appropriation (FY 2019)	\$30,791,000
General Fund—Federal Appropriation	\$39,963,000
General Fund—Private/Local Appropriation	\$654,000
TOTAL APPROPRIATION	\$108,089,000

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

(1) \$300,000 of the general fund—state appropriation for fiscal year 2018 and \$300,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for a Washington state mentoring organization to continue its public-private partnerships to provide technical assistance and training to mentoring programs that serve at-risk youth.

(2) Within amounts appropriated in this section, the department shall provide to the department of health, where available, the following data for all nutrition assistance programs funded by the United States department of agriculture and administered by the department. The department must provide the report for the preceding federal fiscal year by February 1, 2018, and February 1, 2019. The report must provide:

- (a) The number of people in Washington who are eligible for the program;
- (b) The number of people in Washington who participated in the 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.

(3) \$1,216,000 of the general fund—state appropriation for fiscal year 2019 and \$515,000 of the general fund—federal appropriation are provided solely for the implementation of Engrossed Second Substitute House Bill No. 1661 (child, youth, families department). If the bill is not enacted by July 31, 2017, the amount provided in this subsection shall lapse.

(4) \$81,000 of the general fund—state appropriation for fiscal year 2018, \$86,000 of the general fund—state appropriation for fiscal year 2019, and \$167,000 of the general fund—federal appropriation are provided solely for the implementation of an agreement reached between the governor and the Washington federation of state employees for the language access providers under the provisions of chapter 41.56 RCW for the 2017-2019 fiscal biennium. Funding is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining). If the bill is not enacted by July 31, 2017, the amounts provided in this subsection shall lapse.

NEW SECTION. Sec. 212. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—PAYMENTS TO OTHER AGENCIES PROGRAM

General Fund—State Appropriation (FY 2018)	\$81,319,000
General Fund—State Appropriation (FY 2019)	\$43,380,000
General Fund—Federal Appropriation	\$57,578,000
TOTAL APPROPRIATION	\$182,277,000

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

(1) \$39,000 of the general fund—state appropriation for fiscal year 2018 and \$11,000 of the general fund—federal appropriation are provided solely for the implementation of Engrossed Second Substitute House Bill No. 1661 (child, youth, families department). If the bill is not enacted by July 31, 2017, the amounts provided in this subsection shall lapse.

(2) \$12,000 of the general fund—state appropriation for fiscal year 2018, \$12,000 of the general fund—state appropriation for fiscal year 2019, and \$24,000 of the general fund—federal appropriation are provided solely for the

implementation of chapter 268, Laws of 2017 (2SHB 1402) (incapacitated persons/rights).

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

During the 2017-2019 fiscal biennium, the health care authority shall provide support and data as required by the office of the state actuary in providing the legislature with health care actuarial analysis, including providing any information in the possession of the health care authority or available to the health care authority through contracts with providers, plans, insurers, consultants, or any other entities contracting with the health care authority.

Information technology projects or investments and proposed projects or investments impacting time capture, payroll and payment processes and systems, eligibility, case management, and authorization systems within the health care authority are subject to technical oversight by the office of the chief information officer.

The health care authority shall not initiate any services that require expenditure of state general fund moneys unless expressly authorized in this act or other law. The health care authority 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 health care authority 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.

(1) MEDICAL ASSISTANCE

General Fund—State Appropriation (FY 2018)	\$2,065,747,000
General Fund—State Appropriation (FY 2019)	\$2,114,943,000
General Fund—Federal Appropriation	\$11,503,815,000
General Fund—Private/Local Appropriation	\$232,300,000
Emergency Medical Services and Trauma Care Systems	
Trust Account—State Appropriation	\$15,086,000
Hospital Safety Net Assessment Account—State	
Appropriation	\$725,012,000
Medicaid Fraud Penalty Account—State Appropriation	\$28,163,000
Medical Aid Account—State Appropriation	\$528,000
Dedicated Marijuana Account—State Appropriation	
(FY 2018)	\$16,205,000
Dedicated Marijuana Account—State Appropriation	
(FY 2019)	\$17,039,000
State Health Care Authority Administrative Account—	
State Appropriation	\$7,000
TOTAL APPROPRIATION	\$16,718,845,000

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

(a) \$256,645,000 of the general fund—state appropriation for fiscal year 2018 and \$264,704,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the authority to implement a single, standard medicaid preferred drug list to be used by all contracted medicaid managed health care systems, on or before January 1, 2018. The preferred drug list shall be developed in consultation with all contracted managed health care systems and the state pharmacy and therapeutics committee or drug utilization review board and shall further the goals and objectives of the medicaid program. The list shall be designed to maximize federal rebates and supplemental rebates and ensure access to clinically effective and appropriate drug therapies under each class. Entities eligible for 340B drug pricing shall continue to operate under their current pricing agreement, unless otherwise required by federal laws or regulations. The authority may utilize external consultants with expertise in evidence-based drug class reviews, pharmacy benefit management, and purchasing to assist with the completion of this development and implementation. The authority shall require each managed care organization that has contracted with the authority to provide care to medicaid beneficiaries to use the established preferred drug list; and shall prohibit each managed care organization and any of its agents from negotiating or collecting rebates for any medications listed in the state's medicaid single preferred drug list whether preferred or nonpreferred. To assist in the implementation of the single preferred drug list, contracted medicaid managed health care systems shall provide the authority drug-specific financial information in a format and frequency determined by the authority to include the actual amounts paid to pharmacies for prescription drugs dispensed to covered individuals compared to the cost invoiced to the health plan and individual rebates collected for prescription drugs dispensed to medicaid members. ***The administration of the prescription drug benefit for medicaid managed health care systems shall be carried out by a single pharmacy benefits manager under the prescription drug purchasing consortium with full transparency of all rebates, supplemental rebates, and associated administrative costs.*** Information disclosed to the authority by the manufacturer pursuant to this provision shall only be used for the purposes of developing and implementing a single, standard state preferred drug list in accordance with this provision. The authority, medicaid managed care organizations, and all other parties shall maintain the confidentiality of drug-specific financial and other proprietary information and such information shall not be subject to the Washington public records act. The authority shall provide a report to the governor and appropriate committees of the legislature by November 15, 2018, and by November 15, 2019, including a comparison of the amount spent in the previous two fiscal years to expenditures under the new system by, at a minimum, fund source, total expenditure, drug class, and top twenty-five drugs. The data provided to the authority shall be aggregated in any report by the authority, the legislature, or the office of financial management so as not to disclose the proprietary or confidential drug-specific information, or the proprietary or confidential information that directly or indirectly identifies financial information linked to a single manufacturer. It is the intent of the

legislature to revisit this policy in subsequent biennia to determine whether it is in the best interest of the state.

(b) \$118,813,000 of the general fund—state appropriation for fiscal year 2018 and \$120,265,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for holding managed care capitation rates flat at calendar year 2017 levels in state fiscal years and calendar years 2018 and 2019.

(c) \$122,244,000 of the general fund—state appropriation for fiscal year 2018 and \$116,038,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the authority through the competitive procurement process, to contract with licensed dental health plans or managed health care plans on a prepaid or fixed-sum risk basis to provide carved-out managed dental care services on a statewide basis that will result in greater efficiency and will facilitate better access and oral health outcomes for medicaid enrollees. Except in areas where only a single plan is available, the authority must contract with at least two plans. The authority shall include in the contracts: (i) Quarterly reporting requirements to include medicaid utilization and encounter data by current dental technology (CDT) code; (ii) a direction to increase the dental provider network; (iii) a commitment to retain innovative programs that improve access and care such as the access to baby and child dentistry program; (iv) a program to reduce emergency room use for dental purposes; (v) a requirement to ensure that dental care is being coordinated with the primary care provider of the patient to ensure integrated care; (vi) a provision that no less than eighty-five percent of the contracting fee be used to directly offset the cost of providing direct patient care as opposed to administrative costs; and (vii) a provision to ensure the contracting fee shall be sufficient to compensate county health departments and federally qualified health centers for dental patient care. The plan(s) awarded this contract must absorb all start-up costs associated with moving the program from fee-for-service to managed care and shall commit to achieving an overall savings to the program based on 2016 fee-for-service experience. In order to comply with state insurance underwriting standards, the authority shall ensure that savings offered by dental plans are actuarially sound. Starting January 31, 2019, and every year thereafter through December 2024, the authority shall submit an annual report to the governor and the appropriate committees of the legislature detailing how the contracted entities have met the requirements of the contract. The report shall include specific information to include utilization, how the contracted entities have increased their dental provider networks, how the emergency room use for dental purposes has been reduced, and how dental care has been integrated with patients' primary care providers. If after the end of five years the data reported does not demonstrate sufficient progress to address the stated contracted goals, the legislature will reevaluate whether carved-out dental managed care needs to be replaced with a different delivery model. The authority is authorized to seek any necessary state plan amendments or federal waivers to implement this subsection. Additional dental program savings achieved by the plans beyond those assumed in the 2017-2019 omnibus appropriations act will be used to increase dental provider reimbursement rates.

(d) \$1,540,849,000 of the general fund—state appropriation for fiscal year 2018 and \$1,585,513,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for medicaid services and the medicaid program.

However, the authority shall not accept or expend any federal funds received under a medicaid transformation waiver under healthier Washington except as described in (e) and (f) of this subsection until specifically approved and appropriated by the legislature. To ensure compliance with legislative directive budget requirements and terms and conditions of the waiver, the authority shall implement the waiver and reporting requirements with oversight from the office of financial management. The legislature finds that appropriate management of the innovation waiver requires better analytic capability, transparency, consistency, timeliness, accuracy, and lack of redundancy with other established measures and that the patient must be considered first and foremost in the implementation and execution of the demonstration waiver. In order to effectuate these goals, the authority shall: (i) Require the Dr. Robert Bree collaborative and the health technology assessment program to reduce the administrative burden upon providers by only requiring performance measures that are nonduplicative of other nationally established measures. The joint select committee on health care oversight will evaluate the measures chosen by the collaborative and the health technology assessment program for effectiveness and appropriateness; (ii) develop a patient satisfaction survey with the goal to gather information about whether it was beneficial for the patient to use the center of excellence location in exchange for additional out-of-pocket savings; (iii) ensure patients and health care providers have significant input into the implementation of the demonstration waiver, in order to ensure improved patient health outcomes; and (iv) in cooperation with the department of social and health services, consult with and provide notification of work on applications for federal waivers, including details on waiver duration, financial implications, and potential future impacts on the state budget, to the joint select committee on health care oversight prior to submitting waivers for federal approval. By federal standard, the medicaid transformation demonstration waiver shall not exceed the duration originally granted by the centers for medicare and medicaid services and any programs created or funded by this waiver do not create an entitlement.

(e) No more than \$479,600,000 of the general fund—federal appropriation and no more than \$154,289,000 of the general fund—local appropriation may be expended for transformation through accountable communities of health described in initiative 1 of the medicaid transformation demonstration wavier under healthier Washington, including preventing youth drug use, opioid prevention and treatment, and physical and behavioral health integration. Under this initiative, the authority shall take into account local input regarding community needs. In order to ensure transparency to the appropriate fiscal committees of the legislature, the authority shall provide fiscal staff of the legislature query ability into any database of the fiscal intermediary that authority staff would be authorized to access. The authority shall not increase general fund—state expenditures under this initiative. The director shall report to the joint select committee on health care oversight no less than quarterly, and include details for each accountable community of health, on the financial status and measurable health outcomes. The director shall also report to the fiscal committees of the legislature all of the expenditures under this subsection and shall provide such fiscal data in the time, manner, and form requested by the legislative fiscal committees. By December 15, 2019, the authority in collaboration with each accountable community of health shall demonstrate how

it will be self-sustaining by the end of the demonstration waiver period, including sources of outside funding, and provide this reporting to the joint select committee on health care oversight. If by the third year of the demonstration waiver there are not measurable, improved patient outcomes and financial returns, the Washington state institute for public policy will conduct an audit of the accountable communities of health, in addition to the process set in place through the independent evaluation required by the agreement with centers for medicare and medicaid services. Prior to the 2018 legislative session, the human services, health care, and judiciary committees of the legislature will convene a joint work session to review models in the delivery system and the impacts on medical liability. The work sessions should include integrated delivery models with multiple health care providers and medical malpractice insurance carriers.

(f) No more than \$42,584,000 of the general fund—federal appropriation may be expended for supported housing and employment services described in initiative 3a and 3b of the medicaid transformation demonstration waiver under healthier Washington. Under this initiative, the authority and the department of social and health services shall ensure that allowable and necessary services are provided to eligible clients as identified by the department or its third party administrator. The authority and the department in consultation with the medicaid forecast work group, shall ensure that reasonable reimbursements are established for services deemed necessary within an identified limit per individual. The authority shall not increase general fund—state expenditures under this initiative. The director shall report to the joint select committee on health care oversight no less than quarterly on financial and health outcomes. The director shall also report to the fiscal committees of the legislature all of the expenditures of this subsection and shall provide such fiscal data in the time, manner, and form requested by the legislative fiscal committees.

(g) Sufficient amounts are appropriated in this subsection to implement the medicaid expansion as defined in the social security act, section 1902(a)(10)(A)(i)(VIII).

(h) The legislature finds that medicaid payment rates, as calculated by the health care authority 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 the cost reports, payment data from the federal government, historical utilization, economic data, and clinical input constitute reliable data upon which to determine the payment rates.

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

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

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

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

(m) \$4,261,000 of the general fund—state appropriation for fiscal year 2018, \$4,261,000 of the general fund—state appropriation for fiscal year 2019, and \$8,522,000 of the general fund—federal appropriation are provided solely for low-income disproportionate share hospital payments.

(n) Within the amounts appropriated in this section, the health care authority shall provide disproportionate share hospital payments to hospitals that provide services to children in the children's health program who are not eligible for services under Title XIX or XXI of the federal social security act due to their citizenship status.

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

(p) The health care authority shall continue the inpatient hospital certified public expenditures program for the 2017-2019 fiscal biennium. The program shall apply to all public hospitals, including those owned or operated by the state, except those classified as critical access hospitals or state psychiatric institutions. The health care authority shall submit reports to the governor and legislature by November 1, 2017, and by November 1, 2018, that evaluate whether savings continue to exceed costs for this program. If the certified public expenditures (CPE) program in its current form is no longer cost-effective to maintain, the health care authority shall submit a report to the governor and legislature detailing cost-effective alternative uses of local, state, and federal resources as a replacement for this program. During fiscal year 2018 and fiscal year 2019, hospitals in the program shall be paid and shall retain one hundred percent of the federal portion of the allowable hospital cost for each medicaid

inpatient fee-for-service claim payable by medical assistance and one hundred percent of the federal portion of the maximum disproportionate share hospital payment allowable under federal regulations. Inpatient medicaid payments shall be established using an allowable methodology that approximates the cost of claims submitted by the hospitals. Payments made to each hospital in the program in each fiscal year of the biennium shall be compared to a baseline amount. The baseline amount will be determined by the total of (i) the inpatient claim payment amounts that would have been paid during the fiscal year had the hospital not been in the CPE program based on the reimbursement rates developed, implemented, and consistent with policies approved in the 2017-2019 biennial operating appropriations act and in effect on July 1, 2015, (ii) one-half of the indigent assistance disproportionate share hospital payment amounts paid to and retained by each hospital during fiscal year 2005, and (iii) all of the other disproportionate share hospital payment amounts paid to and retained by each hospital during fiscal year 2005 to the extent the same disproportionate share hospital programs exist in the 2017-2019 fiscal biennium. If payments during the fiscal year exceed the hospital's baseline amount, no additional payments will be made to the hospital except the federal portion of allowable disproportionate share hospital payments for which the hospital can certify allowable match. If payments during the fiscal year are less than the baseline amount, the hospital will be paid a state grant equal to the difference between payments during the fiscal year and the applicable baseline amount. Payment of the state grant shall be made in the applicable fiscal year and distributed in monthly payments. The grants will be recalculated and redistributed as the baseline is updated during the fiscal year. The grant payments are subject to an interim settlement within eleven months after the end of the fiscal year. A final settlement shall be performed. To the extent that either settlement determines that a hospital has received funds in excess of what it would have received as described in this subsection, the hospital must repay the excess amounts to the state when requested. \$10,575,000 of the general fund—state appropriation for fiscal year 2018 and \$13,185,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for state grants for the participating hospitals.

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

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

(s) The authority shall submit reports to the governor and the legislature by September 15, 2018, and no later than September 15, 2019, that delineate the

number of individuals in medicaid managed care, by carrier, age, gender, and eligibility category, receiving preventative services and vaccinations. The reports should include baseline and benchmark information from the previous two fiscal years and should be inclusive of, but not limited to, services recommended under the United States preventative services task force, advisory committee on immunization practices, early and periodic screening, diagnostic, and treatment (EPSDT) guidelines, and other relevant preventative and vaccination medicaid guidelines and requirements.

(t) Managed care contracts must incorporate accountability measures that monitor patient health and improved health outcomes, and shall include an expectation that each patient receive a wellness examination that documents the baseline health status and allows for monitoring of health improvements and outcome measures.

(u) Sufficient amounts are appropriated in this section for the authority to provide an adult dental benefit.

(v) The health care authority shall coordinate with the department of social and health services to provide referrals to the Washington health benefit exchange for clients that will be ineligible for medicaid.

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

(x) \$90,000 of the general fund—state appropriation for fiscal year 2018, \$90,000 of the general fund—state appropriation for fiscal year 2019, and \$180,000 of the general fund—federal appropriation are provided solely to continue operation by a nonprofit organization of a toll-free hotline that assists families to learn about and enroll in the apple health for kids program.

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

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

(aa) Within the amounts appropriated in this section, the authority shall continue to provide coverage for pregnant teens that qualify under existing pregnancy medical programs, but whose eligibility for pregnancy related services would otherwise end due to the application of the new modified adjusted gross income eligibility standard.

(bb) Sufficient amounts are appropriated in this section to remove the mental health visit limit and to provide the shingles vaccine and screening, brief intervention, and referral to treatment benefits that are available in the medicaid alternative benefit plan in the classic medicaid benefit plan.

(cc) The authority shall use revenue appropriated from the dedicated marijuana fund for contracts with community health centers under RCW 69.50.540 in lieu of general fund—state payments to community health centers for services provided to medical assistance clients, and it is the intent of the legislature that this policy will be continued in subsequent fiscal biennia.

(dd) \$127,000 of the general fund—state appropriation for fiscal year 2018 and \$1,144,000 of the general fund—federal appropriation are provided solely to the ProviderOne provider overtime project and are subject to the conditions, limitations, and review provided in section 724 of this act.

(ee) \$175,000 of the general fund—state appropriation for fiscal year 2018 and \$825,000 of the general fund—federal appropriation are provided solely to the ProviderOne CORE operating rules project and are subject to the conditions, limitations, and review provided in section 724 of this act.

(ff) \$2,200,000 of the general fund—state appropriation for fiscal year 2018 and \$2,701,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for performance payments to reward successful beneficiary engagement in the health homes program for dual eligible enrollees and these are the maximum amounts in each fiscal year the authority may expend for this purpose.

(gg) \$450,000 of the general fund—state appropriation for fiscal year 2018, \$450,000 of the general fund—state appropriation for fiscal year 2019, and \$1,058,000 of the general fund—federal appropriation are provided solely for the authority to hire ten nurse case managers to coordinate medically assisted treatment and movements to medical homes for those being treated for opioid use disorder. Nurses shall be located in areas and provider settings with the highest concentration of opioid use disorder patients.

(hh) Sufficient amounts are appropriated in this section for the authority to provide a collaborative care benefit beginning July 1, 2017.

(ii) The authority and the department of social and health services shall convene a work group consisting of representatives of skilled nursing facilities, adult family homes, assisted living facilities, managers of in-home long-term care, hospitals, and managed health care systems. The work group shall identify barriers that may prevent skilled nursing facilities from accepting and admitting clients from acute care hospitals in a timely and appropriate manner. The work group shall consider what additional resources are needed to allow for faster transfers of enrollees, including those with complex needs. By December 1, 2017, the authority shall report the work group's findings to the governor and the appropriate committees of the legislature.

(jj) Within the amounts appropriated within this section, the authority shall implement the plan to show how improved access to home health nursing reduces potentially preventable readmissions, increases access to care, reduces hospital length of stay, and prevents overall hospital admissions for clients receiving private duty nursing, medically intensive care, or home health benefits as described in their report to the legislature dated December 15, 2016, entitled home health nursing. The authority shall report to the governor and appropriate committees of the legislature by December 31, 2017, information regarding the effect of the ten dollar rate increases for skilled nursing care delivered via private duty nursing or home health nursing, and how the rate changes impacted the utilization and cost of emergency room visits, reduced the length of stay for initial hospital admissions, and reduced utilization and costs of preventable hospital readmissions. The report will quantify potential cost saving opportunities that may exist through improved access to private duty and home health nursing statewide.

(kk) Within the amounts appropriated within this section, beginning July 1, 2017, the authority must increase facility fees to birth centers to the amount listed on page two of their report to the legislature dated October 15, 2016, entitled reimbursement for births performed at birth centers. This increased rate is applicable in both a fee for service setting and is the minimum allowable rate in a managed care setting. The authority shall report to the governor and appropriate committees of the legislature by October 15, 2018, updated information regarding access to care, improvements to the Cesarean section rate, and savings outcomes for utilizing birth centers as an alternative to hospitals.

(ll) Beginning no later than January 1, 2018, for any service eligible under the medicaid state plan for encounter payments, managed care organizations at the request of a rural health clinic shall pay the full published encounter rate directly to the clinic. At no time will a managed care organization be at risk for or have any right to the supplemental portion of the claim. Payments will be reconciled on at least an annual basis between the managed care organization and the authority, with final review and approval by the authority. By September 31, 2017, the authority shall report to the legislature on its progress implementing this subsection.

(mm) Within the amounts appropriated in this section, and in consultation with appropriate parties, including the rural health clinic association of Washington and the centers for medicare and medicaid services, by December 1, 2017, the authority shall submit a report to the governor and appropriate committees of the legislature evaluating legislative and administrative options to reduce or eliminate any amounts owed by rural health clinics under the payment reconciliation process established in the medicaid state plan.

(nn) \$500,000 of the general fund—state appropriation for fiscal year 2019 and \$500,000 of the general fund—federal appropriation are provided solely for the authority to implement the oral health connections pilot project in Yakima, Adams, and Cowlitz counties. The authority shall work in collaboration with Washington dental service foundation to jointly develop and implement the program. The purpose of the three-year pilot is to test the effect that enhanced dental benefits for adult medicaid clients with diabetes and pregnant women have on access to dental care, health outcomes, and medical care costs. The authority must model the pilot on the access to baby and child dentistry program. The pilot program must include enhanced reimbursement rates for participating dental providers, including denturists licensed under chapter 18.30 RCW, and an increase in the allowable number of periodontal treatments to up to four per calendar year. Diabetic or pregnant adult medicaid clients who are receiving dental care within the pilot region(s), regardless of location of the service within the pilot region(s), are eligible for the increased number of periodontal treatments. The Washington dental service foundation shall partner with the authority and provide wraparound services to link patients to care. The authority and Washington dental service foundation shall jointly develop the program. The authority and foundation shall provide a joint progress report to the appropriate committees of the legislature on December 1, 2017, and December 1, 2018.

(oo) Sufficient amounts are appropriated in this section to increase the daily rate by \$155.20 for skilled nursing performed by licensed practical nurses and registered nurses who serve medically intensive children's program clients who reside in a group home setting.

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

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

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

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

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

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

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

(iv) The authority must implement this provision with any new contract and at the time of renewal of any existing contract.

(qq) \$100,000 of the general fund—state appropriation for fiscal year 2018 and \$100,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for a pilot program for treatment of inmates at the Snohomish county jail who are undergoing detoxification from heroin and other opioids and for connecting those individuals with treatment providers in the community upon their release.

(rr) \$6,487,000 of the general fund—state appropriation for fiscal year 2018 and \$1,340,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the physical health care costs of medicaid clients receiving services in facilities classified as institutions for mental diseases for longer than 15 days in a calendar month. The authority must apply for a waiver from the center for medicare and medicaid services to allow for the full cost of stays in institutions for mental diseases to be included in managed care rates beginning on July 1, 2018. The authority must submit a report on the status of the waiver to the office of financial management and the appropriate committees of the legislature by December 1, 2017.

(ss) The authority shall evaluate adding a tele-psychiatry consultation benefit for medicaid covered individuals. The authority shall submit a report with the cost associated with adding such a benefit to the governor and appropriate committees of the legislature by October 1, 2017.

(tt) \$33,000 of the general fund—state appropriation for fiscal year 2018, \$7,000 of the state health care authority administrative account—state appropriation, and \$42,000 of the general fund—federal appropriation are provided solely for the bleeding disorder collaborative for care.

(uu) \$304,000 of the general fund—state appropriation for fiscal year 2018, \$304,000 of the general fund—state appropriation for fiscal year 2019, and \$608,000 of the general fund—federal appropriation are provided solely for the authority to contract with the University of Washington tele-pain pain management program and pain management call center to advance primary care provider knowledge of complex pain management issues, including opioid addiction.

(vv) \$165,000 of the general fund—state appropriation for fiscal year 2018, \$329,000 of the general fund—state appropriation for fiscal year 2019, and \$604,000 of the general fund—federal appropriation are provided solely for implementation of chapter 202, Laws of 2017 (Engrossed Second Substitute House Bill No. 1713) (children's mental health).

(ww) \$1,813,000 of the general fund—state appropriation for fiscal year 2018, \$3,764,000 of the general fund—state appropriation for fiscal year 2019, and \$12,930,000 of the general fund—federal appropriation are provided solely for implementation of chapter 110, Laws of 2017 (Second Substitute House Bill No. 1338) (state health insurance pool).

(xx) \$347,000 of the general fund—state appropriation for fiscal year 2018, \$839,000 of the general fund—state appropriation for fiscal year 2019, and \$943,000 of the general fund—federal appropriation are provided solely for implementation of chapter 198, Laws of 2017 (Substitute House Bill No. 1520) (hospital payment methodology).

(yy) Sufficient amounts are appropriated in this section for the implementation of chapter 273, Laws of 2017 (Engrossed Second Substitute House Bill No. 1358) (community asst. referral programs).

(zz) \$69,000 of the general fund—state appropriation for fiscal year 2018, \$560,000 of the general fund—state appropriation for fiscal year 2019, and \$308,000 of the general fund—federal appropriation are provided solely for the authority to implement, operate, and maintain a provider credentialing system and are subject to the conditions, limitations, and review provided in section 724 of this act. The authority, in collaboration with the department of health, department of corrections, department of social and health services, the public employees' benefits board, and the department of labor and industries, shall work to ensure that a single platform provider credentialing system is implemented. The authority, departments, and board shall ensure that appropriate cost offsets and cost avoidance are assumed for reduced staff time required for provider credentialing activity and reductions in improper billing activity when implementing provider credentialing systems. The authority must enter into agreements with the department of labor and industries and the public employees' benefits board to pay their share of the costs of implementing and operating a new provider credentialing system. The authority shall submit a report to the office of financial management and appropriate committees of the legislature outlining projected cost savings and cost avoidance no later than December 1, 2018.

(2) PUBLIC EMPLOYEES' BENEFITS BOARD AND EMPLOYEE BENEFITS PROGRAMS

State Health Care Authority Administration Account—

State Appropriation \$42,061,000

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

(a) The authority and the public employees' benefits board shall consult with the Washington state institute for public policy on the cost-effectiveness of the wellness plan and any changes to the plan that can be made to increase the health care efficiency of the wellness plan. The authority shall report its findings to the governor and the appropriate committees of the legislature by October 15, 2018.

(b) The authority and the public employees' benefits board shall ensure that procurement for employee health benefits during the 2019-2021 fiscal biennium is consistent with the funding limitations provided in part 9 of this act.

(c) \$236,000 of the state health care authority administration account—state appropriation for fiscal year 2018 and \$236,000 of the state health care authority administration account—state appropriation for fiscal year 2019 are provided solely to the affordable care act employer shared responsibility project and are subject to the conditions, limitations, and review provided in section 724 of this act.

(d) All savings resulting from reduced claim costs or other factors identified after December 31, 2016, must be reserved for funding employee health benefits in the 2019-2021 fiscal biennium. Any changes to benefits, including covered prescription drugs, must be approved by the public employees' benefits board. Upon procuring benefits for calendar years 2018 and 2019, the public employees' benefits board shall: (1) Not consider any changes to benefits, including prescription drugs, without considering comprehensive analysis of the cost of those changes; and (2) not adopt a package of benefits and premiums that results in a projected unrestricted reserve funding level lower than was projected under the assumptions made prior to procurement. For this purpose, assumptions means projections about the levels of future claims, costs, enrollment and other factors, prior to any changes in benefits. The certificates of coverage agreed to by the health care authority for calendar years 2018 and 2019 must ensure that no increases in coverage of prescription drugs, services, or other benefits may occur prior to approval by the public employees' benefits board at the time of procurement of benefits for the ensuing calendar year.

(e) Within the amounts appropriated within this section, the authority, in consultation with one Washington within the office of financial management, the office of the chief information officer, and other state agencies with statewide payroll or benefit systems, shall prepare a report describing options for the replacement of the Pay 1 information technology system. The report shall evaluate the potential costs, benefits, and feasibility of integrating the functions currently performed by Pay 1 into an existing or new statewide system, as well for a stand-alone system. The report shall also update the business and system requirements documents previously developed for a Pay 1 replacement system. This report shall be provided to the governor and appropriate committees of the legislature by September 30, 2018.

(f) \$8,000,000 of the health care authority administrative account—state appropriation is provided solely for implementation of the school employees' benefits board until the new board commences provision of benefits on January 1, 2020. This expenditure shall be reimbursed to the health care authority administrative account from the newly created school employees' insurance administrative account after January 1, 2020.

(g) The public employees' benefits board, in collaboration with the authority, shall work to ensure that a single platform provider credentialing system is implemented. The authority and the board shall ensure that appropriate cost offsets and cost avoidance are assumed for reduced staff time required for provider credentialing activity and reductions in improper billing activity when implementing provider credentialing systems. The board must enter into an agreement with the authority to pay its share of the costs of implementing and operating a new provider credentialing system.

(3) HEALTH BENEFIT EXCHANGE

General Fund—State Appropriation (FY 2018)	\$5,184,000
General Fund—State Appropriation (FY 2019)	\$5,184,000
General Fund—Federal Appropriation	\$52,837,000
Health Benefit Exchange Account—State Appropriation	\$56,736,000
TOTAL APPROPRIATION	\$119,941,000

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

(a) The receipt and use of medicaid funds provided to the health benefit exchange from the health care authority are subject to compliance with state and federal regulations and policies governing the Washington apple health programs, including timely and proper application, eligibility, and enrollment procedures.

(b)(i) By July 15th and January 15th of each year, the authority shall make a payment of one-half the general fund—state appropriation and one-half the health benefit exchange account—state appropriation to the exchange.

(ii) For the 2017-2019 biennium, for the purpose of annually calculating issuer assessments, exchange operational costs may include up to three months of additional operating costs.

(iii) The exchange shall monitor actual to projected revenues and make necessary adjustments in expenditures or carrier assessments to ensure expenditures do not exceed actual revenues.

(iv) Payments made from general fund—state appropriation and health benefit exchange account—state appropriation shall be available for expenditure for no longer than the period of the appropriation from which it was made. When the actual cost of materials and services have been fully determined, and in no event later than the lapsing of the appropriation, any unexpended balance of the payment shall be returned to the authority for credit to the fund or account from which it was made, and under no condition shall expenditures exceed actual revenue.

**Sec 213 was partially vetoed. See message at end of chapter.*

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

General Fund—State Appropriation (FY 2018)	\$2,317,000
General Fund—State Appropriation (FY 2019)	\$2,359,000
General Fund—Federal Appropriation	\$2,427,000
TOTAL APPROPRIATION	\$7,103,000

NEW SECTION. Sec. 215. FOR THE BOARD OF INDUSTRIAL INSURANCE APPEALS

Worker and Community Right-to-Know Account—State

Appropriation	\$10,000
Accident Account—State Appropriation	\$22,437,000
Medical Aid Account—State Appropriation	\$22,438,000
TOTAL APPROPRIATION	\$44,885,000

NEW SECTION. Sec. 216. FOR THE CRIMINAL JUSTICE TRAINING COMMISSION

General Fund—State Appropriation (FY 2018)	\$21,703,000
General Fund—State Appropriation (FY 2019)	\$20,705,000
General Fund—Private/Local Appropriation	\$5,905,000
Death Investigations Account—State Appropriation	\$148,000
Municipal Criminal Justice Assistance Account—State Appropriation	\$460,000
Washington Auto Theft Prevention Authority Account—State Appropriation	\$8,167,000
24/7 Sobriety Account—State Appropriation	\$30,000
TOTAL APPROPRIATION	\$57,118,000

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

(1) \$5,000,000 of the general fund—state appropriation for fiscal year 2018 and \$5,000,000 of the general fund—state appropriation for fiscal year 2019, are provided to the Washington association of sheriffs and police chiefs solely to verify the address and residency of registered sex offenders and kidnapping offenders under RCW 9A.44.130. The association may use no more than \$50,000 per fiscal year of the amounts provided on program management activities.

(2) \$1,284,000 of the general fund—state appropriation for fiscal year 2018 and \$1,283,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for seventy-five percent of the costs of providing six additional statewide basic law enforcement trainings in each fiscal year. The criminal justice training commission must schedule its funded classes to minimize wait times throughout each fiscal year and meet statutory wait time requirements.

(3) \$745,000 of the general fund—local appropriation is provided solely to purchase ammunition for the basic law enforcement academy. Jurisdictions shall reimburse to the criminal justice training commission the costs of ammunition, based on the average cost of ammunition per cadet, for cadets that they enroll in the basic law enforcement academy.

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

(5) \$100,000 of the general fund—state appropriation for fiscal year 2018 and \$100,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for a school safety program. The commission, in collaboration with the school safety center advisory committee, shall provide the school safety training for all school administrators and school safety personnel hired after the effective date of this section.

(6) \$96,000 of the general fund—state appropriation for fiscal year 2018 and \$96,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the school safety center within the commission. The safety center shall act as an information dissemination and resource center when an

incident occurs in a school district in Washington or in another state, coordinate activities relating to school safety, and review and approve manuals and curricula used for school safety models and training. Through an interagency agreement, the commission shall provide funding for the office of the superintendent of public instruction to continue to develop and maintain a school safety information web site. The school safety center advisory committee shall develop and revise the training program, using the best practices in school safety, for all school safety personnel. The commission shall provide research-related programs in school safety and security issues beneficial to both law enforcement and schools.

(7) \$146,000 of the general fund—state appropriation for fiscal year 2018 and \$146,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the costs of providing statewide advanced driving training with the use of a driving simulator.

(8) \$679,000 of the general fund—state appropriation for fiscal year 2018 and \$587,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 261, Laws of 2017 (SHB 1501) (attempts to obtain firearms).

(9) \$57,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for implementation of chapter 295, Laws of 2017 (SHB 1258) (first responders/disability).

(10) \$198,000 of the general fund—state appropriation for fiscal year 2018 and \$414,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 290, Laws of 2017 (ESHB 1109) (victims of sexual assault).

(11) \$117,000 of the general fund—state appropriation for fiscal year 2018, \$117,000 of the general fund—state appropriation for fiscal year 2019, and \$1,000,000 of the Washington auto theft prevention account—state appropriation are provided solely for the first responder building mapping information system.

(12) \$595,000 of the general fund—state appropriation for fiscal year 2018 and \$595,000 of the general fund—state appropriation for fiscal year 2019 are provided solely to continue crisis intervention training required in chapter 87, Laws of 2015.

(13) \$250,000 of the general fund—state appropriation for fiscal year 2018 and \$250,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the criminal justice training commission to deliver research-based programs to instruct, guide, and support local law enforcement agencies in fostering the "guardian philosophy" of policing, which emphasizes de-escalating conflicts and reducing the use of force.

(14) \$429,000 of the general fund—state appropriation for fiscal year 2018 and \$429,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for expenditure into the nonappropriated Washington internet crimes against children account for the implementation of chapter 84, Laws of 2015.

(15) \$842,000 of the general fund—state appropriation for fiscal year 2018 and \$353,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the purpose of creating and funding on an ongoing basis the:

(a) Updating and providing of basic and in-service training for peace officers and

corrections officers that emphasizes de-escalation and use of less lethal force; and (b) creation and provision of an evidence-based leadership development program, in partnership with Microsoft, that trains, equips, and supports law enforcement leaders using research-based strategies to reduce crime and improve public trust.

(16) \$100,000 of the general fund—state appropriation for fiscal year 2018 and \$100,000 of the general fund—state appropriation for fiscal year 2019 are provided solely to the Washington association of sheriffs and police chiefs to fund pilot projects in Benton county to support local law enforcement education for law enforcement, medical professionals, first responders, courts, educators, and others to raise awareness and identifying warning signs of human trafficking. Any educational opportunities created through the pilot projects in Benton county may provide access for adjacent counties if resources and availability permits.

(17) \$500,000 of the general fund—state appropriation for fiscal year 2018 is provided solely to the Washington association of sheriffs and police chiefs to administer statewide training in the use of the Washington state gang database, established in compliance with RCW 43.43.762, and provide grant funding to ensure agencies enter appropriate and reliable data into the database. The training shall develop professionals with regional responsibilities for database administration throughout the state.

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

General Fund—State Appropriation (FY 2018)	\$7,671,000
General Fund—State Appropriation (FY 2019)	\$8,897,000
General Fund—Federal Appropriation	\$11,876,000
Asbestos Account—State Appropriation	\$527,000
Electrical License Account—State Appropriation	\$52,100,000
Farm Labor Contractor Account—State Appropriation	\$28,000
Worker and Community Right-to-Know Account—State	
Appropriation	\$993,000
Public Works Administration Account—State	
Appropriation	\$6,303,000
Manufactured Home Installation Training	
Account—State Appropriation	\$378,000
Accident Account—State Appropriation	\$320,314,000
Accident Account—Federal Appropriation	\$16,765,000
Medical Aid Account—State Appropriation	\$333,053,000
Medical Aid Account—Federal Appropriation	\$3,739,000
Plumbing Certificate Account—State Appropriation	\$1,882,000
Pressure Systems Safety Account—State Appropriation	\$4,442,000
Construction Registration Inspection Account—State	
Appropriation	\$19,128,000
TOTAL APPROPRIATION	\$788,096,000

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

(1)(a) \$100,000 of the general fund—state appropriation for fiscal year 2018 is provided solely to engage in rule making under RCW 49.46.020 to

review the minimum wage for employees under eighteen years of age in light of the enactment of Initiative Measure No. 1433. In the development of a proposed rule for public comment and consideration, the department shall consider:

(i) Academic research on the contribution employment has on high school graduation rates; admission to institutions of higher education, apprenticeship programs, and other post-secondary educational opportunities; and earnings outcomes later in life;

(ii) Data, where available, on the impact on teen employment in cities that have implemented increases in their minimum wage;

(iii) Options that provide incentives for employers to hire teen workers in their first job, or in roles connected to training programs; and

(iv) Options that insure the safety of teens and adherence to state and federal youth employment laws.

(b) The results of the review and a proposed rule for consideration must be complete by December 1, 2017.

(2)(a) \$250,000 of the medical aid account—state appropriation and \$250,000 of the accident fund—state appropriation are provided solely for the department to conduct a study on occupational disease claims. The purpose of the study is to identify medical providers who are inappropriately submitting occupational diseases claims and to develop best practices to better identify where employment is the proximate cause of diseases and conditions that are covered under industrial insurance. The study must specifically develop new tools and practices for the department and medical providers to use to assess when a disease or infection is proximately caused by distinctive conditions in employment as opposed to exposure to the disease or infection outside of his or her employment or as an ordinary condition of life to which the general public is exposed without regard to employment. The department, in consultation with the workers' compensation advisory committee, may select distinct diseases, infections, or conditions for review such as hearing loss.

(b) The department must work with its appropriate advisory committees to develop the study and provide a written report on the study to the appropriate committees of the legislature in December 2017 and December 2018.

(3) \$123,000 of the accident account—state appropriation and \$22,000 of the medical aid—state appropriation are provided solely for implementation of chapter 150, Laws of 2017 (House Bill No. 1906) (farm internship).

(4) The department, in collaboration with the health care authority, shall work to ensure that a single platform provider credentialing system is implemented. The authority and department shall ensure that appropriate cost offsets and cost avoidance are assumed for reduced staff time required for provider credentialing activity and reductions in improper billing activity when implementing provider credentialing systems. The department must enter into an agreement with the health care authority to pay its share of the costs of implementing and operating a new provider credentialing system.

(5) \$6,124,000 of the accident account—state appropriation and \$5,989,000 of the medical aid account—state appropriation are provided solely for business transformation projects and are subject to the conditions, limitations, and review provided in section 724 of this act.

(6) \$19,128,000 of the construction registration inspection account—state appropriation is provided solely to implement House Bill No. 1716 (construction inspection account). If the bill is not enacted by July 31, 2017, the amounts provided in this subsection shall lapse.

(7) \$2,000,000 of the accident account—state appropriation and \$2,000,000 of the medical account—state appropriation are provided solely for a contract with a workforce institute to provide supplemental instruction for information technology apprentices. Funds spent for this purpose must be matched by an equal amount of funding from the information technology industry members.

**Sec 217 was partially vetoed. See message at end of chapter.*

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

(1) HEADQUARTERS

General Fund—State Appropriation (FY 2018)	\$2,004,000
General Fund—State Appropriation (FY 2019)	\$1,997,000
Charitable, Educational, Penal, and Reformatory Institutions Account—State Appropriation	\$10,000
TOTAL APPROPRIATION	\$4,011,000

The appropriations in this subsection are subject to the following conditions and limitations: \$85,000 of the general fund—state appropriation for fiscal year 2018 and \$84,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of chapter 173, Laws of 2017 (ESSB 1802) (veterans' shared leave pool).

(2) FIELD SERVICES

General Fund—State Appropriation (FY 2018)	\$6,220,000
General Fund—State Appropriation (FY 2019)	\$6,278,000
General Fund—Federal Appropriation	\$3,751,000
General Fund—Private/Local Appropriation	\$4,799,000
Veteran Estate Management Account—Private/Local Appropriation	\$666,000
TOTAL APPROPRIATION	\$21,714,000

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

(a) \$300,000 of the general fund—state appropriation for fiscal year 2018 and \$300,000 of the general fund—state appropriation for fiscal year 2019 are provided solely to provide crisis and emergency relief and education, training, and employment assistance to veterans and their families in their communities through the veterans innovation program.

(b) \$200,000 of the general fund—state appropriation for fiscal year 2018 and \$200,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of chapter 192, Laws of 2017 (SB 5849) (veterans' services).

(c) \$110,000 of the general fund—state appropriation for fiscal year 2018 and \$110,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the expansion of the veterans conservation corps by fifteen paid internships.

(3) INSTITUTIONAL SERVICES

General Fund—State Appropriation (FY 2018)	\$2,105,000
General Fund—State Appropriation (FY 2019)	\$2,307,000
General Fund—Federal Appropriation	\$93,767,000
General Fund—Private/Local Appropriation	\$35,687,000
TOTAL APPROPRIATION	\$133,866,000

NEW SECTION. Sec. 219. FOR THE DEPARTMENT OF HEALTH

General Fund—State Appropriation (FY 2018)	\$71,759,000
General Fund—State Appropriation (FY 2019)	\$72,148,000
General Fund—Federal Appropriation	\$550,186,000
General Fund—Private/Local Appropriation	\$185,189,000
Hospital Data Collection Account—State Appropriation	\$348,000
Health Professions Account—State Appropriation	\$129,629,000
Aquatic Lands Enhancement Account—State Appropriation	\$623,000
Emergency Medical Services and Trauma Care Systems	
Trust Account—State Appropriation	\$9,247,000
Safe Drinking Water Account—State Appropriation	\$5,678,000
Drinking Water Assistance Account—Federal	
Appropriation	\$16,016,000
Waterworks Operator Certification—State Appropriation	\$1,671,000
Drinking Water Assistance Administrative Account—State	
Appropriation	\$372,000
Site Closure Account—State Appropriation	\$169,000
Biotoxin Account—State Appropriation	\$1,972,000
State Toxics Control Account—State Appropriation	\$4,259,000
Medicaid Fraud Penalty Account—State Appropriation	\$938,000
Medical Test Site Licensure Account—State	
Appropriation	\$2,594,000
Youth Tobacco and Vapor Products Prevention Account—State	
Appropriation	\$4,963,000
Dedicated Marijuana Account—State Appropriation	
(FY 2018)	\$9,761,000
Dedicated Marijuana Account—State Appropriation	
(FY 2019)	\$9,766,000
Public Health Supplemental Account—Private/Local	
Appropriation	\$3,248,000
Accident Account—State Appropriation	\$344,000
Medical Aid Account—State Appropriation	\$53,000
Suicide-Safer Homes Project Account—State Appropriation	\$50,000
TOTAL APPROPRIATION	\$1,080,983,000

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

(1) The department of health shall not initiate any services that will require expenditure of state general fund moneys unless expressly authorized in this act or other law. The department of health and the state board of health shall not implement any new or amended rules pertaining to primary and secondary school facilities until the rules and a final cost estimate have been presented to the legislature, and the legislature has formally funded implementation of the rules through the omnibus appropriations act or by statute. 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 that provides appropriation authority, and an equal amount of appropriated state 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.

(2) During the 2017-2019 fiscal biennium, each person subject to RCW 43.70.110(3)(c) is required to pay only one surcharge of up to twenty-five dollars annually for the purposes of RCW 43.70.112, regardless of how many professional licenses the person holds.

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

(4)(a) \$5,000,000 of the general fund—state appropriation for fiscal year 2018 and \$5,000,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the department to support the local health jurisdictions to improve their ability to address (i) communicable disease monitoring and prevention and (ii) chronic disease and injury prevention. The department and representatives of local health jurisdictions must work together to arrive at a mutually acceptable allocation and distribution of funds and to determine the best accountability measures to ensure efficient and effective use of funds, emphasizing the use of shared services.

(b) By December 31, 2017, the department shall provide a preliminary report, and by November 30, 2018, a final report, to the appropriate committees of the legislature regarding:

(i) The allocation of funding, as provided in this subsection, to the local health jurisdictions;

(ii) Steps taken by the local health jurisdictions that received funding to improve communicable disease monitoring and prevention and chronic disease and injury prevention;

(iii) An assessment of the effectiveness of the steps taken by local health jurisdictions and the criteria measured; and

(iv) Any recommendations for future models for service delivery to address communicable and chronic diseases.

(5)(a) \$1,000,000 of the general fund—state appropriation for fiscal year 2018 and \$1,000,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the department, as part of foundational public health services, to implement strategies to control the spread of communicable diseases and other health threats. These strategies may include updating or replacing equipment in the state public health laboratory; addressing health inequities among state residents; reporting on the root cause analyses of adverse events at medical facilities; performing critical activities to prevent adverse health consequences of hepatitis C; or assessing information technology system consolidation and modernization opportunities for statewide public health data systems.

(b) By November 30, 2018, the department shall develop a statewide governmental public health improvement plan and provide it to the appropriate committees of the legislature.

(6) \$26,000 of the general fund—state appropriation for fiscal year 2018 and \$10,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of chapter 295, Laws of 2017 (SHB 1258) (first responders/disability).

(7) Within amounts appropriated in this section, funding is provided to implement chapter 312, Laws of 2017 (SSB 5046) (language of public notices).

(8) \$39,000 of the general fund—local appropriation is provided solely for the implementation of chapter 249, Laws of 2017 (ESHB 1714) (nurse staffing plans).

(9) \$27,000 of the health professions account—state appropriation and \$50,000 of the Suicide-Safer Homes Project account are provided solely for the implementation of chapter 262, Laws of 2017 (E2SHB 1612) (reducing access to lethal means).

(10) \$269,000 of the health professions account—state appropriation is provided solely for the implementation of chapter 297, Laws of 2017 (ESHB 1427) (opioid treatment program).

(11) \$350,000 of the general fund—state appropriation for fiscal year 2018 and \$350,000 of the general fund—state appropriation for fiscal year 2019 are provided to the department solely to cover costs of providing increased capacity under existing contracts with suicide prevention lines to respond to calls to the national suicide prevention lifeline.

(12) \$40,000 of the general fund—state appropriation for fiscal year 2018 and \$40,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the midwifery licensure and regulatory program to supplement revenue from fees. The department shall charge no more than five hundred twenty-five dollars annually for new or renewed licenses for the midwifery program.

(13)(a) Within amounts appropriated in this section, the department, in consultation with advocacy groups and experts that focus on hunger and poverty issues, shall produce a report regarding ongoing nutrition assistance programs funded by the United States department of agriculture and administered in Washington state. The report must be a compilation, by program, of data already collected by the department of social and health services, the department of health, the office of the superintendent of public instruction, and the Washington

state department of agriculture, and it must include, where available, but is not limited to:

- (i) The number of people in Washington who are eligible for the program;
- (ii) The number of people in Washington who participated in the program;
- (iii) The average annual participation rate in the program;
- (iv) Participation rates by geographic distribution; and
- (v) The annual federal funding of the program in Washington.

(b) The department shall report to the appropriate committees of the legislature and to the governor. An initial report is due by April 30, 2018, and a second report is due by April 30, 2019.

(14) Information technology projects or investments and proposed projects or investments impacting time capture, payroll and payment processes and systems eligibility, case management, and authorization systems within the department of health are subject to technical oversight by the office of the state chief information officer.

(15) \$2,604,000 of the health professions account—state appropriation is provided solely for the medical quality assurance commission to address increased workload.

(16) \$896,000 of the health professions account—state appropriation is provided solely for the pharmacy commission to improve research and communication to pharmacies regarding the development and implementation of new and changing rules.

(17) \$9,000,000 of the general fund—federal appropriation is provided solely for the department to implement projects and activities during the 2017-2019 fiscal biennium that are designed to improve the health and well-being of individuals living with human immunodeficiency virus, including:

(a) A health disparity project to increase access to dental, mental health, and housing services for populations that have historically experienced limited access to needed services, including Latino individuals in central Washington;

(b) A project to establish a peer-to-peer network for individuals living with human immunodeficiency virus. Trained navigators will work to link individuals living with human immunodeficiency virus to medical care, housing support, training, and other needed services;

(c) A project to expand the MAX clinic within Harborview hospital to serve an increased number of high-need clients and establishing a MAX clinic to serve high-need clients in Pierce county. This project shall also provide statewide training for staff of the department, of local health jurisdictions, and of providers of services for persons with human immunodeficiency virus;

(d) The development of a single eligibility portal to allow statewide usage and streamlined case management for individuals who are living with human immunodeficiency virus and receiving public health services; and

(e) An assessment and evaluation of the effectiveness of each of the projects outlined in subsections (a) through (d) of this subsection.

(18) \$6,096,000 of the general fund—local appropriation is provided solely for the department to target its efforts in the HIV early intervention program toward populations with health disparities.

(19) \$1,118,000 of the general fund—local appropriation is provided solely for equipment, testing supplies, and materials necessary to add x-linked

adrenoleukodystrophy to the mandatory newborn screening panel. The department is authorized to increase the newborn screening fee by \$8.10.

(20) \$1,500,000 of the general fund—state appropriation for fiscal year 2018 and \$1,500,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for:

(a) Increased screening, case management, and an electronic data reporting system to identify children who are at the highest risk of having elevated levels of lead in their blood, prioritizing children who live in areas where the risk is highest; and

(b) Sampling and testing of drinking water and water fixtures in public schools. The department, in collaboration with the educational service districts, must prioritize testing within elementary schools where drinking water and water fixtures have not been tested for contaminants at any time, and elementary schools where drinking water and water fixtures have not been tested within the past three years. Consistent with the United States environmental protection agency's manual, "3Ts for Reducing Lead in Drinking Water in Schools—Revised Technical Guidance," the department must develop guidance and testing protocols for the lead action level for drinking water and for testing drinking water and drinking water fixtures in public and private schools. The guidance must include:

(i) Actions to take if test results exceed the federal action level or public drinking water standard;

(ii) Recommendations to schools on prioritizing fixture replacement, and options for further reducing lead, including replacement of fixtures or use of certified filters when results are below the federal action level for schools, but exceed the maximum level recommended by the American Academy of Pediatrics; and

(iii) Recommendations for communicating test results and risk to parents and the community, including that there is no safe level of lead in water and that action may be warranted even if levels are below the action level.

(21) \$277,000 of the general fund—local appropriation is provided solely to implement chapter 207, Laws of 2017 (E2SHB 1819) (children's mental health).

(22) \$130,000 of the general fund—state appropriation for fiscal year 2018 and \$130,000 of the general fund—state appropriation for fiscal year 2019 are provided solely to increase the funding for the breast, cervical, and colon health program administered by the department.

(23) Within the amounts appropriated in this section, and in accordance with RCW 43.20B.110 and 70.41.100, the department shall set fees to include the full costs of the performance of inspections pursuant to RCW 70.41.080.

(24) Within the amounts appropriated in this section, and in accordance with RCW 43.70.110 and 71.12.470, the department shall set fees to include the full costs of the performance of inspections pursuant to RCW 71.12.485.

(25) \$250,000 of the general fund—state appropriation for fiscal year 2018 and \$250,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the department to contract with a nongovernmental entity that has experience in adapting global health strategies to underserved communities for a pilot program to develop strategies to address health disparities in rural communities. The program should engage marginalized communities in order to identify barriers and social determinants that most

impact health, including access to housing and food and economic stability. The department must report to the legislature by December 1, 2018, regarding identified barriers and any recommendations for interventions.

(26) \$27,000 of the general fund—state appropriation for fiscal year 2018 and \$16,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of chapter 273, Laws of 2017 (E2SHB 1358) (community assistance referral programs).

(27) \$224,000 of the health professions account—state appropriation is provided solely for the implementation of chapter 320, Laws of 2017 (SSB 5322) (dentists and third parties).

(28) \$93,000 of the health professions account—state appropriation is provided solely for the implementation of chapter 101, Laws of 2017 (ESHB 1431) (osteopathic medicine and surgery).

(29) \$82,000 of the general fund—local appropriation is provided solely for the implementation of chapter 263, Laws of 2017 (SSB 5152) (pediatric transitional care).

(30) \$25,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for the department to prepare and submit a report about the certificate of need program to the governor and the appropriate fiscal and policy committees of the legislature by October 1, 2017. By health care setting, for each of the preceding ten fiscal years, the report must show the total number of applications, the total number of accepted applications, the total number of beds requested, the total number of beds approved, and a summary of the most common reasons for declining an application. The report must include suggestions for modifying the program to increase the number of successful applications. At least one suggestion must address the goal of adding psychiatric beds within hospitals.

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

(32) \$28,000 of the general fund—state appropriation for fiscal year 2018 and \$28,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for staffing capacity at the department to support a performance audit of the fee-setting process for each health profession licensed by the department.

(33) The appropriations in this section include sufficient funding for the implementation of chapter 294, Laws of 2017 (SSB 5835) (health outcomes/pregnancy).

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

(1) ADMINISTRATION AND SUPPORT SERVICES

General Fund—State Appropriation (FY 2018)	\$64,492,000
General Fund—State Appropriation (FY 2019)	\$64,219,000
TOTAL APPROPRIATION	\$128,711,000

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

(a) \$35,000 of the general fund—state appropriation for fiscal year 2018 and \$35,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the support of a statewide council on mentally ill offenders that includes as its members representatives of community-based mental health treatment programs, current or former judicial officers, and directors and commanders of city and county jails and state prison facilities. The council will investigate and promote cost-effective approaches to meeting the long-term needs of adults and juveniles with mental disorders who have a history of offending or who are at-risk of offending, including their mental health, physiological, housing, employment, and job training needs.

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

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

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

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

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

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

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

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

(c) \$865,000 of the general fund—state appropriation for fiscal year 2018 and \$587,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for information technology business solutions and are subject to the conditions, limitations, and review provided in section 724 of this act.

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

(2) CORRECTIONAL OPERATIONS

General Fund—State Appropriation (FY 2018)	\$541,061,000
General Fund—State Appropriation (FY 2019)	\$562,878,000
General Fund—Federal Appropriation	\$818,000
Washington Auto Theft Prevention Authority Account—State Appropriation	\$4,608,000
TOTAL APPROPRIATION	\$1,109,365,000

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

(a) The department may contract for beds statewide to the extent that it is at no net cost to the department. The department shall calculate and report the average cost per offender per day, inclusive of all services, on an annual basis for a facility that is representative of average medium or lower offender costs. The duration of the contracts may be for up to four years. The department shall not pay a rate greater than \$85 per day per offender for all costs associated with the offender while in the local correctional facility to include programming and health care costs, or the equivalent of \$85 per day per bed including programming and health care costs for full units. The capacity provided at local correctional facilities must be for offenders whom the department of corrections defines as medium or lower security offenders. Programming provided for inmates held in local jurisdictions is included in the rate, and details regarding the type and amount of programming, and any conditions regarding transferring offenders must be negotiated with the department as part of any contract. Local jurisdictions must provide health care to offenders that meet standards set by the department. The local jail must provide all medical care including unexpected emergent care. The department must utilize a screening process to ensure that offenders with existing extraordinary medical/mental health needs are not transferred to local jail facilities. If extraordinary medical conditions develop for an inmate while at a jail facility, the jail may transfer the offender back to the department, subject to terms of the negotiated agreement. Health care costs incurred prior to transfer are the responsibility of the jail.

(b) \$501,000 of the general fund—state appropriation for fiscal year 2018 and \$501,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the department to maintain the facility, property, and assets at the institution formerly known as the maple lane school in Rochester.

(c) \$1,379,000 of the general fund—state appropriation for fiscal year 2018, and \$1,379,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the department to contract for the use of inmate bed capacity in lieu of prison beds operated by the state to meet prison capacity needs.

(d) \$250,000 of the general fund—state appropriation for fiscal year 2018 and \$250,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the department to enter into an agreement to purchase electricity for the Monroe correctional complex from a sawmill waste cogeneration system that is connected to a lumber mill that employs at least 150 people. The agreement cannot increase the total cost for the purchase of electricity for the entire complex.

(e) Within the amounts appropriated in this section, funding is provided to implement chapter 335, Laws of 2017 (SB 5037) (DUI 4th offense/felony).

(f) The appropriations in this section include sufficient funding for the implementation of chapter 226, Laws of 2017 (HB 1153) (vulnerable persons/crimes).

(g) The appropriations in this section include sufficient funding for the implementation of Senate Bill No. 5934 (concerning convicted persons).

(i) Within the amounts appropriated in this section, the department of corrections must review the use of full body scanners at state correctional facilities for women to reduce the frequency of strip and body cavity searches and report with recommendations to the governor and the appropriate legislative committees by November 15, 2017. The report must address the cost of technology, installation, and maintenance; the benefits to personnel and inmates; information regarding accumulated exposure to radiation; and general guidelines for implementation at a pilot facility.

(3) COMMUNITY SUPERVISION

General Fund—State Appropriation (FY 2018)	\$181,670,000
General Fund—State Appropriation (FY 2019)	\$187,807,000
General Fund—Federal Appropriation	\$2,368,000
TOTAL APPROPRIATION	\$371,845,000

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

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

(b) The department shall engage in ongoing mitigation strategies to reduce the costs associated with community supervision violators, including improvements in data collection and reporting and alternatives to short-term confinement for low-level violators.

(c) By January 1, 2018, the department of corrections shall provide a report to the office of financial management and the appropriate fiscal and policy committees of the legislature to include a review of the department's policies and procedures related to swift and certain sanctioning, and identification of legal decisions that impact caseload and operations. The report shall include recommendations for improving public and staff safety while decreasing recidivism through improved alignment of the department's policies and procedures with current best practices concerning swift and certain sanctioning. The report shall include a review of department practices, legal decisions that impact caseload and operations, an analysis of current best practices in other jurisdictions that have adopted swift and certain sanctioning, and recommendations to improve the department's practices and procedures.

(d) Within the amounts appropriated in this section, funding is provided to implement chapter 335, Laws of 2017 (SB 5037) (DUI 4th offense/felony).

(e) The appropriations in this section include sufficient funding for the implementation of Senate Bill No. 5934 (concerning convicted persons).

(4) CORRECTIONAL INDUSTRIES

General Fund—State Appropriation (FY 2018)	\$5,985,000
General Fund—State Appropriation (FY 2019)	\$6,085,000
TOTAL APPROPRIATION	\$12,070,000

(5) INTERAGENCY PAYMENTS

General Fund—State Appropriation (FY 2018)	\$44,091,000
General Fund—State Appropriation (FY 2019)	\$41,176,000
TOTAL APPROPRIATION	\$85,267,000

(6) OFFENDER CHANGE

General Fund—State Appropriation (FY 2018)	\$55,170,000
General Fund—State Appropriation (FY 2019)	\$56,426,000
TOTAL APPROPRIATION	\$111,596,000

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

(a) The department of corrections shall use funds appropriated in this subsection (6) for offender programming. The department shall develop and implement a written comprehensive plan for offender programming that prioritizes programs which follow the risk-needs-responsivity model, are evidence-based, and have measurable outcomes. The department is authorized to discontinue ineffective programs and to repurpose underspent funds according to the priorities in the written plan.

(b) Within the amounts appropriated in this section, funding is provided to implement chapter 335, Laws of 2017 (SB 5037) (DUI 4th offense/felony).

(7) HEALTH CARE SERVICES

General Fund—State Appropriation (FY 2018)	\$128,680,000
General Fund—State Appropriation (FY 2019)	\$127,782,000
TOTAL APPROPRIATION	\$256,462,000

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

NEW SECTION. Sec. 221. FOR THE DEPARTMENT OF SERVICES FOR THE BLIND

General Fund—State Appropriation (FY 2018)	\$2,478,000
General Fund—State Appropriation (FY 2019)	\$2,525,000
General Fund—Federal Appropriation	\$25,276,000
General Fund—Private/Local Appropriation	\$60,000
TOTAL APPROPRIATION	\$30,339,000

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

General Fund—Federal Appropriation	\$216,993,000
General Fund—Private/Local Appropriation	\$35,426,000
Unemployment Compensation Administration Account—Federal	

Appropriation	\$270,643,000
Administrative Contingency Account—State Appropriation	\$20,386,000
Employment Service Administrative Account—State	
Appropriation	\$53,555,000
Family and Medical Leave Insurance Account—State	
Appropriation	\$82,000,000
TOTAL APPROPRIATION	\$679,003,000

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

(1) The department is directed to maximize the use of federal funds. The department must update its budget annually to align expenditures with anticipated changes in projected revenues.

(2) \$4,152,000 of the unemployment compensation administration account—federal appropriation is provided solely to the unemployment tax and benefits systems and is subject to the conditions, limitations, and review provided in section 724 of this act.

(3) \$82,000,000 of the family and medical leave insurance account—state appropriation is provided solely for implementation of Substitute House Bill No. 1116 (family and medical leave insurance), Senate Bill No. 5975 (paid family and medical leave), or Senate Bill No. 5032 (family and medical leave insurance). If none of the bills are enacted by July 31, 2017, the amount provided in this subsection shall lapse.

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

**Sec 222 was partially vetoed. See message at end of chapter.*

NEW SECTION. Sec. 223. FOR THE DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES

(1) CHILDREN AND FAMILIES SERVICES PROGRAM

General Fund—State Appropriation (FY 2019)	\$366,467,000
General Fund—Federal Appropriation	\$236,770,000
General Fund—Private/Local Appropriation	\$1,477,000
Domestic Violence Prevention Account—State	
Appropriation	\$1,002,000
TOTAL APPROPRIATION	\$605,716,000

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

(a) \$748,000 of the general fund—state appropriation for fiscal year 2019 is provided solely to contract for the operation of one pediatric interim care center. The center shall provide residential care for up to thirteen children through two years of age. Seventy-five percent of the children served by the center must be in need of special care as a result of substance abuse by their mothers. The center shall also provide on-site training to biological, adoptive, or foster parents. The

center shall provide at least three months of consultation and support to the parents accepting placement of children from the center. The center may recruit new and current foster and adoptive parents for infants served by the center. The department shall not require case management as a condition of the contract.

(b) \$253,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the costs of hub home foster families that provide a foster care delivery model that includes a licensed hub home. Use of the hub home model is intended to support foster parent retention, improve child outcomes, and encourage the least restrictive community placements for children in out-of-home care.

(c) \$579,000 of the general fund—state appropriation for fiscal year 2019 and \$55,000 of the general fund—federal appropriation are provided solely for a receiving care center east of the Cascade mountains.

(d) \$990,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for services provided through children's advocacy centers.

(e) \$1,351,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of performance-based contracts for family support and related services pursuant to RCW 74.13B.020.

(f) \$7,173,000 of the general fund—state appropriation for fiscal year 2019 and \$6,022,000 of the general fund—federal appropriation are provided solely for family assessment response.

(g) \$94,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for a contract with a child advocacy center in Spokane to provide continuum of care services for children who have experienced abuse or neglect and their families.

(h) \$2,933,000 of the general fund—state appropriation for fiscal year 2019 and \$876,000 of the general fund—federal appropriation are provided solely for the department to reduce the caseload ratios of social workers serving children in foster care to promote decreased lengths of stay and to make progress towards achievement of the Braam settlement caseload outcome.

(i)(A) \$540,000 of the general fund—state appropriation for fiscal year 2019, \$328,000 of the general fund private/local appropriation, and \$126,000 of the general fund—federal appropriation are provided solely for a contract with an educational advocacy provider with expertise in foster care educational outreach. The amounts in this subsection are provided solely for contracted education coordinators to assist foster children in succeeding in K-12 and higher education systems and to assure a focus on education during the department's transition to performance-based contracts. Funding must be prioritized to regions with high numbers of foster care youth, or regions where backlogs of youth that have formerly requested educational outreach services exist. The department is encouraged to use private matching funds to maintain educational advocacy services.

(B) The department shall contract with the office of the superintendent of public instruction, which in turn shall contract with a nongovernmental entity or entities to provide educational advocacy services pursuant to RCW 28A.300.590.

(j) The department shall continue to implement policies to reduce the percentage of parents requiring supervised visitation, including clarification of

the threshold for transition from supervised to unsupervised visitation prior to reunification.

(k) \$111,000 of the general fund—state appropriation for fiscal year 2019 and \$26,000 of the general fund—federal appropriation are provided solely for a base rate increase for licensed family child care providers. In addition, \$45,000 of the general fund—state appropriation for fiscal year 2019 and \$11,000 of the general fund—federal appropriation are provided solely for increasing paid professional days from three days to five days for licensed family child care providers. Amounts in this subsection are provided solely for the 2017-2019 collective bargaining agreement covering family child care providers as set forth in section 940 of this act. Amounts provided in this subsection are contingent on the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining). If the bill is not enacted by July 31, 2017, the amounts provided in this subsection (k) shall lapse.

(l) \$321,000 of the general fund—state appropriation for fiscal year 2019 and \$133,000 of the general fund—federal appropriation are provided solely to implement chapter 265, Laws of 2017 (SHB 1867) (ext. foster care transitions).

(m) \$400,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for a contract with a national nonprofit organization to, in partnership with private matching funds, subcontract with a community organization for specialized, enhanced adoption placement services for legally free children in state custody. The contract must supplement, but not supplant, the work of the department to secure permanent adoptive homes for children.

(n) \$375,000 of the general fund—state appropriation for fiscal year 2019 and \$56,000 of the general fund—federal appropriation are provided solely for the department to develop, implement, and expand strategies to improve the capacity, reliability, and effectiveness of contracted visitation services for children in temporary out-of-home care and their parents and siblings. Strategies may include, but are not limited to, increasing mileage reimbursement for providers, offering transportation-only contract options, and mechanisms to reduce the level of parent-child supervision when doing so is in the best interest of the child. The department must submit an analysis of the strategies and associated outcomes no later than October 1, 2018.

(o) \$3,600,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for state supplemental payments for the state maintenance of effort requirement to qualify for medicaid federal financial participation.

(p) \$1,018,000 of the general fund—state appropriation for fiscal year 2019 and \$195,000 of the general fund—federal appropriation are provided solely for a six percent base rate increase for child care center providers, effective September 1, 2017.

(q) \$1,230,000 of the general fund—state appropriation for fiscal year 2019 and \$78,000 of the general fund—federal appropriation are provided solely to increase the travel reimbursement for in-home service providers.

(r) The department is encouraged to control exceptional reimbursement decisions so that the child's needs are met without excessive costs.

(s) \$1,342,000 of the general fund—state appropriation for fiscal year 2019 and \$959,000 of the general fund—federal appropriation are provided solely to implement Engrossed Substitute Senate Bill No. 5890 (foster care and adoption). Within the amounts provided in this section, \$366,000 of the general fund—state

appropriation for fiscal year 2019 and \$174,000 of the general fund—federal appropriation are provided solely for short-term care for licensed foster families. If the bill is not enacted by July 31, 2017, the amounts provided in this subsection shall lapse.

(t) \$197,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the department to conduct biennial inspections and certifications of facilities, both overnight and day shelters, that serve those who are under 18 years old and are homeless.

(2) EARLY LEARNING PROGRAM

General Fund—State Appropriation (FY 2019)	\$126,721,000
General Fund—Federal Appropriation	\$148,179,000
Education Legacy Trust Account—State Appropriation	\$14,192,000
Home Visiting Services Account—State Appropriation	\$3,191,000
Home Visiting Services Account—Federal Appropriation	\$11,708,000
WA Opportunity Pathways Account—State Appropriation	\$40,000,000
TOTAL APPROPRIATION	\$343,991,000

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

(a) \$67,938,000 of the general fund—state appropriation for fiscal year 2019, \$12,125,000 of the education legacy trust account—state appropriation, and \$40,000,000 of the opportunity pathways account appropriation are provided solely for the early childhood education and assistance program. These amounts shall support at least 13,491 slots in fiscal year 2019.

(b) \$200,000 of the general fund—state appropriation for fiscal year 2019 is provided solely to develop and provide culturally relevant supports for parents, family, and other caregivers.

(c) The department is the lead agency for and recipient of the federal child care and development fund grant. Amounts within this grant shall be used to fund child care licensing, quality initiatives, agency administration, and other costs associated with child care subsidies. The department shall transfer a portion of this grant to the department of social and health services to fund the child care subsidies paid by the department of social and health services on behalf of the department.

(d)(i) \$76,650,000 of the general fund—federal appropriation is provided solely for the working connections child care program under RCW 43.215.135. In order to not exceed the appropriated amount, the department shall manage the program so that the average monthly caseload does not exceed 33,000 households. The department shall give prioritized access into the program according to the following order:

(A) Families applying for or receiving temporary assistance for needy families (TANF);

(B) TANF families curing sanction;

(C) Foster children;

(D) Families that include a child with special needs;

(E) Families in which a parent of a child in care is a minor who is not living with a parent or guardian and who is a full-time student in a high school that has a school-sponsored on-site child care center;

(F) Families with a child residing with a biological parent or guardian who have received child protective services, child welfare services, or a family assessment response from the department in the past six months, and has received a referral for child care as part of the family's case management;

(G) Families that received subsidies within the last thirty days and:

(I) Have reapplied for subsidies; and

(II) Have household income of two hundred percent federal poverty level or below; and

(H) All other eligible families.

(ii) The department, in collaboration with the department of social and health services, must submit a final report by December 1, 2018, to the governor and the appropriate fiscal and policy committees of the legislature on quality control measures for the working connections child care program. The report must include:

(A) A detailed narrative of the procurement and implementation of an improved time and attendance system, including a detailed accounting of the costs of procurement and implementation;

(B) A comprehensive description of all processes, including computer algorithms and additional rule development, that the department and the department of social and health services plan to establish prior to and after full implementation of the time and attendance system. At a minimum, processes must be designed to:

(I) Ensure the department's auditing efforts are informed by regular and continuous alerts of the potential for overpayments;

(II) Avoid overpayments to the maximum extent possible and expediently recover overpayments that have occurred;

(III) Withhold payment from providers when necessary to incentivize receipt of the necessary documentation to complete an audit;

(IV) Establish methods for reducing future payments or establishing repayment plans in order to recover any overpayments;

(V) Sanction providers, including termination of eligibility, who commit intentional program violations or fail to comply with program requirements, including compliance with any established repayment plans; and

(VI) Consider pursuit of prosecution in cases with fraudulent activity; and

(C) A description of the process by which fraud is identified and how fraud investigations are prioritized and expedited.

(iii) Beginning July 1, 2018, and annually thereafter, the department, in collaboration with the department of social and health services, must report to the governor and the appropriate fiscal and policy committees of the legislature on the status of overpayments in the working connections child care program. The report must include the following information for the previous fiscal year:

(A) A summary of the number of overpayments that occurred;

(B) The reason for each overpayment;

(C) The total cost of overpayments;

(D) A comparison to overpayments that occurred in the past two preceding fiscal years; and

(E) Any planned modifications to internal processes that will take place in the coming fiscal year to further reduce the occurrence of overpayments.

(e) Within available amounts, the department in consultation with the office of financial management and the department of social and health services shall report enrollments and active caseload for the working connections child care program to the legislative fiscal committees and the legislative-executive WorkFirst oversight task force on an agreed upon schedule. The report shall also identify the number of cases participating in both temporary assistance for needy families and working connections child care. The department must also report on the number of children served through contracted slots.

(f) \$1,560,000 of the general fund—state appropriation for fiscal year 2019 and \$6,712,000 of the general fund—federal appropriation are provided solely for the seasonal child care program. If federal sequestration cuts are realized, cuts to the seasonal child care program must be proportional to other federal reductions made within the department.

(g) \$2,522,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the early childhood intervention prevention services (ECLIPSE) program. The department shall contract for ECLIPSE services to provide therapeutic child care and other specialized treatment services to abused, neglected, at-risk, and/or drug-affected children. Priority for services shall be given to children referred from the department.

(h) \$45,359,000 of the general fund—state appropriation for fiscal year 2019 and \$13,954,000 of the general fund—federal appropriation are provided solely to maintain the requirements set forth in chapter 7, Laws of 2015, 3rd sp. sess. The department shall place a ten percent administrative overhead cap on any contract entered into with the University of Washington. In its annual report to the governor and the legislature, the department shall report the total amount of funds spent on the quality rating and improvements system and the total amount of funds spent on degree incentives, scholarships, and tuition reimbursements. Of the amounts provided in this subsection (h), \$577,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for a six percent base rate increase for child care center providers.

(i) \$1,728,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for reducing barriers for low-income providers to participate in the early achievers program.

(j) \$300,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for a contract with a nonprofit entity experienced in the provision of promoting early literacy for children through pediatric office visits.

(k) \$2,000,000 of the education legacy trust account—state appropriation is provided solely for early intervention assessment and services.

(l) \$3,445,000 of the general fund—federal appropriation for fiscal year 2019 is provided solely for the department to procure a time and attendance system and are subject to the conditions, limitations, and review provided in section 724 of this act.

(m) Information technology projects or investments and proposed projects or investments impacting time capture, payroll and payment processes and systems, eligibility, case management and authorization systems within the department are subject to technical oversight by the office of the chief information officer. The department must collaborate with the office of the chief information officer to develop a strategic business and technology architecture

plan for a child care attendance and billing system that supports a statewide architecture.

(n)(i)(A) The department is required to provide to the education research and data center, housed at the office of financial management, data on all state-funded early childhood programs. These programs include the early support for infants and toddlers, early childhood education and assistance program (ECEAP), and the working connections and seasonal subsidized childcare programs including license exempt facilities or family, friend, and neighbor care. The data provided by the department to the education research data center must include information on children who participate in these programs, including their name and date of birth, and dates the child received services at a particular facility.

(B) ECEAP early learning professionals must enter any new qualifications into the department's professional development registry starting in the 2015-16 school year, and every school year thereafter. By October 2017, and every October thereafter, the department must provide updated ECEAP early learning professional data to the education research data center.

(C) The department must request federally funded head start programs to voluntarily provide data to the department and the education research data center that is equivalent to what is being provided for state-funded programs.

(D) The education research and data center must provide an updated report on early childhood program participation and K-12 outcomes to the house of representatives appropriations committee and the senate ways and means committee using available data by March 2018 for the school year ending in 2017.

(ii) The department, in consultation with the department of social and health services, must withhold payment for services to early childhood programs that do not report on the name, date of birth, and the dates a child received services at a particular facility.

(o) The department shall work with state and local law enforcement, federally recognized tribal governments, and tribal law enforcement to develop a process for expediting fingerprinting and data collection necessary to conduct background checks for tribal early learning and child care providers.

(p) \$2,651,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the 2017-2019 collective bargaining agreement covering family child care providers as set forth in section 940 of this act. Amounts provided in this subsection (p) are contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining). If the bill is not enacted by July 31, 2017, the amount provided in this subsection shall lapse. Of the amounts provided in this subsection:

(i) \$273,000 is for a base rate increase;

(ii) \$55,000 is for increasing paid professional development days from three days to five days;

(iii) \$1,708,000 is for the family child care providers 501(c)(3) organization for the substitute pool, training and quality improvement support services, and administration;

(iv) \$114,000 is for increasing licensing incentive payments; and

(v) \$500,000 is for needs based grants.

(q) \$175,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the department to contract with a nonprofit entity that provides quality improvement services to participants in the early achievers program to implement a community-based training module that supports licensed child care providers who have been rated in early achievers and who are specifically interested in serving children in the early childhood education and assistance program. The module must be functionally translated into Spanish and Somali. The module must prepare trainees to administer all aspects of the early childhood education and assistance program for eligible children in their licensed program and must be offered to 105 child care providers to serve children eligible for the early childhood education and assistance program by June 30, 2019.

(r) \$219,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of chapter 236, Laws of 2017 (SHB 1445) (dual language in early learning & K-12).

(s) \$100,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of chapter 202, Laws of 2017 (E2SHB 1713) (children's mental health).

(t) \$317,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 162, Laws of 2017 (SSB 5357) (outdoor early learning programs).

(3) PROGRAM SUPPORT

General Fund—State Appropriation (FY 2019)	\$50,448,000
General Fund—Federal Appropriation	\$15,928,000
TOTAL APPROPRIATION	\$66,376,000

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

(a) The appropriations provided in this subsection are provided solely for implementation of Engrossed Second Substitute House Bill No. 1661 (child, youth, families department). If the bill is not enacted by July 31, 2017, the amount provided in this subsection shall lapse.

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

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

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

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

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

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

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

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

PART III

NATURAL RESOURCES

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

General Fund—State Appropriation (FY 2018)	\$485,000
General Fund—State Appropriation (FY 2019)	\$507,000
General Fund—Federal Appropriation	\$32,000
General Fund—Private/Local Appropriation	\$960,000
TOTAL APPROPRIATION	\$1,984,000

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

General Fund—State Appropriation (FY 2018)	\$20,877,000
General Fund—State Appropriation (FY 2019)	\$21,411,000
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	\$13,736,000
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
Site Closure Account—State Appropriation	\$582,000
Wood Stove Education and Enforcement Account—State Appropriation	\$560,000
Worker and Community Right-to-Know Account—State Appropriation	\$1,872,000
Water Rights Processing Account—State Appropriation	\$39,000
State Toxics Control Account—State Appropriation	\$147,806,000
State Toxics Control Account—Private/Local Appropriation	\$499,000
Local Toxics Control Account—State Appropriation	\$4,845,000
Water Quality Permit Account—State Appropriation	\$44,119,000
Underground Storage Tank Account—State Appropriation	\$3,635,000
Biosolids Permit Account—State Appropriation	\$2,207,000
Environmental Legacy Stewardship Account—State	

Appropriation	\$41,259,000
Hazardous Waste Assistance Account—State	
Appropriation	\$6,466,000
Radioactive Mixed Waste Account—State Appropriation	\$18,170,000
Air Pollution Control Account—State Appropriation	\$3,437,000
Oil Spill Prevention Account—State Appropriation	\$8,469,000
Air Operating Permit Account—State Appropriation	\$3,787,000
Freshwater Aquatic Weeds Account—State Appropriation	\$1,460,000
Oil Spill Response Account—State Appropriation	\$7,076,000
Water Pollution Control Revolving Administration	
Account—State Appropriation	\$3,601,000
TOTAL APPROPRIATION	\$492,774,000

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

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

(2)(a) The department must submit a report to the appropriate committees of the legislature by October 1, 2017, regarding the status of:

(i) The development of a supplemental environmental impact statement that builds upon the April, 2015 publication: Final Environmental Impact Statement Control of Burrowing Shrimp Using Imidacloprid on Commercial Oyster and Clam Beds in Willapa Bay and Grays Harbor, Washington, published by the department; and

(ii) The issuance of a general national pollutant discharge elimination system waste discharge permit allowing the use of Imidacloprid to control burrowing shrimp;

(b) If the department of ecology has not completed the supplemental environmental impact statement in (a)(i) of this subsection, or issued the general permit under (a)(ii) of this subsection, by August 1, 2017, the report to the legislature required by (a) of this subsection must include a description of the status of the supplemental environmental impact statement and general permit, and a detailed description of steps to be undertaken by the department to ensure that the supplemental environmental impact statement has been completed and the general permit has been issued in time to allow oyster growers to rely on the general permit during the 2018 season, or of the steps to be undertaken by the department to ensure that another equally viable and economically feasible option for the control of burrowing shrimp is available to oyster growers in Willapa Bay and Grays Harbor for use during the 2018 growing season.

(3) \$15,000,000 of the general fund—state appropriation for fiscal year 2018 and \$15,000,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for activities within the water resources program.

(4) \$228,000 of the general fund—state appropriation for fiscal year 2018 and \$227,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the department to grant to the northwest straits commission to distribute equally among the seven Puget Sound marine resource committees.

(5) Within existing resources, the department of ecology must engage stakeholders in a revision of WSR 13-22-073, rule amendments to chapter 173-350 WAC, to revise the proposed rule and submit a report to the senate local government and energy, environment, and telecommunications committees and the house of representatives local government and environment committees by September 1, 2017. The report must include a summary of areas of consensus and dispute, proposed resolution of disputes, a list of engaged stakeholders, a proposed timeline for potential rule adoption, and the most recent draft of proposed amendment language, if any.

**Sec 302 was partially vetoed. See message at end of chapter.*

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

General Fund—State Appropriation (FY 2018)	.....	\$9,645,000
General Fund—State Appropriation (FY 2019)	.....	\$9,945,000
General Fund—Federal Appropriation	.....	\$6,981,000
Winter Recreation Program Account—State Appropriation	.....	\$3,293,000
ORV and Nonhighway Vehicle Account—State Appropriation	.....	\$232,000
Snowmobile Account—State Appropriation	.....	\$5,633,000
Aquatic Lands Enhancement Account—State Appropriation	.....	\$367,000
Outdoor Education and Recreation Account—State		
Appropriation	.....	\$1,500,000
Recreation Access Pass Account—State Appropriation	.....	\$50,000
Parks Renewal and Stewardship Account—State		
Appropriation	.....	\$124,759,000
Parks Renewal and Stewardship Account—Private/Local		
Appropriation	.....	\$318,000
TOTAL APPROPRIATION	.....	\$162,723,000

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

(1) \$129,000 of the general fund—state appropriation for fiscal year 2018 and \$129,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for a grant for the operation of the Northwest weather and avalanche center.

(2) \$100,000 of the general fund—state appropriation for fiscal year 2018 and \$100,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the commission to pay assessments charged by local improvement districts.

(3) \$700,000 of the parks renewal and stewardship account—state appropriation is provided solely for the commission to replace 32 existing automated pay stations and to install 38 additional automated pay stations within state parks.

(4) \$500,000 of the outdoor education and recreation account—state appropriation is provided solely for the commission to partner with organizations that have at least one veteran on staff in implementation of the no child left inside program.

(5) \$50,000 of the recreation access pass account—state appropriation is provided solely for the commission, using its authority under RCW 79A.05.055(3) and in partnership with the department of fish and wildlife and

the department of natural resources, to coordinate a process to develop options and recommendations to improve consistency, equity, and simplicity in recreational access fee systems while accounting for the fiscal health and stability of public land management. The process must be collaborative and include other relevant agencies and appropriate stakeholders. The commission must contract with the William D. Ruckelshaus Center or another neutral third party to facilitate meetings and discussions with parties involved in the process and provide a report to the appropriate committees of the legislature by December 1, 2017. The process must analyze and make recommendations on:

(a) Opportunities for federal and state recreational permit fee coordination, including the potential for developing a system that allows a single pass to provide access to federal and state lands;

(b) Opportunities to enhance consistency in the way state and federal recreational access fees apply to various types of recreational users, including those that travel to public lands by motor vehicle, boat, bicycle, foot, or another method; and

(c) Opportunities to develop a comprehensive and consistent statewide approach to recreational fee discounts and exemptions to social and other groups including, but not limited to, disabled persons, seniors, disabled veterans, foster families, low-income residents, and volunteers. This analysis must examine the cost of such a program, and should consider how recreational fee discounts fit into the broader set of benefits provided by the state to these social groups. This includes a review of the efficacy, purpose, and cost of existing recreational fee discounts and exemptions, as well as opportunities for new or modified social group discounts and exemptions. The department of veterans affairs and the department of social and health services must be included in this portion of the process.

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

General Fund—State Appropriation (FY 2018)	\$1,441,000
General Fund—State Appropriation (FY 2019)	\$1,398,000
General Fund—Federal Appropriation	\$3,646,000
General Fund—Private/Local Appropriation	\$24,000
Aquatic Lands Enhancement Account—State Appropriation	\$495,000
Firearms Range Account—State Appropriation	\$37,000
Recreation Resources Account—State Appropriation	\$3,615,000
NOVA Program Account—State Appropriation	\$1,054,000
TOTAL APPROPRIATION	\$11,710,000

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

(1) \$156,000 of the general fund—state appropriation for fiscal year 2018 and \$156,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the board to grant to the Nisqually River Foundation for implementation of the Nisqually watershed stewardship plan.

(2) \$375,000 of the general fund—state appropriation for fiscal year 2018 and \$375,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the salmon recovery funding board to grant to the Hood Canal coordinating council for the sole purpose of conducting an ecosystem

impact assessment on the Hood Canal. The assessment is to study any causal relationship between the Hood Canal bridge and migrating steelhead and salmon.

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

General Fund—State Appropriation (FY 2018)	\$2,318,000
General Fund—State Appropriation (FY 2019)	\$2,375,000
TOTAL APPROPRIATION	\$4,693,000

NEW SECTION. Sec. 306. FOR THE CONSERVATION COMMISSION

General Fund—State Appropriation (FY 2018)	\$7,301,000
General Fund—State Appropriation (FY 2019)	\$7,264,000
General Fund—Federal Appropriation	\$2,301,000
Public Works Assistance Account—State Appropriation	\$7,620,000
State Toxics Control Account—State Appropriation	\$1,000,000
TOTAL APPROPRIATION	\$25,486,000

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

(1) \$7,602,000 of the public works assistance account—state appropriation is provided solely for implementation of the voluntary stewardship program. This amount may not be used to fund agency indirect and administrative expenses.

(2)(a) \$50,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for the commission to convene and facilitate a food policy forum. The director of the commission is responsible for appointing participating members of the food policy forum in consultation with the director of the department of agriculture. In making appointments, the director of the commission must attempt to ensure a diversity of knowledge, experience, and perspectives by building on the representation established by the food system roundtable initiated by executive order No. 10-02.

(b) In addition to members appointed by the director of the state conservation commission, four legislators may serve on the food policy forum in an ex officio capacity. Legislative participants must be appointed as follows:

(i) The speaker of the house of representatives shall appoint one member from each of the two largest caucuses of the house of representatives; and

(ii) The president of the senate shall appoint one member from each of the two largest caucuses of the senate.

(c) The commission shall coordinate with the office of farmland preservation and the department of agriculture to avoid duplication of effort. The commission must report to the appropriate committees of the legislature, consistent with RCW 43.01.036, with the forum's recommendations by October 31, 2018.

(3) \$375,000 of the general fund—state appropriation for fiscal year 2018 and \$375,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for grants and technical assistance. Of the amounts provided in this subsection, \$125,000 in each fiscal year is provided solely for activities related to water quality improvements and fecal coliform DNA speciation statewide.

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

General Fund—State Appropriation (FY 2018)	\$46,860,000
General Fund—State Appropriation (FY 2019)	\$46,483,000
General Fund—Federal Appropriation	\$118,809,000
General Fund—Private/Local Appropriation	\$63,920,000
ORV and Nonhighway Vehicle Account—State Appropriation	\$437,000
Aquatic Lands Enhancement Account—State Appropriation	\$10,460,000
Recreational Fisheries Enhancement—State Appropriation	\$3,084,000
Warm Water Game Fish Account—State Appropriation	\$2,773,000
Eastern Washington Pheasant Enhancement Account—State Appropriation	\$675,000
State Wildlife Account—State Appropriation	\$118,033,000
Special Wildlife Account—State Appropriation	\$71,000
Special Wildlife Account—Federal Appropriation	\$505,000
Special Wildlife Account—Private/Local Appropriation	\$3,576,000
Wildlife Rehabilitation Account—State Appropriation	\$361,000
Ballast Water Management Account—State Appropriation	\$10,000
Hydraulic Project Approval Account—State Appropriation	\$690,000
Environmental Legacy Stewardship Account—State Appropriation	\$2,765,000
Regional Fisheries Enhancement Salmonid Recovery Account— Federal Appropriation	\$5,001,000
Oil Spill Prevention Account—State Appropriation	\$1,122,000
Oyster Reserve Land Account—State Appropriation	\$527,000
Performance Audits of Government Account—State Appropriation	\$325,000
Aquatic Invasive Species Management Account—State Appropriation	\$1,658,000
TOTAL APPROPRIATION	\$428,145,000

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

(1) \$467,000 of the general fund—state appropriation for fiscal year 2018 and \$467,000 of the general fund—state appropriation for fiscal year 2019 are provided solely to pay for emergency fire suppression costs. These amounts may not be used to fund agency indirect and administrative expenses.

(2) \$1,098,000 of the general fund—state appropriation for fiscal year 2018 and \$1,098,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for payments in lieu of real property taxes to counties that elect to receive the payments for department-owned game lands within the county.

(3) \$415,000 of the general fund—state appropriation for fiscal year 2018, \$415,000 of the general fund—state appropriation for fiscal year 2019, and \$440,000 of the general fund—federal appropriation are provided solely for county assessments.

(4) Prior to submitting its 2019-2021 biennial operating and capital budget requests related to state fish hatcheries to the office of financial management, the

department shall contract with the hatchery scientific review group (HSRG) to review the proposed requests. This review shall: (a) Determine if the proposed requests are consistent with HSRG recommendations; (b) prioritize the components of the requests based on their contributions to protecting wild salmonid stocks and meeting the recommendations of the HSRG; and (c) evaluate whether the proposed requests are being made in the most cost-effective manner. The department shall provide a copy of the HSRG review to the office of financial management with its agency budget proposal.

(5) \$400,000 of the general fund—state appropriation for fiscal year 2018 and \$400,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for a state match to support the Puget Sound nearshore partnership between the department and the United States army corps of engineers. Prior to implementation of any Puget Sound nearshore ecosystem restoration projects in Whatcom county, the department must consult with and seek, to the maximum extent practicable, consensus on those projects among appropriate landowners, federally recognized Indian tribes, agencies, and community and interest groups.

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

(7) \$525,000 of the general fund—state appropriation for fiscal year 2018 and \$425,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for training for a work unit to engage and empower diverse stakeholders in decisions about fish and wildlife, and the continued conflict transformation with the wolf advisory group. The department shall cooperate with the department of agriculture to shift the responsibility of implementing cost-sharing contracts with livestock producers to use nonlethal actions to minimize livestock loss from wolves and other carnivores to the department of agriculture.

(8) \$1,259,000 of the state wildlife account—state appropriation is provided solely for the fish program, including implementation of Substitute House Bill No. 1597 (commercial fishing). If the bill is not enacted by July 31, 2017, the amount provided in this subsection shall lapse.

(9) \$1,630,000 of the aquatic invasive species management account, \$600,000 of the general fund—federal appropriation, \$62,000 of the state wildlife account—state appropriation, and \$10,000 of the ballast water management account—state appropriation are provided solely for activities related to aquatic invasive species, including implementation of Substitute House Bill No. 1429 or Substitute Senate Bill No. 5303 (aquatic invasive species). If neither bill is enacted by July 31, 2017, the amounts provided in this subsection shall lapse.

(10) Within amounts provided in this section, the department must consult with affected tribes and landowners in Skagit county to develop and implement a plan designed to address elk-related agricultural damage and vehicular collisions by using all available and appropriate methods including, but not limited to, cooperative fencing projects and harvest in order to minimize elk numbers on private lands and maximize the number of elk located on state and federal lands. The plan must be implemented by September 1, 2018.

(11) Within the appropriations of this section, the department shall initiate outreach with recreational fishing stakeholders so that recreational fishing guide and non-guided angler data can be collected and analyzed to evaluate changes in the structure of guide licensing, with the objectives of: (a) Improving the fishing experience and ensuring equitable opportunity for both guided and non-guided river anglers, (b) managing fishing pressure to protect wild steelhead and other species; and (c) ensuring that recreational fish guiding remains a sustainable economic contributor to rural economies. The department shall convene public meetings in the North Olympic Peninsula and Klickitat River areas, and may include other areas of the state, and shall provide the appropriate standing committees of the legislature a summary of its findings, by December 31, 2017.

(12) \$450,000 of the general fund—state appropriation for fiscal year 2018 and \$450,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the department to grant to the regional fisheries enhancement groups.

(13)(a) \$5,500,000 of the general fund—state appropriation for fiscal year 2018, \$5,500,000 of the general fund—state appropriation for fiscal year 2019, and \$325,000 of the performance audits of government account—state appropriation are provided solely as one-time funding to support the department in response to its budget shortfall. In order to address this shortfall on a long-term basis, the department must develop a plan for balancing projected revenue and expenditures and improving the efficiency and effectiveness of agency operations, including:

(i) Expenditure reduction options that maximize administrative and organizational efficiencies and savings, while avoiding hatchery closures and minimizing impacts to fisheries and hunting opportunities; and

(ii) Additional revenue options and an associated outreach plan designed to ensure that the public, stakeholders, the commission, and legislators have the opportunity to understand and impact the design of the revenue options.

(iii) The range of options created under (a)(i) and (ii) of this subsection must be prioritized by impact on achieving financial stability, impact on the public and fisheries and hunting opportunities, and on timeliness and ability to achieve intended outcomes.

(b) In consultation with the office of financial management, the department must consult with an outside management consultant to evaluate and implement efficiencies to the agency's operations and management practices. Specific areas of evaluation must include:

(i) Potential inconsistencies and increased costs associated with the decentralized nature of organizational authority and operations;

(ii) The department's budgeting and accounting processes, including work done at the central, program, and region levels, with specific focus on efficiencies to be gained by centralized budget control;

(iii) Executive management, program management, and regional management structures, specifically addressing accountability.

(c) In carrying out these planning requirements, the department must provide quarterly updates to the commission, office of financial management, and appropriate legislative committees. The department must provide a final summary of its process and plan by May 1, 2018.

(d) The department, in cooperation with the office of financial management shall conduct a zero-based budget review of its operating budget and activities to be submitted with the department's 2019-2021 biennial budget submittal. Information and analysis submitted by the department for the zero-based review under this subsection shall include:

- (i) A statement of the statutory basis or other basis for the creation of each program and the history of each program that is being reviewed;
- (ii) A description of how each program fits within the strategic plan and goals of the agency and an analysis of the quantified objectives of each program within the agency;
- (iii) Any available performance measures indicating the effectiveness and efficiency of each program;
- (iv) A description with supporting cost and staffing data of each program and the populations served by each program, and the level of funding and staff required to accomplish the goals of the program if different than the actual maintenance level;
- (v) An analysis of the major costs and benefits of operating each program and the rationale for specific expenditure and staffing levels;
- (vi) An analysis estimating each program's administrative and other overhead costs;
- (vii) An analysis of the levels of services provided; and
- (viii) An analysis estimating the amount of funds or benefits that actually reach the intended recipients.

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

General Fund—State Appropriation (FY 2018)	\$48,463,000
General Fund—State Appropriation (FY 2019)	\$48,264,000
General Fund—Federal Appropriation	\$27,329,000
General Fund—Private/Local Appropriation	\$2,372,000
Forest Development Account—State Appropriation	\$56,643,000
ORV and Nonhighway Vehicle Account—State Appropriation	\$8,449,000
Surveys and Maps Account—State Appropriation	\$3,462,000
Aquatic Lands Enhancement Account—State Appropriation	\$13,262,000
Resources Management Cost Account—State Appropriation	\$121,559,000
Surface Mining Reclamation Account—State Appropriation	\$4,130,000
Disaster Response Account—State Appropriation	\$23,076,000
Forest and Fish Support Account—State Appropriation	\$12,790,000
Aquatic Land Dredged Material Disposal Site Account—State Appropriation	\$400,000
Natural Resources Conservation Areas Stewardship Account—State Appropriation	\$34,000
State Toxics Control Account—State Appropriation	\$10,705,000
Forest Practices Application Account—State Appropriation	\$2,158,000
Air Pollution Control Account—State Appropriation	\$872,000

NOVA Program Account—State Appropriation	\$734,000
Derelict Vessel Removal Account—State Appropriation.	\$1,946,000
Community Forest Trust Account—State Appropriation.	\$52,000
Agricultural College Trust Management Account—State Appropriation	\$3,056,000
TOTAL APPROPRIATION	\$389,756,000

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

(1) \$1,420,000 of the general fund—state appropriation for fiscal year 2018 and \$1,352,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for deposit into the agricultural college trust management account and are provided solely to manage approximately 70,700 acres of Washington State University's agricultural college trust lands.

(2) \$16,546,000 of the general fund—state appropriation for fiscal year 2018, \$16,546,000 of the general fund—state appropriation for fiscal year 2019, and \$16,050,000 of the disaster response account—state appropriation are provided solely for emergency fire suppression. The general fund—state appropriations provided in this subsection may not be used to fund the department's indirect and administrative expenses. The department's indirect and administrative costs shall be allocated among its remaining accounts and appropriations.

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

(4) \$1,640,000 of the general fund—state appropriation for fiscal year 2018 and \$1,640,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the department to carry out the forest practices adaptive management program pursuant to RCW 76.09.370 and the May 24, 2012, settlement agreement entered into by the department and the department of ecology. Scientific research must be carried out according to the master project schedule and work plan of cooperative monitoring, evaluation, and research priorities adopted by the forest practices board. The forest practices board shall submit a report to the legislature following review, approval, and solicitation of public comment on the cooperative monitoring, evaluation, and research master project schedule, to include: Cooperative monitoring, evaluation, and research science and related adaptive management expenditure details, accomplishments, the use of cooperative monitoring, evaluation, and research science in decision-making, and funding needs for the coming biennium. For new or amended forest practices rules adopted or new or amended board manual provisions approved under chapter 76.09 RCW, the forest practices board shall also report on its evaluation of the scientific basis for the rule or board manual provisions including a technical assessment of the value-added benefits for aquatic resources and the corresponding economic impact to the regulated community

from the rule or board manual. The report shall be provided to the appropriate committees of the legislature by November 1, 2018.

(5) \$147,000 of the general fund—state appropriation for fiscal year 2018 and \$147,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for chapter 280, Laws of 2017 (ESHB 2010) (homelessness/wildfire areas), including local capacity for wildfire suppression in any county located east of the crest of the Cascade mountain range that shares a common border with Canada and has a population of one hundred thousand or fewer. The funding provided in this subsection must be provided to these counties for radio communication equipment, or to fire protection service providers within these counties for residential wildfire risk reduction activities, including education and outreach, technical assistance, fuel mitigation, and other residential risk reduction measures. For the purposes of this subsection, fire protection service providers include fire departments, fire districts, emergency management services, and regional fire protection service authorities. The department must prioritize funding to counties authorized in this subsection, and fire protection service providers within those counties that serve a disproportionately higher percentage of low-income residents as defined in RCW 84.36.042, that are located in areas of higher wildfire risk, and whose fire protection service providers have a shortage of reliable equipment and resources. Of the amount provided in this subsection, \$7,000 per fiscal year is provided for department administration costs.

(6) Sufficient funding is provided in this section and the capital appropriations act to implement chapter 248, Laws of 2017 (E2SHB 1711) (forest health treatments).

(7) \$211,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for implementation of chapter 319, Laws of 2017 (ESSB 5198) (fire retardant use). The department shall study and report on the types and efficacy of fire retardants used in fire suppression activities, their potential impact on human health and natural resources, and make recommendations to the legislature by December 31, 2017.

(8) \$505,000 of the general fund—state appropriation for fiscal year 2018 and \$486,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 95, Laws of 2017 (2SSB 5546) (forest health treatment assessment). The department shall establish a forest health assessment and treatment framework that consists of biennial forest health assessments, treatments, and progress review and reporting.

(9) \$150,000 of the aquatic lands enhancement account—state appropriation is provided solely for continued facilitation and support services for the marine resources advisory council.

(10) \$250,000 of the aquatic lands enhancement account—state appropriation is provided solely for implementation of the state marine management plan and ongoing costs of the Washington coastal marine advisory council to serve as a forum and provide recommendations on coastal management issues.

(11) \$406,000 of the general fund—state appropriation for fiscal year 2018 and \$350,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for Teanaway community forest operations management costs, such as management plan oversight and forest health.

(12) \$150,000 of the state toxics control account—state appropriation is provided solely for the department to meet its obligations as a potentially liable party under the Washington model toxics control act at Whitmarsh landfill and the east waterway site.

(13) \$25,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for conducting an aerial survey of the Washington coast forests to monitor the occurrence and spread of Swiss needle cast disease.

(14) \$25,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for the department to grant to the University of Washington, Olympic natural resources center to develop a plan to mitigate the effects of Swiss needle cast disease on douglas fir tree species.

(15) Within existing resources, the department, in collaboration with the emergency management division of the military department, must develop agreements with other state agencies to recruit state employees to voluntarily participate in the wildfire suppression program. Other agency staff are eligible to receive training, fire gear, and any other necessary items to be ready for deployment to fight wildfires when called. The department shall cover agency staff costs directly or through reimbursement and must submit a request for an appropriation in the next legislative session to fulfill this requirement. The department must provide a report detailing the opportunities, challenges, and recommendations for increasing state employee voluntary participation in the wildfire suppression program to the appropriate committees of the legislature by December 1, 2017.

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

General Fund—State Appropriation (FY 2018)	\$17,281,000
General Fund—State Appropriation (FY 2019)	\$17,525,000
General Fund—Federal Appropriation	\$31,424,000
General Fund—Private/Local Appropriation	\$193,000
Aquatic Lands Enhancement Account—State Appropriation	\$2,565,000
State Toxics Control Account—State Appropriation	\$5,534,000
Water Quality Permit Account—State Appropriation	\$73,000
TOTAL APPROPRIATION	\$74,595,000

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

(1) \$6,108,445 of the general fund—state appropriation for fiscal year 2018 and \$6,102,905 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementing the food assistance program as defined in RCW 43.23.290.

(2) Within amounts appropriated in this section, the department shall provide to the department of health, where available, the following data for all nutrition assistance programs that are funded by the United States department of agriculture and administered by the department. The department must provide the report for the preceding federal fiscal year by February 1, 2018, and February 1, 2019. The report must provide:

- (a) The number of people in Washington who are eligible for the program;
- (b) The number of people in Washington who participated in the 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.

(3) \$132,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the department to fund an aquaculture coordinator. The aquaculture coordinator will work with shellfish growers and federal, state, and local governments to improve the efficiency and effectiveness of shellfish farm permitting. Many of those improvements will come directly from the shellfish interagency permitting team recommendations.

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

Underground Storage Tank Revolving Account—State	
Appropriation	\$10,000
Pollution Liability Insurance Program Trust Account—State	
Appropriation	\$1,338,000
TOTAL APPROPRIATION	\$1,348,000

NEW SECTION. Sec. 311. FOR THE PUGET SOUND PARTNERSHIP

General Fund—State Appropriation (FY 2018)	\$2,922,000
General Fund—State Appropriation (FY 2019)	\$2,668,000
General Fund—Federal Appropriation	\$8,102,000
Aquatic Lands Enhancement Account—State	
Appropriation	\$1,420,000
State Toxics Control Account—State Appropriation	\$721,000
TOTAL APPROPRIATION	\$15,833,000

The appropriations in this section are subject to the following conditions and limitations: By October 15, 2018, the Puget Sound partnership shall provide the governor a single, prioritized list of state agency 2019-2021 capital and operating budget requests related to Puget Sound restoration.

**PART IV
TRANSPORTATION**

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

General Fund—State Appropriation (FY 2018)	\$1,460,000
General Fund—State Appropriation (FY 2019)	\$1,530,000
Architects' License Account—State Appropriation	\$995,000
Professional Engineers' Account—State Appropriation	\$3,922,000
Real Estate Commission Account—State Appropriation	\$11,045,000
Uniform Commercial Code Account—State Appropriation	\$3,448,000
Real Estate Education Program Account—State	
Appropriation	\$276,000
Real Estate Appraiser Commission Account—State	
Appropriation	\$1,870,000
Business and Professions Account—State Appropriation	\$19,302,000
Real Estate Research Account—State Appropriation	\$415,000
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
TOTAL APPROPRIATION	\$44,607,000

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

(1) \$105,000 of the business and professions account appropriation is provided solely to implement chapter 46, Laws of 2017 (SHB 1420) (theatrical wrestling).

(2) \$183,000 of the concealed pistol license renewal notification account appropriation and \$75,000 of the firearms range account appropriation are provided solely to implement chapter 74, Laws of 2017 (SHB 1100) (concealed pistol license) and chapter 282, Laws of 2017 (SB 5268) (concealed pistol license notices).

(3) \$198,000 of the general fund—state appropriation for fiscal year 2018 and \$11,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for costs related to sending notices to persons to encourage the renewal of vessel registrations.

NEW SECTION. Sec. 402. FOR THE STATE PATROL

General Fund—State Appropriation (FY 2018)	\$44,994,000
General Fund—State Appropriation (FY 2019)	\$45,986,000
General Fund—Federal Appropriation	\$16,260,000
General Fund—Private/Local Appropriation	\$3,085,000
Death Investigations Account—State Appropriation	\$7,087,000
County Criminal Justice Assistance Account—State Appropriation	\$3,755,000
Municipal Criminal Justice Assistance Account—State Appropriation	\$1,521,000
Fire Service Trust Account—State Appropriation	\$131,000
Vehicle License Fraud Account—State Appropriation	\$110,000
Disaster Response Account—State Appropriation	\$8,000,000
Fire Service Training Account—State Appropriation	\$11,126,000
Aquatic Invasive Species Management Account—State Appropriation	\$54,000
State Toxics Control Account—State Appropriation	\$549,000
Fingerprint Identification Account—State Appropriation	\$15,768,000
TOTAL APPROPRIATION	\$158,426,000

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

(1) \$270,000 of the fire service training account—state appropriation is provided solely for two FTEs in the office of the state director of fire protection to exclusively review K-12 construction documents for fire and life safety in accordance with the state building code. It is the intent of this appropriation to provide these services only to those districts that are located in counties without qualified review capabilities.

(2) \$8,000,000 of the disaster response account—state appropriation is provided solely for Washington state fire service resource mobilization costs incurred in response to an emergency or disaster authorized under RCW 43.43.960 through 43.43.964. The state patrol shall submit a report quarterly to the office of financial management and the legislative fiscal committees

detailing information on current and planned expenditures from this account. This work shall be done in coordination with the military department.

(3) \$700,000 of the fire service training account—state appropriation is provided solely for the firefighter apprenticeship training program.

(4) \$41,000 of the general fund—state appropriation for fiscal year 2018 and \$41,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 272, Laws of 2017 (E2SHB 1163) (domestic violence).

(5) \$125,000 of the general fund—state appropriation for fiscal year 2018 and \$116,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 261, Laws of 2017 (SHB 1501) (attempts to obtain firearms).

(6) \$104,000 of the general fund—state appropriation for fiscal year 2018 and \$90,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 308, Laws of 2017 (SHB 1863) (fire incident reporting system).

(7) \$3,421,000 of the fingerprint identification account—state appropriation is provided solely for the completion of the state patrol's plan to upgrade the criminal history system, and is subject to the conditions, limitations, and review provided in section 724 of this act.

(8) \$1,039,000 of the fingerprint identification account—state appropriation is provided solely for the implementation of a sexual assault kit tracking database project and is subject to the conditions, limitations, and review provided in section 724 of this act.

**PART V
EDUCATION**

NEW SECTION. Sec. 501. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

General Fund—State Appropriation (FY 2018)	\$49,844,000
General Fund—State Appropriation (FY 2019)	\$47,888,000
General Fund—Federal Appropriation	\$68,460,000
General Fund—Private/Local Appropriation	\$8,051,000
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
TOTAL APPROPRIATION	\$176,067,000

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

(1) \$10,437,000 of the general fund—state appropriation for fiscal year 2018 and \$11,112,000 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, using a uniform definition of unexcused absence as established by the superintendent.

(c) By September of each year, the office of the superintendent of public instruction shall produce an annual status report on implementation of the budget provisos in sections 501 and 513 of this act. The status report of each proviso shall include, but not be limited to, the following information: Purpose and objective, number of state staff funded by the proviso, number of contractors, status of proviso implementation, number of beneficiaries by year, list of beneficiaries, a comparison of budgeted funding and actual expenditures, other sources and amounts of funding, and proviso outcomes and achievements.

(d) The superintendent of public instruction, in consultation with the secretary of state, shall update the program prepared and distributed under RCW 28A.230.150 for the observation of temperance and good citizenship day to include providing an opportunity for eligible students to register to vote at school.

(e) Districts shall annually report to the office of the superintendent of public instruction on: (i) The annual number of graduating high school seniors within the district earning the Washington state seal of biliteracy provided in RCW 28A.300.575; and (ii) the number of high school students earning competency-based high school credits for world languages by demonstrating proficiency in a language other than English. The office of the superintendent of public instruction shall provide a summary report to the office of the governor and the appropriate committees of the legislature by December 1st of each year.

(2) \$3,857,000 of the general fund—state appropriation for fiscal year 2018 and \$3,857,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for activities associated with the implementation of House Bill No. 2242 (fully funding the program of basic education).

(3)(a) \$911,000 of the general fund—state appropriation for fiscal year 2018 and \$911,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the operation and expenses of the state board of education, including basic education assistance activities.

(b) \$322,000 of the Washington opportunity pathways account—state appropriation is provided solely for the state board of education to provide assistance to public schools other than common schools authorized under chapter 28A.710 RCW.

(4) \$3,512,000 of the general fund—state appropriation for fiscal year 2018 and \$3,512,000 of the general fund—state appropriation for fiscal year 2019 are provided solely to the professional educator standards board for the following:

(a) \$1,115,000 in fiscal year 2018 and \$1,115,000 in fiscal year 2019 are for the operation and expenses of the Washington professional educator standards board;

(b) \$2,372,000 of the general fund—state appropriation for fiscal year 2018 and \$2,372,000 of the general fund—state appropriation for fiscal year 2019 are for grants to improve preservice teacher training and for funding of alternate

routes to certification programs administered by the professional educator standards board. Alternate routes programs include the pipeline for paraeducators program, the retooling to teach conditional loan programs, and the recruiting Washington teachers program. Priority shall be given to programs that support bilingual teachers and English language learners. Within this subsection (4)(b), up to \$500,000 per fiscal year is available for grants to public or private colleges of education in Washington state to develop models and share best practices for increasing the classroom teaching experience of preservice training programs and \$250,000 is provided solely for the pipeline for paraeducators conditional scholarship program for scholarships for paraeducators to complete their associate of arts degrees in subject matter shortage areas;

(c) \$25,000 of the general fund—state appropriation for fiscal year 2018 and \$25,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the professional educator standards board to develop educator interpreter standards and identify interpreter assessments that are available to school districts. Interpreter assessments should meet the following criteria: (A) Include both written assessment and performance assessment; (B) be offered by a national organization of professional sign language interpreters and transliterators; and (C) be designed to assess performance in more than one sign system or sign language. The board shall establish a performance standard, defining what constitutes a minimum assessment result, for each educational interpreter assessment identified. The board shall publicize the standards and assessments for school district use;

(d) Within the amounts appropriated in this section, sufficient funding is provided for implementation of chapter 172, Laws of 2017 (SHB 1741) (educator prep. data/PESB).

(5) \$266,000 of the general fund—state appropriation for fiscal year 2018 and \$266,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of chapter 240, Laws of 2010, including staffing the office of equity and civil rights.

(6) \$61,000 of the general fund—state appropriation for fiscal year 2018 and \$61,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the ongoing work of the education opportunity gap oversight and accountability committee.

(7) \$61,000 of the general fund—state appropriation for fiscal year 2018 and \$61,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of chapter 380, Laws of 2009 (enacting the interstate compact on educational opportunity for military children).

(8) \$262,000 of the Washington opportunity pathways account—state appropriation is provided solely for activities related to public schools other than common schools authorized under chapter 28A.710 RCW.

(9) \$1,802,000 of the general fund—state appropriation for fiscal year 2018 and \$1,802,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementing a comprehensive data system to include financial, student, and educator data, including development and maintenance of the comprehensive education data and research system (CEDARS).

(10) \$50,000 of the general fund—state appropriation for fiscal year 2018 and \$50,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for project citizen, a program sponsored by the national

conference of state legislatures and the center for civic education to promote participation in government by middle school students.

(11) \$1,500,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for collaborative schools for innovation and success authorized under chapter 53, Laws of 2012. The office of the superintendent of public instruction shall award \$500,000 for each collaborative school for innovation and success selected for participation in the pilot program during 2012.

(12) \$123,000 of the general fund—state appropriation for fiscal year 2018 and \$123,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 163, Laws of 2012 (foster care outcomes). The office of the superintendent of public instruction shall annually report each December on the implementation of the state's plan of cross-system collaboration to promote educational stability and improve education outcomes of foster youth.

(13) \$250,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for implementation of chapter 178, Laws of 2012 (open K-12 education resources).

(14) \$50,000 of the general fund—state appropriation for fiscal year 2018 and \$50,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for school bullying and harassment prevention activities.

(15) \$14,000 of the general fund—state appropriation for fiscal year 2018 and \$14,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 242, Laws of 2013 (state-tribal education compacts).

(16) \$62,000 of the general fund—state appropriation for fiscal year 2018 and \$62,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for competitive grants to school districts to increase the capacity of high schools to offer AP computer science courses. In making grant allocations, the office of the superintendent of public instruction must give priority to schools and districts in rural areas, with substantial enrollment of low-income students, and that do not offer AP computer science. School districts may apply to receive either or both of the following grants:

(a) A grant to establish partnerships to support computer science professionals from private industry serving on a voluntary basis as coinstructors along with a certificated teacher, including via synchronous video, for AP computer science courses; or

(b) A grant to purchase or upgrade technology and curriculum needed for AP computer science, as well as provide opportunities for professional development for classroom teachers to have the requisite knowledge and skills to teach AP computer science.

(17) \$10,000 of the general fund—state appropriation for fiscal year 2018 and \$10,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the superintendent of public instruction to convene a committee for the selection and recognition of Washington innovative schools. The committee shall select and recognize Washington innovative schools based on the selection criteria established by the office of the superintendent of public instruction, in accordance with chapter 202, Laws of 2011 (innovation schools—recognition) and chapter 260, Laws of 2011 (innovation schools and zones).

(18) \$100,000 of the general fund—state appropriation for fiscal year 2018 and \$100,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the Mobius science center to expand mobile outreach of science, technology, engineering, and mathematics (STEM) education to students in rural, tribal, and low-income communities.

(19) \$131,000 of the general fund—state appropriation for fiscal year 2018, \$131,000 of the general fund—state appropriation for fiscal year 2019, and \$211,000 of the performance audits of government account—state appropriation are provided solely for the office of the superintendent of public instruction to perform on-going program reviews of alternative learning experience programs, dropout reengagement programs, and other high risk programs. Findings from the program reviews will be used to support and prioritize the office of the superintendent of public instruction outreach and education efforts that assist school districts in implementing the programs in accordance with statute and legislative intent, as well as to support financial and performance audit work conducted by the office of the state auditor.

(20) \$150,000 of the general fund—state appropriation for fiscal year 2018 and \$150,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for youth suicide prevention activities.

(21) \$31,000 of the general fund—state appropriation for fiscal year 2018 and \$55,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the office of the superintendent of public instruction for statewide implementation of career and technical education course equivalency frameworks authorized under RCW 28A.700.070 for math and science. This may include development of additional equivalency course frameworks, course performance assessments, and professional development for districts implementing the new frameworks.

(22) \$2,541,000 of the general fund—state appropriation for fiscal year 2018 and \$2,541,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for a corps of nurses located at educational service districts, as determined by the superintendent of public instruction, to be dispatched to the most needy schools to provide direct care to students, health education, and training for school staff.

(23) \$300,000 of the general fund—state appropriation for fiscal year 2018 and \$300,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for a nonviolence and ethical leadership training and professional development program provided by the institute for community leadership.

(24) \$1,221,000 of the general fund—state appropriation for fiscal year 2018 and \$1,221,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for K-20 telecommunications network technical support in the K-12 sector to prevent system failures and avoid interruptions in school utilization of the data processing and video-conferencing capabilities of the network. These funds may be used to purchase engineering and advanced technical support for the network.

(25) \$3,940,000 of the general fund—state appropriation for fiscal year 2018 and \$3,940,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the Washington state achievers scholarship and Washington higher education readiness program. The funds shall be used to:

Support community involvement officers that recruit, train, and match community volunteer mentors with students selected as achievers scholars; and to identify and reduce barriers to college for low-income and underserved middle and high school students.

(26) \$1,354,000 of the general fund—state appropriation for fiscal year 2018 and \$1,354,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for contracting with a college scholarship organization with expertise in conducting outreach to students concerning eligibility for the Washington college bound scholarship consistent with chapter 405, Laws of 2007.

(27) \$410,000 of the general fund—state appropriation for fiscal year 2018, \$280,000 of the general fund—state appropriation for fiscal year 2019, and \$1,029,000 of the dedicated marijuana account—state appropriation are provided solely for dropout prevention, intervention, and reengagement programs, including the jobs for America's graduates (JAG) program, dropout prevention programs that provide student mentoring, and the building bridges statewide program. Students in the foster care system or who are homeless shall be given priority by districts offering the jobs for America's graduates program. The office of the superintendent of public instruction shall convene staff representatives from high schools to meet and share best practices for dropout prevention. Of these amounts, \$513,000 of the dedicated marijuana account—state appropriation for fiscal year 2018, and \$516,000 of the dedicated marijuana account—state appropriation for fiscal year 2019 are provided solely for the building bridges statewide program.

(28) \$2,984,000 of the general fund—state appropriation for fiscal year 2018 and \$2,590,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the Washington kindergarten inventory of developing skills. State funding shall support statewide administration and district implementation of the inventory under RCW 28A.655.080.

(29) \$293,000 of the general fund—state appropriation for fiscal year 2018 and \$293,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the office of the superintendent of public instruction to support district implementation of comprehensive guidance and planning programs in support of high-quality high school and beyond plans consistent with RCW 28A.230.090.

(30) \$4,894,000 of the general fund—state appropriation for fiscal year 2018 and \$4,894,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for grants for implementation of dual credit programs and subsidized advance placement exam fees and international baccalaureate class fees and exam fees for low-income students. For expenditures related to subsidized exam fees, the superintendent shall report: The number of students served; the demographics of the students served; and how the students perform on the exams.

(31) \$100,000 of the general fund—state appropriation for fiscal year 2018 and \$100,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the superintendent of public instruction to convene a work group to build upon the work of the social emotional learning work group established under section 501(34), chapter 4, Laws of 2015 3rd sp. sess. The members of the work group must include representatives from the same

organizations that were represented on the 2015 work group, as well as five representatives of diverse communities and a statewide expanded learning opportunities intermediary. The work group must identify and articulate developmental indicators for each grade level for each of the social emotional learning benchmarks, solicit feedback from stakeholders, and develop a model of best practices or guidance for schools on implementing the benchmarks and indicators. The work group shall submit recommendations to the education committees of the legislature and the office of the governor by June 30, 2019.

(32) \$117,000 of the general fund—state appropriation for fiscal year 2018 and \$117,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 3 (SHB No. 1813), Laws of 2015 1st sp. sess. (computer science).

(33) \$450,000 of the general fund—state appropriation for fiscal year 2018 and \$450,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 236, Laws of 2017 (SHB 1445) (dual language/early learning & K-12). In selecting recipients of the K-12 dual language grant, the superintendent of public instruction must prioritize districts that received grants under section 501(36), chapter 4, Laws of 2015 3rd sp. sess.

(34) \$125,000 of the general fund—state appropriation for fiscal year 2018 and \$125,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the Kip Tokuda memorial Washington civil liberties public education program. The superintendent of public instruction shall award grants consistent with RCW 28A.300.410.

(35) \$1,000,000 of the general fund—state appropriation for fiscal year 2018 and \$1,000,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the computer science and education grant program to support the following three purposes: Train and credential teachers in computer sciences; provide and upgrade technology needed to learn computer science; and, for computer science frontiers grants to introduce students to and engage them in computer science. The office of the superintendent of public instruction must use the computer science learning standards adopted pursuant to chapter 3, Laws of 2015 (computer science) in implementing the grant, to the extent possible. Additionally, grants provided for the purpose of introducing students to computer science are intended to support innovative ways to introduce and engage students from historically underrepresented groups, including girls, low-income students, and minority students, to computer science and to inspire them to enter computer science careers. Grant funds for the computer science and education grant program may be expended only to the extent that they are equally matched by private sources for the program, including gifts, grants, or endowments.

(36) \$2,145,000 of the general fund—state appropriation for fiscal year 2018 and \$2,145,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for a contract with a nongovernmental entity or entities for demonstration sites to improve the educational outcomes of students who are dependent pursuant to chapter 13.34 RCW pursuant to chapter 71, Laws of 2016 (Fourth Substitute House Bill No. 1999, foster youth edu. outcomes).

(a) Of the amount provided in this subsection, \$446,000 of the general fund—state appropriation for fiscal year 2018 and \$446,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the

demonstration site established pursuant to the 2013-2015 omnibus appropriations act, section 202(10), chapter 4, Laws of 2013, 2nd sp. sess.

(b) Of the amount provided in this subsection, \$1,015,000 of the general fund—state appropriation for fiscal year 2018 and \$1,015,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the demonstration site established pursuant to the 2015-2017 omnibus appropriations act, section 501(43)(b), chapter 4, Laws of 2015, 3rd sp. sess., as amended.

(37) \$1,000,000 of the general fund—state appropriation for fiscal year 2018 and \$1,000,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 157, Laws of 2016 (Third Substitute House Bill No. 1682, homeless students).

(38) \$753,000 of the general fund—state appropriation for fiscal year 2018 and \$703,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 72, Laws of 2016 (Fourth Substitute House Bill No. 1541, educational opportunity gap).

(39) \$57,000 of the general fund—state appropriation for fiscal year 2018 and \$15,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 240, Laws of 2016 (Engrossed Senate Bill No. 6620, school safety).

(40) \$186,000 of the general fund—state appropriation for fiscal year 2018 and \$178,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 291, Laws of 2017 (2SHB 1170) (truancy reduction efforts).

(41) \$984,000 of the general fund—state appropriation for fiscal year 2018 and \$912,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 237, Laws of 2017 (ESHB 1115) (paraeducators).

(42) \$204,000 of the general fund—state appropriation for fiscal year 2018, \$204,000 of the general fund—state appropriation for fiscal year 2019, and \$408,000 of the general fund—federal appropriation are provided solely for implementation of chapter 202, Laws of 2017 (E2SHB 1713) (children's mental health).

(43) \$300,000 of the general fund—state appropriation for fiscal year 2018 and \$300,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for grants to middle and high schools to support international baccalaureate programs in high poverty schools. Of these amounts:

(a) \$200,000 of the appropriation for fiscal year 2018 and \$200,000 of the appropriation for fiscal year 2019 are provided solely for grants to high schools that have an existing international baccalaureate program and enrollments of seventy percent or more students eligible for free or reduced-price meals in the prior school year to implement and sustain an international baccalaureate program; and

(b) \$100,000 of the appropriation for fiscal year 2018 and \$100,000 of the appropriation for fiscal year 2019 are provided solely for grants to middle schools with students that will attend a qualifying high poverty high school that has received a grant under (a) of this subsection to support implementation of a middle school international baccalaureate program.

(44) \$240,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for a grant to the Pacific science center to continue providing science on wheels activities in schools and other community settings. Funding is provided to assist with upgrading three planetarium computers and software and to assist with purchasing and outfitting three vans with new traveling planetarium exhibits.

(45) \$100,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for the office of the superintendent of public instruction to contract for consulting services for a study of the current state pupil transportation funding formula. The study must evaluate the extent to which the formula corresponds to the actual costs of providing pupil transportation to and from school for the state's statutory program of basic education, including local school district characteristics such as unique geographic constraints, and transportation for students who are identified as homeless under the McKinney-Vento act. Based on the results of this evaluation, the superintendent must make recommendations for any necessary revisions to the state's pupil transportation formula, taking into account the statutory program of basic education, promotion of the efficient use of state and local resources, and continued local district control over the management of pupil transportation systems. The superintendent must make recommendations to clarify the sources of funding that districts can use to transport homeless students to and from school.

(46) \$440,000 of the general fund—state appropriation for fiscal year 2018 and \$270,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the office of the superintendent of public instruction for the procurement and implementation of a reporting and data aggregation system that will connect state- and district-level information to secure and protect district, school and student information in order to close student performance gaps by assisting school districts in data-driven implementation of strategies and supports that are responsive of student needs.

(47) \$150,000 of the general fund—state appropriation for fiscal year 2018 and \$450,000 of the general fund—state appropriation for fiscal year 2019 are provided for the superintendent of public instruction to develop and implement a statewide accountability system to address absenteeism and to improve student graduation rates. The system must use data to engage schools and districts in identifying successful strategies and systems that are based on federal and state accountability measures. Funding may also support the effort to provide assistance about successful strategies and systems to districts and schools that are underperforming in the targeted student subgroups.

(48) \$178,000 of the general fund—state appropriation for fiscal year 2018 and \$179,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 180, Laws of 2017 (2SSB 5258) (Washington Aim program).

NEW SECTION. Sec. 502. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR GENERAL APPORTIONMENT

General Fund—State Appropriation (FY 2018)	\$7,183,886,000
General Fund—State Appropriation (FY 2019)	\$7,412,055,000
Education Legacy Trust Account—State Appropriation	\$345,730,000
TOTAL APPROPRIATION	\$14,941,671,000

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

(1)(a) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(b) For the 2017-18 and 2018-19 school years, the superintendent shall allocate general apportionment funding to school districts as provided in the funding formulas and salary allocations in sections 502 and 503 of this act, excluding (c) of this subsection, and in House Bill No. 2242 (fully funding the program of basic education).

(c) From July 1, 2017, to August 31, 2017, the superintendent shall allocate general apportionment funding to school districts programs as provided in sections 502 and 503, chapter 4, Laws of 2015 3rd sp. sess., as amended.

(d) The enrollment of any district shall be the annual average number of full-time equivalent students and part-time students as provided in RCW 28A.150.350, enrolled on the fourth day of school in September and on the first school day of each month October through June, including students who are in attendance pursuant to RCW 28A.335.160 and 28A.225.250 who do not reside within the servicing school district. Any school district concluding its basic education program in May must report the enrollment of the last school day held in May in lieu of a June enrollment.

(e)(i) Funding provided in part V of this act is sufficient to provide each full-time equivalent student with the minimum hours of instruction required under RCW 28A.150.220.

(ii) The office of the superintendent of public instruction shall align the agency rules defining a full-time equivalent student with the increase in the minimum instructional hours under RCW 28A.150.220, as amended by the legislature in 2014.

(f) The superintendent shall adopt rules requiring school districts to report full-time equivalent student enrollment as provided in RCW 28A.655.210.

(g) For the 2017-18 and 2018-19 school years, school districts must report to the office of the superintendent of public instruction the monthly actual average district-wide class size across each grade level of kindergarten, first grade, second grade, and third grade classes. The superintendent of public instruction shall report this information to the education and fiscal committees of the house of representatives and the senate by September 30th of each year.

(2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

Allocations for certificated instructional staff salaries for the 2017-18 and 2018-19 school years are determined using formula-generated staff units calculated pursuant to this subsection.

(a) Certificated instructional staff units, as defined in RCW 28A.150.410, shall be allocated to reflect the minimum class size allocations, requirements, and school prototypes assumptions as provided in RCW 28A.150.260. The superintendent shall make allocations to school districts based on the district's annual average full-time equivalent student enrollment in each grade.

(b) Additional certificated instructional staff units provided in this subsection (2) that exceed the minimum requirements in RCW 28A.150.260 are

enhancements outside the program of basic education, except as otherwise provided in this section.

(c)(i) The superintendent shall base allocations for each level of prototypical school on the following regular education average class size of full-time equivalent students per teacher, except as provided in (c)(ii) of this subsection:

General education class size:

Grade	RCW 28A.150.260	2017-18 School Year	2018-19 School Year
Grade K		17.00	17.00
Grade 1		17.00	17.00
Grade 2		17.00	17.00
Grade 3		17.00	17.00
Grade 4		27.00	27.00
Grades 5-6		27.00	27.00
Grades 7-8		28.53	28.53
Grades 9-12		28.74	28.74

The superintendent shall base allocations for: Laboratory science average class size as provided in RCW 28A.150.260; career and technical education (CTE) class size of 23.0; and skill center program class size of 20.0.

(ii) For each level of prototypical school at which more than fifty percent of the students were eligible for free and reduced-price meals in the prior school year, the superintendent shall allocate funding based on the following average class size of full-time equivalent students per teacher:

General education class size in high poverty schools:

Grade	RCW 28A.150.260	2017-18 School Year	2018-19 School Year
Grade K		17.00	17.00
Grade 1		17.00	17.00
Grade 2		17.00	17.00
Grade 3		17.00	17.00
Grade 4		27.00	27.00
Grades 5-6		27.00	27.00
Grades 7-8		28.53	28.53
Grades 9-12		28.74	28.74

(iii) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher planning period, expressed as a percentage of a teacher work day, is 13.42 percent in grades K-6, and 16.67 percent in grades 7-12; and

(iv) Advanced placement and international baccalaureate courses are funded at the same class size assumptions as general education schools in the same grade; and

(d)(i) Funding for teacher librarians, school nurses, social workers, school psychologists, and guidance counselors is allocated based on the school prototypes as provided in RCW 28A.150.260 and is considered certificated instructional staff, except as provided in (d)(ii) of this subsection.

(ii) Students in approved career and technical education and skill center programs generate certificated instructional staff units to provide for the services of teacher librarians, school nurses, social workers, school psychologists, and guidance counselors at the following combined rate per 1000 student full-time equivalent enrollment:

	2017-18 School Year	2018-19 School Year
Career and Technical Education	3.07	3.07
Skill Center	3.41	3.41

(3) ADMINISTRATIVE STAFF ALLOCATIONS

(a) Allocations for school building-level certificated administrative staff salaries for the 2017-18 and 2018-19 school years for general education students are determined using the formula generated staff units calculated pursuant to this subsection. The superintendent shall make allocations to school districts based on the district's annual average full-time equivalent enrollment in each grade. The following prototypical school values shall determine the allocation for principals, assistance principals, and other certificated building level administrators:

Prototypical School Building:

Elementary School	1.253
Middle School	1.353
High School	1.880

(b) Students in approved career and technical education and skill center programs generate certificated school building-level administrator staff units at per student rates that are a multiple of the general education rate in (a) of this subsection by the following factors: Career and Technical Education students . . . 1.025

Skill Center students 1.198

(4) CLASSIFIED STAFF ALLOCATIONS

Allocations for classified staff units providing school building-level and district-wide support services for the 2017-18 and 2018-19 school years are determined using the formula-generated staff units provided in RCW 28A.150.260 and pursuant to this subsection, and adjusted based on each district's annual average full-time equivalent student enrollment in each grade.

(5) CENTRAL OFFICE ALLOCATIONS

In addition to classified and administrative staff units allocated in subsections (3) and (4) of this section, classified and administrative staff units are provided for the 2017-18 and 2018-19 school years for the central office administrative costs of operating a school district, at the following rates:

(a) The total central office staff units provided in this subsection (5) are calculated by first multiplying the total number of eligible certificated instructional, certificated administrative, and classified staff units providing school-based or district-wide support services, as identified in RCW 28A.150.260(6)(b) and the increased allocations provided pursuant to subsections (2) and (4) of this section, by 5.3 percent.

(b) Of the central office staff units calculated in (a) of this subsection, 74.53 percent are allocated as classified staff units, as generated in subsection (4) of this section, and 25.47 percent shall be allocated as administrative staff units, as generated in subsection (3) of this section.

(c) Staff units generated as enhancements outside the program of basic education to the minimum requirements of RCW 28A.150.260, and staff units generated by skill center and career-technical students, are excluded from the total central office staff units calculation in (a) of this subsection.

(d) For students in approved career-technical and skill center programs, central office classified units are allocated at the same staff unit per student rate as those generated for general education students of the same grade in this subsection (5), and central office administrative staff units are allocated at staff unit per student rates that exceed the general education rate established for students in the same grade in this subsection (5) by 12.29 percent in the 2017-18 school year and 12.29 percent in the 2018-19 school year for career and technical education students, and 17.61 percent in the 2017-18 school year and 17.61 percent in the 2018-19 school year for skill center students.

(6) FRINGE BENEFIT ALLOCATIONS

Fringe benefit allocations shall be calculated at a rate of 23.49 percent in the 2017-18 school year and 23.49 percent in the 2018-19 school year for certificated salary allocations provided under subsections (2), (3), and (5) of this section, and a rate of 24.60 percent in the 2017-18 school year and 24.60 percent in the 2018-19 school year for classified salary allocations provided under subsections (4) and (5) of this section.

(7) INSURANCE BENEFIT ALLOCATIONS

Insurance benefit allocations shall be calculated at the maintenance rate specified in section 504 of this act, based on the number of benefit units determined as follows:

(a) The number of certificated staff units determined in subsections (2), (3), and (5) of this section; and

(b) The number of classified staff units determined in subsections (4) and (5) of this section multiplied by 1.152. This factor is intended to adjust allocations so that, for the purpose of distributing insurance benefits, full-time equivalent classified employees may be calculated on the basis of 1,440 hours of work per year, with no individual employee counted as more than one full-time equivalent.

(8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS

Funding is allocated per annual average full-time equivalent student for the materials, supplies, and operating costs (MSOC) incurred by school districts, consistent with the requirements of RCW 28A.150.260.

(a)(i) MSOC funding for general education students are allocated at the following per student rates:

MSOC RATES/STUDENT FTE

MSOC Component	2017-18 School Year	2018-19 School Year
Technology	\$130.76	\$132.85
Utilities and Insurance	\$355.30	\$360.98
Curriculum and Textbooks	\$140.39	\$142.64
Other Supplies and Library Materials	\$298.05	\$302.82
Instructional Professional Development for Certificated and Classified Staff	\$21.71	\$22.06
Facilities Maintenance	\$176.01	\$178.83
Security and Central Office	\$121.94	\$123.89
TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$1,244.16	\$1,264.07

(ii) For the 2017-18 school year and 2018-19 school year, as part of the budget development, hearing, and review process required by chapter 28A.505 RCW, each school district must disclose: (A) The amount of state funding to be received by the district under (a) and (d) of this subsection (8); (B) the amount the district proposes to spend for materials, supplies, and operating costs; (C) the difference between these two amounts; and (D) if (A) of this subsection (8)(a)(ii) exceeds (B) of this subsection (8)(a)(ii), any proposed use of this difference and how this use will improve student achievement.

(b) Students in approved skill center programs generate per student FTE MSOC allocations of \$1,472.01 for the 2017-18 school year and \$1,495.56 for the 2018-19 school year.

(c) Students in approved exploratory and preparatory career and technical education programs generate per student FTE MSOC allocations of \$1,472.01 for the 2017-18 school year and \$1,495.56 for the 2018-19 school year.

(d) Students in grades 9-12 generate per student FTE MSOC allocations in addition to the allocations provided in (a) through (c) of this subsection at the following rate:

MSOC Component	2017-18 School Year	2018-19 School Year
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Technology	\$37.60	\$38.20
Curriculum and Textbooks	\$41.02	\$41.67
Other Supplies and Library Materials	\$85.46	\$86.82
Instructional Professional Development for Certified and Classified Staff	\$6.83	\$6.95
TOTAL GRADE 9-12 BASIC EDUCATION MSOC/STUDENT FTE	\$170.91	\$173.64

(9) SUBSTITUTE TEACHER ALLOCATIONS

For the 2017-18 and 2018-19 school years, funding for substitute costs for classroom teachers is based on four (4) funded substitute days per classroom teacher unit generated under subsection (2) of this section, at a daily substitute rate of \$151.86.

(10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

(a) Amounts provided in this section from July 1, 2017, to August 31, 2017, are adjusted to reflect provisions of chapter 4, Laws of 2015 3rd sp. sess., as amended (allocation of funding for students enrolled in alternative learning experiences).

(b) The superintendent of public instruction shall require all districts receiving general apportionment funding for alternative learning experience (ALE) programs as defined in WAC 392-121-182 to provide separate financial accounting of expenditures for the ALE programs offered in district or with a provider, including but not limited to private companies and multidistrict cooperatives, as well as accurate, monthly headcount and FTE enrollment claimed for basic education, including separate counts of resident and nonresident students.

(11) DROPOUT REENGAGEMENT PROGRAM

The superintendent shall adopt rules to require students claimed for general apportionment funding based on enrollment in dropout reengagement programs authorized under RCW 28A.175.100 through 28A.175.115 to meet requirements for at least weekly minimum instructional contact, academic counseling, career counseling, or case management contact. Districts must also provide separate financial accounting of expenditures for the programs offered by the district or under contract with a provider, as well as accurate monthly headcount and full-time equivalent enrollment claimed for basic education, including separate enrollment counts of resident and nonresident students.

(12) ALL DAY KINDERGARTEN PROGRAMS

Funding in this section is sufficient to fund all day kindergarten programs in all schools in the 2017-18 school year and 2018-19 school year, pursuant to RCW 28A.150.220 and 28A.150.315.

(13) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND NECESSARY PLANTS

For small school districts and remote and necessary school plants within any district which have been judged to be remote and necessary by the

superintendent of public instruction, additional staff units are provided to ensure a minimum level of staffing support. Additional administrative and certificated instructional staff units provided to districts in this subsection shall be reduced by the general education staff units, excluding career and technical education and skills center enhancement units, otherwise provided in subsections (2) through (5) of this section on a per district basis.

(a) For districts enrolling not more than twenty-five average annual full-time equivalent students in grades K-8, and for small school plants within any school district which have been judged to be remote and necessary by the superintendent of public instruction and enroll not more than twenty-five average annual full-time equivalent students in grades K-8:

(i) For those enrolling no students in grades 7 and 8, 1.76 certificated instructional staff units and 0.24 certificated administrative staff units for enrollment of not more than five students, plus one-twentieth of a certificated instructional staff unit for each additional student enrolled; and

(ii) For those enrolling students in grades 7 or 8, 1.68 certificated instructional staff units and 0.32 certificated administrative staff units for enrollment of not more than five students, plus one-tenth of a certificated instructional staff unit for each additional student enrolled;

(b) For specified enrollments in districts enrolling more than twenty-five but not more than one hundred average annual full-time equivalent students in grades K-8, and for small school plants within any school district which enroll more than twenty-five average annual full-time equivalent students in grades K-8 and have been judged to be remote and necessary by the superintendent of public instruction:

(i) For enrollment of up to sixty annual average full-time equivalent students in grades K-6, 2.76 certificated instructional staff units and 0.24 certificated administrative staff units; and

(ii) For enrollment of up to twenty annual average full-time equivalent students in grades 7 and 8, 0.92 certificated instructional staff units and 0.08 certificated administrative staff units;

(c) For districts operating no more than two high schools with enrollments of less than three hundred average annual full-time equivalent students, for enrollment in grades 9-12 in each such school, other than alternative schools, except as noted in this subsection:

(i) For remote and necessary schools enrolling students in any grades 9-12 but no more than twenty-five average annual full-time equivalent students in grades K-12, four and one-half certificated instructional staff units and one-quarter of a certificated administrative staff unit;

(ii) For all other small high schools under this subsection, nine certificated instructional staff units and one-half of a certificated administrative staff unit for the first sixty average annual full-time equivalent students, and additional staff units based on a ratio of 0.8732 certificated instructional staff units and 0.1268 certificated administrative staff units per each additional forty-three and one-half average annual full-time equivalent students;

(iii) Districts receiving staff units under this subsection shall add students enrolled in a district alternative high school and any grades nine through twelve alternative learning experience programs with the small high school enrollment for calculations under this subsection;

(d) For each nonhigh school district having an enrollment of more than seventy annual average full-time equivalent students and less than one hundred eighty students, operating a grades K-8 program or a grades 1-8 program, an additional one-half of a certificated instructional staff unit;

(e) For each nonhigh school district having an enrollment of more than fifty annual average full-time equivalent students and less than one hundred eighty students, operating a grades K-6 program or a grades 1-6 program, an additional one-half of a certificated instructional staff unit;

(f)(i) For enrollments generating certificated staff unit allocations under (a) through (e) of this subsection, one classified staff unit for each 2.94 certificated staff units allocated under such subsections;

(ii) For each nonhigh school district with an enrollment of more than fifty annual average full-time equivalent students and less than one hundred eighty students, an additional one-half of a classified staff unit; and

(g) School districts receiving additional staff units to support small student enrollments and remote and necessary plants under this subsection (12) shall generate additional MSOC allocations consistent with the nonemployee related costs (NERC) allocation formula in place for the 2010-11 school year as provided section 502, chapter 37, Laws of 2010 1st sp. sess. (2010 supplemental budget), adjusted annually for inflation.

(14) Any school district board of directors may petition the superintendent of public instruction by submission of a resolution adopted in a public meeting to reduce or delay any portion of its basic education allocation for any school year. The superintendent of public instruction shall approve such reduction or delay if it does not impair the district's financial condition. Any delay shall not be for more than two school years. Any reduction or delay shall have no impact on levy authority pursuant to RCW 84.52.0531 and local effort assistance pursuant to chapter 28A.500 RCW.

(15) The superintendent may distribute funding for the following programs outside the basic education formula during fiscal years 2018 and 2019 as follows:

(a) \$638,000 of the general fund—state appropriation for fiscal year 2018 and \$648,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for fire protection for school districts located in a fire protection district as now or hereafter established pursuant to chapter 52.04 RCW.

(b) \$436,000 of the general fund—state appropriation for fiscal year 2018 and \$436,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for programs providing skills training for secondary students who are enrolled in extended day school-to-work programs, as approved by the superintendent of public instruction. The funds shall be allocated at a rate not to exceed \$500 per full-time equivalent student enrolled in those programs.

(16) \$225,000 of the general fund—state appropriation for fiscal year 2018 and \$229,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for school district emergencies as certified by the superintendent of public instruction. Funding provided must be conditioned upon the written commitment and plan of the school district board of directors to repay the grant with any insurance payments or other judgments that may be awarded, if applicable. At the close of the fiscal year the superintendent of public instruction shall report to the office of financial management and the appropriate fiscal

committees of the legislature on the allocations provided to districts and the nature of the emergency.

(17) Funding in this section is sufficient to fund a maximum of 1.6 FTE enrollment for skills center students pursuant to chapter 463, Laws of 2007.

(18) Students participating in running start programs may be funded up to a combined maximum enrollment of 1.2 FTE including school district and institution of higher education enrollment consistent with the running start course requirements provided in chapter 202, Laws of 2015 (dual credit education opportunities). In calculating the combined 1.2 FTE, the office of the superintendent of public instruction may average the participating student's September through June enrollment to account for differences in the start and end dates for courses provided by the high school and higher education institution. Additionally, the office of the superintendent of public instruction, in consultation with the state board for community and technical colleges, the student achievement council, and the education data center, shall annually track and report to the fiscal committees of the legislature on the combined FTE experience of students participating in the running start program, including course load analyses at both the high school and community and technical college system.

(19) If two or more school districts consolidate and each district was receiving additional basic education formula staff units pursuant to subsection (12) of this section, the following apply:

(a) For three school years following consolidation, the number of basic education formula staff units shall not be less than the number of basic education formula staff units received by the districts in the school year prior to the consolidation; and

(b) For the fourth through eighth school years following consolidation, the difference between the basic education formula staff units received by the districts for the school year prior to consolidation and the basic education formula staff units after consolidation pursuant to subsection (12) of this section shall be reduced in increments of twenty percent per year.

(20)(a) Indirect cost charges by a school district to approved career and technical education middle and secondary programs shall not exceed 5 percent of the combined basic education and career and technical education program enhancement allocations of state funds. Middle and secondary career and technical education programs are considered separate programs for funding and financial reporting purposes under this section.

(b) Career and technical education program full-time equivalent enrollment shall be reported on the same monthly basis as the enrollment for students eligible for basic support, and payments shall be adjusted for reported career and technical education program enrollments on the same monthly basis as those adjustments for enrollment for students eligible for basic support.

NEW SECTION. Sec. 503. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—BASIC EDUCATION EMPLOYEE COMPENSATION

(1) The following calculations determine the salaries used in the state allocations for certificated instructional, certificated administrative, and classified staff units as provided in House Bill No. 2242 (fully funding the

program of basic education), RCW 28A.150.260, and under section 502 of this act:

(a) For the 2017-18 school year, salary allocations for certificated instructional staff units are determined for each district by multiplying the district's certificated instructional total base salary shown on LEAP Document 2 by the district's average staff mix factor for certificated instructional staff in that school year, computed using LEAP document 1.

(b) For the 2017-18 school year, salary allocations for certificated administrative staff units and classified staff units for each district are determined based on the district's certificated administrative and classified salary allocation amounts shown on LEAP Document 2.

(c) For the 2018-19 school year salary allocations for certificated instructional staff, certificated administrative staff, and classified staff units are determined for each school district by multiplying the statewide minimum salary allocation for each staff type by the school district's regionalization factor shown in LEAP Document 3.

Statewide Minimum Salary Allocation
For School Year 2018-19

Certificated Instructional Staff	\$59,333.55
Certificated Administrative Staff	\$79,127.50
Classified Staff	\$39,975.50

(2) For the purposes of this section:

(a) "LEAP Document 1" means the staff mix factors for certificated instructional staff according to education and years of experience, as developed by the legislative evaluation and accountability program committee on June 22, 2017, at 1:14 hours; and

(b) "LEAP Document 2" means the school year salary allocations for certificated administrative staff and classified staff and derived and total base salaries for certificated instructional staff as developed by the legislative evaluation and accountability program committee on June 22, 2017, at 1:14 hours.

(c) "LEAP Document 3" means the school district regionalization factors for certificated instructional, certificated administrative, and classified staff, as developed by the legislative evaluation and accountability program committee on June 22, 2017, at 1:14 hours.

(3) Incremental fringe benefit factors are applied to salary adjustments at a rate of 22.85 percent for school year 2017-18 and 22.85 percent for school year 2018-19 for certificated instructional and certificated administrative staff and 21.10 percent for school year 2017-18 and 21.10 percent for the 2018-19 school year for classified staff.

(4)(a) Pursuant to RCW 28A.150.410, the following state-wide salary allocation schedule for certificated instructional staff are established for basic education salary allocations for the 2017-18 school year:

**Table Of Total Base Salaries For Certificated Instructional Staff
For School Year 2017-18
*** Education Experience *****

Years of Service									MA+90
	<u>BA</u>	<u>BA+15</u>	<u>BA+30</u>	<u>BA+45</u>	<u>BA+90</u>	<u>BA+135</u>	<u>MA</u>	<u>MA+45</u>	OR <u>Ph.D.</u>
0	36,521	37,507	38,529	39,554	42,840	44,957	43,785	47,072	49,191
1	37,013	38,013	39,048	40,117	43,438	45,543	44,272	47,593	49,697
2	37,481	38,491	39,537	40,688	44,000	46,127	44,762	48,073	50,201
3	37,964	38,983	40,040	41,229	44,534	46,712	45,227	48,529	50,709
4	38,437	39,501	40,565	41,794	45,119	47,313	45,714	49,038	51,234
5	38,926	39,995	41,069	42,367	45,679	47,918	46,209	49,522	51,760
6	39,428	40,474	41,585	42,948	46,244	48,494	46,716	50,013	52,262
7	40,312	41,373	42,498	43,935	47,280	49,593	47,666	51,010	53,324
8	41,604	42,724	43,876	45,431	48,822	51,219	49,161	52,552	54,949
9		44,122	45,332	46,943	50,413	52,892	50,672	54,143	56,623
10			46,805	48,533	52,049	54,611	52,263	55,780	58,340
11				50,169	53,761	56,375	53,899	57,492	60,104
12				51,753	55,520	58,211	55,600	59,250	61,942
13					57,322	60,093	57,360	61,052	63,823
14					59,132	62,046	59,172	62,981	65,776
15					60,671	63,660	60,710	64,618	67,486
16 or more					61,884	64,932	61,924	65,910	68,836

(b) As used in this subsection, the column headings "BA+(N)" refer to the number of credits earned since receiving the baccalaureate degree.

(c) For credits earned after the baccalaureate degree but before the masters degree, any credits in excess of forty-five credits may be counted after the masters degree. Thus, as used in this subsection, the column headings "MA+(N)" refer to the total of:

(i) Credits earned since receiving the masters degree; and

(ii) Any credits in excess of forty-five credits that were earned after the baccalaureate degree but before the masters degree.

(5) For the purposes of this section:

(a) "BA" means a baccalaureate degree.

(b) "MA" means a masters degree.

(c) "PHD" means a doctorate degree.

(d) "Years of service" shall be calculated under the same rules adopted by the superintendent of public instruction.

(e) "Credits" means college quarter hour credits and equivalent in-service credits computed in accordance with RCW 28A.415.020 and 28A.415.023.

(6) No more than ninety college quarter-hour credits received by any employee after the baccalaureate degree may be used to determine compensation allocations under the state salary allocation schedule and LEAP documents referenced in this part V, or any replacement schedules and documents, unless:

(a) The employee has a masters degree; or

(b) The credits were used in generating state salary allocations before January 1, 1992.

(7) The salary allocations established in this section are for allocation purposes only except as provided in this subsection, and do not entitle an individual staff position to a particular paid salary except as provided in RCW 28A.400.200, as amended by House Bill No. 2242 (fully funding the program of basic education).

(8) For school year 2018-19, the salary allocations for each district shall be the greater of:

(a) The derived school year 2018-19 salary allocations in subsection (1) of this section; or

(b) The derived salary allocations for school year 2017-18 increased by 2.3 percent.

NEW SECTION. Sec. 504. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS

General Fund—State Appropriation (FY 2018)	\$216,086,000
General Fund—State Appropriation (FY 2019)	\$1,360,536,000
TOTAL APPROPRIATION	\$1,576,622,000

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

(1) The salary increases provided in this section are inclusive of and above the annual cost-of-living adjustments pursuant to RCW 28A.400.205.

(2) In addition to salary allocations specified in this subsection (1) funding in this subsection includes one day of professional learning for each of the funded full-time equivalent certificated instructional staff units in school year 2018-19. Nothing in this section entitles an individual certificated instructional staff to any particular number of professional learning days.

(3)(a) The appropriations in this section include associated incremental fringe benefit allocations at 22.85 percent for the 2017-18 school year and 22.85 percent for the 2018-19 school year for certificated instructional and certificated administrative staff and 21.10 percent for the 2017-18 school year and 21.10 percent for the 2018-19 school year for classified staff.

(b) The appropriations in this section include the increased or decreased portion of salaries and incremental fringe benefits for all relevant state-funded school programs in part V of this act. Changes for general apportionment (basic education) are based on the salary allocations and methodology in sections 502 and 503 of this act. Changes for special education result from changes in each district's basic education allocation per student. Changes for educational service districts and institutional education programs are determined by the superintendent of public instruction using the methodology for general apportionment salaries and benefits in sections 502 and 503 of this act.

(c) The appropriations in this section include no salary adjustments for substitute teachers.

(4) The maintenance rate for insurance benefit allocations is \$780.00 per month for the 2017-18 and 2018-19 school years. The appropriations in this section reflect the incremental change in cost of allocating rates of \$820.00 per month for the 2017-18 school year and \$840.00 per month for the 2018-19 school year.

(5) The rates specified in this section are subject to revision each year by the legislature.

NEW SECTION. Sec. 505. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR PUPIL TRANSPORTATION

General Fund—State Appropriation (FY 2018)	\$502,599,000
General Fund—State Appropriation (FY 2019)	\$497,940,000
TOTAL APPROPRIATION	\$1,000,539,000

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

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2)(a) For the 2017-18 and 2018-19 school years, the superintendent shall allocate funding to school district programs for the transportation of eligible students as provided in RCW 28A.160.192. Funding in this section constitutes full implementation of RCW 28A.160.192, which enhancement is within the program of basic education. Students are considered eligible only if meeting the definitions provided in RCW 28A.160.160.

(b) From July 1, 2017, to August 31, 2017, the superintendent shall allocate funding to school districts programs for the transportation of students as provided in section 505, chapter 4, Laws of 2015 3rd sp. sess., as amended.

(3) Within amounts appropriated in this section, up to \$10,000,000 of the general fund—state appropriation for fiscal year 2018 and up to \$10,000,000 of the general fund—state appropriation for fiscal year 2019 are for a transportation alternate funding grant program based on the alternate funding process established in RCW 28A.160.191. The superintendent of public instruction must include a review of school district efficiency rating, key performance indicators and local school district characteristics such as unique geographic constraints in the grant award process.

(4) A maximum of \$913,000 of this fiscal year 2018 appropriation and a maximum of \$937,000 of the fiscal year 2019 appropriation may be expended for regional transportation coordinators and related activities. The transportation coordinators shall ensure that data submitted by school districts for state transportation funding shall, to the greatest extent practical, reflect the actual transportation activity of each district.

(5) The office of the superintendent of public instruction shall provide reimbursement funding to a school district for school bus purchases only after the superintendent of public instruction determines that the school bus was purchased from the list established pursuant to RCW 28A.160.195(2) or a comparable competitive bid process based on the lowest price quote based on similar bus categories to those used to establish the list pursuant to RCW 28A.160.195.

(6) The superintendent of public instruction shall base depreciation payments for school district buses on the presales tax five-year average of lowest bids in the appropriate category of bus. In the final year on the depreciation schedule, the depreciation payment shall be based on the lowest bid in the appropriate bus category for that school year.

(7) Funding levels in this section reflect waivers granted by the state board of education for four-day school weeks as allowed under RCW 28A.305.141.

(8) The office of the superintendent of public instruction shall annually disburse payments for bus depreciation in August.

NEW SECTION. Sec. 506. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SCHOOL FOOD SERVICE PROGRAMS

General Fund—State Appropriation (FY 2018)	\$7,111,000
General Fund—State Appropriation (FY 2019)	\$7,111,000
General Fund—Federal Appropriation	\$537,178,000
TOTAL APPROPRIATION	\$551,400,000

The appropriations in this section are subject to the following conditions and limitations: \$7,111,000 of the general fund—state appropriation for fiscal year 2018 and \$7,111,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for state matching money for federal child nutrition programs, and may support the meals for kids program through the following allowable uses:

(1) Elimination of breakfast copays for eligible public school students and lunch copays for eligible public school students in grades kindergarten through third grade who are eligible for reduced-price lunch;

(2) Assistance to school districts and authorized public and private nonprofit organizations for supporting summer food service programs, and initiating new summer food service programs in low-income areas;

(3) Reimbursements to school districts for school breakfasts served to students eligible for free and reduced-price lunch, pursuant to chapter 287, Laws of 2005; and

(4) Assistance to school districts in initiating and expanding school breakfast programs.

The office of the superintendent of public instruction shall report annually to the fiscal committees of the legislature on annual expenditures in subsections (1), (2), and (3) of this section.

The superintendent of public instruction shall provide the department of health with the following data, where available, for all nutrition assistance programs that are funded by the United States department of agriculture and administered by the office of the superintendent of public instruction. The superintendent must provide the report for the preceding federal fiscal year by February 1, 2018, and February 1, 2019. The report must provide:

- (a) The number of people in Washington who are eligible for the program;
- (b) The number of people in Washington who participated in the 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.

NEW SECTION. Sec. 507. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SPECIAL EDUCATION PROGRAMS

General Fund—State Appropriation (FY 2018)	\$956,055,000
General Fund—State Appropriation (FY 2019)	\$989,284,000
General Fund—Federal Appropriation	\$470,673,000
Education Legacy Trust Account—State Appropriation	\$54,694,000

TOTAL APPROPRIATION \$2,470,706,000

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:

(i) Special education students are basic education students first;

(ii) As a class, special education students are entitled to the full basic education allocation; and

(iii) Special education students are basic education students for the entire school day.

(b) The superintendent of public instruction shall continue to implement the full cost method of excess cost accounting, as designed by the committee and recommended by the superintendent, pursuant to section 501(1)(k), chapter 372, Laws of 2006.

(3) Each fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(4)(a) For the 2017-18 and 2018-19 school years, the superintendent shall allocate funding to school district programs for special education students as provided in RCW 28A.150.390, except that the calculation of the base allocation also includes allocations provided under section 502 (2) and (4) of this act, which enhancement is within the program of basic education.

(b) From July 1, 2017, to August 31, 2017, the superintendent shall allocate funding to school district programs for special education students as provided in section 507, chapter 4, Laws of 2015 3rd sp. sess., as amended.

(5) The following applies throughout this section: The definitions for enrollment and enrollment percent are as specified in RCW 28A.150.390(3). Each district's general fund—state funded special education enrollment shall be the lesser of the district's actual enrollment percent or 13.5 percent.

(6) At the request of any interdistrict cooperative of at least 15 districts in which all excess cost services for special education students of the districts are provided by the cooperative, the maximum enrollment percent shall be calculated in accordance with RCW 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate rather than individual district units. For purposes of

this subsection, the average basic education allocation per full-time equivalent student shall be calculated in the aggregate rather than individual district units.

(7) \$31,087,000 of the general fund—state appropriation for fiscal year 2018, \$31,087,000 of the general fund—state appropriation for fiscal year 2019, and \$31,024,000 of the general fund—federal appropriation are provided solely for safety net awards for districts with demonstrated needs for special education funding beyond the amounts provided in subsection (4) of this section. If the federal safety net awards based on the federal eligibility threshold exceed the federal appropriation in this subsection (7) in any fiscal year, the superintendent shall expend all available federal discretionary funds necessary to meet this need. At the conclusion of each school year, the superintendent shall recover safety net funds that were distributed prospectively but for which districts were not subsequently eligible.

(a) For the 2017-18 and 2018-19 school years, safety net funds shall be awarded by the state safety net oversight committee as provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

(b) The office of the superintendent of public instruction shall make award determinations for state safety net funding in August of each school year, except that the superintendent of public instruction shall make award determinations for state safety net funding in July of each school year for the Washington state school for the blind and for the center for childhood deafness and hearing loss. Determinations on school district eligibility for state safety net awards shall be based on analysis of actual expenditure data from the current school year.

(8) A maximum of \$931,000 may be expended from the general fund—state appropriations to fund 5.43 full-time equivalent teachers and 2.1 full-time equivalent aides at children's orthopedic hospital and medical center. This amount is in lieu of money provided through the home and hospital allocation and the special education program.

(9) The superintendent shall maintain the percentage of federal flow-through to school districts at 85 percent. In addition to other purposes, school districts may use increased federal funds for high-cost students, for purchasing regional special education services from educational service districts, and for staff development activities particularly relating to inclusion issues.

(10) A school district may carry over from one year to the next year up to 10 percent of the general fund—state funds allocated under this program; however, carryover funds shall be expended in the special education program.

(11) \$256,000 of the general fund—state appropriation for fiscal year 2018 and \$256,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for two additional full-time equivalent staff to support the work of the safety net committee and to provide training and support to districts applying for safety net awards.

(12) \$50,000 of the general fund—state appropriation for fiscal year 2018, \$50,000 of the general fund—state appropriation for fiscal year 2019, and \$100,000 of the general fund—federal appropriation are provided solely for a special education family liaison position within the office of the superintendent of public instruction.

NEW SECTION. Sec. 508. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR EDUCATIONAL SERVICE DISTRICTS
General Fund—State Appropriation (FY 2018) \$8,534,000

General Fund—State Appropriation (FY 2019)	\$8,558,000
TOTAL APPROPRIATION	\$17,092,000

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

(1) The educational service districts shall continue to furnish financial services required by the superintendent of public instruction and RCW 28A.310.190 (3) and (4).

(2) Funding within this section is provided for regional professional development related to mathematics and science curriculum and instructional strategies aligned with common core state standards and next generation science standards. Funding shall be distributed among the educational service districts in the same proportion as distributions in the 2007-2009 biennium. Each educational service district shall use this funding solely for salary and benefits for a certificated instructional staff with expertise in the appropriate subject matter and in professional development delivery, and for travel, materials, and other expenditures related to providing regional professional development support.

(3) The educational service districts, at the request of the state board of education pursuant to RCW 28A.310.010 and 28A.305.130, may receive and screen applications for school accreditation, conduct school accreditation site visits pursuant to state board of education rules, and submit to the state board of education post-site visit recommendations for school accreditation. The educational service districts may assess a cooperative service fee to recover actual plus reasonable indirect costs for the purposes of this subsection.

NEW SECTION. Sec. 509. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR LOCAL EFFORT ASSISTANCE

General Fund—State Appropriation (FY 2018)	\$449,808,000
General Fund—State Appropriation (FY 2019)	\$454,876,000
TOTAL APPROPRIATION	\$904,684,000

The appropriations in this section are subject to the following conditions and limitations: For purposes of RCW 84.52.0531, the increase per full-time equivalent student is 5.85 percent from the 2016-17 school year to the 2017-18 school year.

NEW SECTION. Sec. 510. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR INSTITUTIONAL EDUCATION PROGRAMS

General Fund—State Appropriation (FY 2018)	\$13,565,000
General Fund—State Appropriation (FY 2019)	\$13,689,000
TOTAL APPROPRIATION	\$27,254,000

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

(1) Each general fund—state fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) State funding provided under this section is based on salaries and other expenditures for a 220-day school year. The superintendent of public instruction

shall monitor school district expenditure plans for institutional education programs to ensure that districts plan for a full-time summer program.

(3) State funding for each institutional education program shall be based on the institution's annual average full-time equivalent student enrollment. Staffing ratios for each category of institution shall remain the same as those funded in the 1995-97 biennium.

(4) The funded staffing ratios for education programs for juveniles age 18 or less in department of corrections facilities shall be the same as those provided in the 1997-99 biennium.

(5) \$701,000 of the general fund—state appropriation for fiscal year 2018 and \$701,000 of the general fund—state appropriation for fiscal year 2019 are provided solely to maintain at least one certificated instructional staff and related support services at an institution whenever the K-12 enrollment is not sufficient to support one full-time equivalent certificated instructional staff to furnish the educational program. The following types of institutions are included: Residential programs under the department of social and health services for developmentally disabled juveniles, programs for juveniles under the department of corrections, programs for juveniles under the juvenile rehabilitation administration, and programs for juveniles operated by city and county jails.

(6) Ten percent of the funds allocated for each institution may be carried over from one year to the next.

NEW SECTION. Sec. 511. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS

General Fund—State Appropriation (FY 2018)	\$21,265,000
General Fund—State Appropriation (FY 2019)	\$24,306,000
TOTAL APPROPRIATION	\$45,571,000

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

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) For the 2017-18 and 2018-19 school years, the superintendent shall allocate funding to school district programs for highly capable students as provided in RCW 28A.150.260(10)(c) except that allocations must be based on 5.0 percent of each school district's full-time equivalent enrollment. In calculating the allocations, the superintendent shall assume the following: (i) Additional instruction of 2.1590 hours per week per funded highly capable program student; (ii) fifteen highly capable program students per teacher; (iii) 36 instructional weeks per year; (iv) 900 instructional hours per teacher; and (v) the compensation rates as provided in sections 503 and 504 of this act.

(b) From July 1, 2017, to August 31, 2017, the superintendent shall allocate funding to school districts programs for highly capable students as provided in section 511, chapter 4, Laws of 2015 3rd sp. sess., as amended.

(3) \$85,000 of the general fund—state appropriation for fiscal year 2018 and \$85,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the centrum program at Fort Worden state park.

NEW SECTION. Sec. 512. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR MISCELLANEOUS—EVERY STUDENT SUCCEEDS ACT

General Fund—Federal Appropriation \$4,802,000

NEW SECTION. Sec. 513. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—EDUCATION REFORM PROGRAMS

General Fund—State Appropriation (FY 2018) \$134,741,000

General Fund—State Appropriation (FY 2019) \$155,464,000

General Fund—Federal Appropriation \$93,320,000

General Fund—Private/Local Appropriation \$1,451,000

Education Legacy Trust Account—State Appropriation \$1,619,000

TOTAL APPROPRIATION \$386,595,000

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

(1) \$30,421,000 of the general fund—state appropriation for fiscal year 2018, \$26,975,000 of the general fund—state appropriation for fiscal year 2019, \$1,350,000 of the education legacy trust account—state appropriation, and \$15,868,000 of the general fund—federal appropriation are provided solely for development and implementation of the Washington state assessment system.

(2) \$356,000 of the general fund—state appropriation for fiscal year 2018 and \$356,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the Washington state leadership and assistance for science education reform (LASER) regional partnership activities coordinated at the Pacific science center, including instructional material purchases, teacher and principal professional development, and school and community engagement events.

(3) \$3,935,000 of the general fund—state appropriation for fiscal year 2018 and \$3,935,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of a new performance-based evaluation for certificated educators and other activities as provided in chapter 235, Laws of 2010 (education reform) and chapter 35, Laws of 2012 (certificated employee evaluations).

(4) \$62,672,000 of the general fund—state appropriation for fiscal year 2018 and \$82,665,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the following bonuses for teachers who hold valid, unexpired certification from the national board for professional teaching standards and who are teaching in a Washington public school, subject to the following conditions and limitations:

(a) For national board certified teachers, a bonus of \$5,296 per teacher in the 2017-18 school year and a bonus of \$5,381 per teacher in the 2018-19 school year;

(b) An additional \$5,000 annual bonus shall be paid to national board certified teachers who teach in either: (A) High schools where at least 50 percent of student headcount enrollment is eligible for federal free or reduced-price lunch, (B) middle schools where at least 60 percent of student headcount enrollment is eligible for federal free or reduced-price lunch, or (C) elementary schools where at least 70 percent of student headcount enrollment is eligible for federal free or reduced-price lunch;

(c) The superintendent of public instruction shall adopt rules to ensure that national board certified teachers meet the qualifications for bonuses under (b) of this subsection for less than one full school year receive bonuses in a prorated manner. All bonuses in this subsection will be paid in July of each school year. Bonuses in this subsection shall be reduced by a factor of 40 percent for first year NBPTS certified teachers, to reflect the portion of the instructional school year they are certified; and

(d) During the 2017-18 and 2018-19 school years, and within available funds, certificated instructional staff who have met the eligibility requirements and have applied for certification from the national board for professional teaching standards may receive a conditional loan of two thousand dollars or the amount set by the office of the superintendent of public instruction to contribute toward the current assessment fee, not including the initial up-front candidacy payment. The fee shall be an advance on the first annual bonus under RCW 28A.405.415. The conditional loan is provided in addition to compensation received under a district's salary allocation and shall not be included in calculations of a district's average salary and associated salary limitation under RCW 28A.400.200. Recipients who fail to receive certification after three years are required to repay the conditional loan. The office of the superintendent of public instruction shall adopt rules to define the terms for initial grant of the assessment fee and repayment, including applicable fees. To the extent necessary, the superintendent may use revenues from the repayment of conditional loan scholarships to ensure payment of all national board bonus payments required by this section in each school year.

(5) \$477,000 of the general fund—state appropriation for fiscal year 2018 and \$477,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the leadership internship program for superintendents, principals, and program administrators.

(6) \$950,000 of the general fund—state appropriation for fiscal year 2018 and \$950,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the Washington reading corps. The superintendent shall allocate reading corps members to schools identified for comprehensive or targeted support and school districts that are implementing comprehensive, proven, research-based reading programs. Two or more schools may combine their Washington reading corps programs.

(7) \$810,000 of the general fund—state appropriation for fiscal year 2018 and \$810,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the development of a leadership academy for school principals and administrators. The superintendent of public instruction shall contract with an independent organization to operate a state-of-the-art education leadership academy that will be accessible throughout the state. Semiannually the independent organization shall report on amounts committed by foundations and others to support the development and implementation of this program. Leadership academy partners shall include the state level organizations for school administrators and principals, the superintendent of public instruction, the professional educator standards board, and others as the independent organization shall identify.

(8) \$3,000,000 of the general fund—state appropriation for fiscal year 2018 and \$3,000,000 of the general fund—state appropriation for fiscal year 2019 are

provided solely for a statewide information technology (IT) academy program. This public-private partnership will provide educational software, as well as IT certification and software training opportunities for students and staff in public schools.

(9) \$1,802,000 of the general fund—state appropriation for fiscal year 2018 and \$1,802,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for secondary career and technical education grants pursuant to chapter 170, Laws of 2008. If equally matched by private donations, \$825,000 of the 2018 appropriation and \$825,000 of the 2019 appropriation shall be used to support FIRST robotics programs. Of the amounts in this subsection, \$100,000 of the fiscal year 2018 appropriation and \$100,000 of the fiscal year 2019 appropriation are provided solely for the purpose of statewide supervision activities for career and technical education student leadership organizations.

(10) \$125,000 of the general fund—state appropriation for fiscal year 2018 and \$125,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for (a) staff at the office of the superintendent of public instruction to coordinate and promote efforts to develop integrated math, science, technology, and engineering programs in schools and districts across the state; and (b) grants of \$2,500 to provide twenty middle and high school teachers each year with professional development training for implementing integrated math, science, technology, and engineering programs in their schools.

(11) \$135,000 of the general fund—state appropriation for fiscal year 2018 and \$135,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for science, technology, engineering and mathematics lighthouse projects, consistent with chapter 238, Laws of 2010.

(12) \$10,500,000 of the general fund—state appropriation for fiscal year 2018 and \$10,500,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for a beginning educator support program. The program shall prioritize first year teachers in the mentoring program. School districts and/or regional consortia may apply for grant funding. The program provided by a district and/or regional consortia shall include: A paid orientation; assignment of a qualified mentor; development of a professional growth plan for each beginning teacher aligned with professional certification; release time for mentors and new teachers to work together; and teacher observation time with accomplished peers. Funding may be used to provide statewide professional development opportunities for mentors and beginning educators.

(13) \$250,000 of the general fund—state appropriation for fiscal year 2018 and \$250,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for advanced project lead the way courses at ten high schools. To be eligible for funding in 2018, a high school must have offered a foundational project lead the way course during the 2016-17 school year. The 2018 funding must be used for one-time start-up course costs for an advanced project lead the way course, to be offered to students beginning in the 2017-18 school year. To be eligible for funding in 2019, a high school must have offered a foundational project lead the way course during the 2017-18 school year. The 2018 funding must be used for one-time start-up course costs for an advanced project lead the way course, to be offered to students beginning in the 2018-19 school year. The office of the superintendent of public instruction and the education research and

data center at the office of financial management shall track student participation and long-term outcome data.

(14) \$9,352,000 of the general fund—state appropriation for fiscal year 2018 and \$14,352,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 159, Laws of 2013. By January 15, 2018, the superintendent of public instruction shall submit a plan to the fiscal committees of the legislature outlining the additional school accountability supports that will be implemented as a result of the increased appropriation provided in fiscal year 2019. Of the amount provided in this subsection, \$5,000,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for expenditure contingent upon legislative approval of the superintendent's plan for additional school accountability supports, and the superintendent may not spend that amount until approval is received.

(15) \$450,000 of the general fund—state appropriation for fiscal year 2018 and \$450,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for annual start-up, expansion, or maintenance of existing programs in aerospace and advanced manufacturing programs. To be eligible for funding, the skills center and high schools must agree to engage in developing local business and industry partnerships for oversight and input regarding program components. Program instructors must also agree to participate in professional development leading to student employment, or certification in aerospace or advanced manufacturing industries as determined by the superintendent of public instruction. The office of the superintendent of public instruction and the education research and data center shall report annually student participation and long-term outcome data.

(16) \$5,000,000 of the general fund—state appropriation for fiscal year 2018 and \$4,000,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the provision of training for teachers in the performance-based teacher principal evaluation program.

(17) \$100,000 of the general fund—state appropriation for fiscal year 2018 and \$100,000 of the general fund—state appropriation for fiscal year 2019 are provided solely to promote the financial literacy of students. The effort will be coordinated through the financial literacy public-private partnership.

(18) \$2,194,000 of the general fund—state appropriation for fiscal year 2018 and \$2,194,000 of the general fund—state appropriation for fiscal year 2019 are provided solely to implement chapter 18, Laws of 2013 2nd sp. sess. (Engrossed Substitute Senate Bill No. 5946) (strengthening student educational outcomes).

(19) \$36,000 of the general fund—state appropriation for fiscal year 2018 and \$36,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for chapter 212, Laws of 2014 (Substitute Senate Bill No. 6074) (homeless student educational outcomes).

(20) \$80,000 of the general fund—state appropriation for fiscal year 2018 and \$40,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for chapter 219, Laws of 2014 (Second Substitute Senate Bill No. 6163) (expanded learning).

(21) \$10,000 of the general fund—state appropriation for fiscal year 2018 and \$10,000 of the general fund—state appropriation for fiscal year 2019 are

provided solely for chapter 102, Laws of 2014 (Senate Bill No. 6424) (bilibteracy seal).

(22) \$500,000 of the general fund—state appropriation for fiscal year 2018 and \$500,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the office of the superintendent of public instruction to contract with a nonprofit organization to integrate the state learning standards in English language arts, mathematics, and science with FieldSTEM outdoor field studies and project-based and work-based learning opportunities aligned with the environmental, natural resource, and agricultural sectors.

(23) Within the amounts provided in this section, the superintendent of public instruction shall obtain an existing student assessment inventory tool that is free and openly licensed and distribute the tool to every school district. Each school district shall use the student assessment inventory tool to identify all state-level and district-level assessments that are required of students. The state-required assessments should include: Reading proficiency assessments used for compliance with RCW 28A.320.202; the required statewide assessments under chapter 28A.655 RCW in grades three through eight and at the high school level in English language arts, mathematics, and science, as well as the practice and training tests used to prepare for them; and the high school end-of-course exams in mathematics under RCW 28A.655.066. District-required assessments should include: The second grade reading assessment used to comply with RCW 28A.300.320; interim smarter balanced assessments, if required; the measures of academic progress assessment, if required; and other required interim, benchmark, or summative standardized assessments, including assessments used in social studies, the arts, health, and physical education in accordance with RCW 28A.230.095, and for educational technology in accordance with RCW 28A.655.075. The assessments identified should not include assessments used to determine eligibility for any categorical program including the transitional bilingual instruction program, learning assistance program, highly capable program, special education program, or any formative or diagnostic assessments used solely to inform teacher instructional practices, other than those already identified. By October 15th of each year, each district shall report to the superintendent the amount of student time in the previous school year that is spent taking each assessment identified. By December 15th of each year, the superintendent shall summarize the information reported by the school districts and report to the education committees of the house of representatives and the senate.

NEW SECTION. Sec. 514. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR TRANSITIONAL BILINGUAL PROGRAMS

General Fund—State Appropriation (FY 2018)	\$147,948,000
General Fund—State Appropriation (FY 2019)	\$157,744,000
General Fund—Federal Appropriation	\$92,244,000
TOTAL APPROPRIATION	\$397,936,000

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

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2)(a) For the 2017-18 and 2018-19 school years, the superintendent shall allocate funding to school districts for transitional bilingual programs under RCW 28A.180.010 through 28A.180.080, including programs for exited students, as provided in RCW 28A.150.260(10)(b) and the provisions of this section. In calculating the allocations, the superintendent shall assume the following averages: (i) Additional instruction of 4.7780 hours per week per transitional bilingual program student in grades kindergarten through six and 6.7780 hours per week per transitional bilingual program student in grades seven through twelve in school years 2017-18 and 2018-19; (ii) additional instruction of 3.0000 hours per week in school years 2017-18 and 2018-19 for the head count number of students who have exited the transitional bilingual instruction program within the previous two years based on their performance on the English proficiency assessment; (iii) fifteen transitional bilingual program students per teacher; (iv) 36 instructional weeks per year; (v) 900 instructional hours per teacher; and (vi) the compensation rates as provided in sections 503 and 504 of this act. Pursuant to RCW 28A.180.040(1)(g), the instructional hours specified in (a)(ii) of this subsection (2) are within the program of basic education.

(b) From July 1, 2017, to August 31, 2017, the superintendent shall allocate funding to school districts for transitional bilingual instruction programs as provided in section 514, chapter 4, Laws of 2015, 3rd sp. sess., as amended.

(3) The superintendent may withhold allocations to school districts in subsection (2) of this section solely for the central provision of assessments as provided in RCW 28A.180.090 (1) and (2) up to the following amounts: 2.55 percent for school year 2017-18 and 2.57 percent for school year 2018-19.

(4) The general fund—federal appropriation in this section is for migrant education under Title I Part C and English language acquisition, and language enhancement grants under Title III of the elementary and secondary education act.

(5) \$35,000 of the general fund—state appropriation for fiscal year 2018 and \$35,000 of the general fund—state appropriation for fiscal year 2019 are provided solely to track current and former transitional bilingual program students.

NEW SECTION. Sec. 515. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR THE LEARNING ASSISTANCE PROGRAM

General Fund—State Appropriation (FY 2018)	\$326,233,000
General Fund—State Appropriation (FY 2019)	\$355,633,000
General Fund—Federal Appropriation	\$505,487,000
TOTAL APPROPRIATION	\$1,187,353,000

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

(1) The general fund—state appropriations in this section are subject to the following conditions and limitations:

(a) The appropriations include such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(b)(i) For the 2017-18 and 2018-19 school years, the superintendent shall allocate funding to school districts for learning assistance programs as provided in RCW 28A.150.260(10)(a), except that the allocation for the additional instructional hours shall be enhanced as provided in this section, which enhancements are within the program of the basic education. In calculating the allocations, the superintendent shall assume the following averages: (A) Additional instruction of 2.3975 hours per week per funded learning assistance program student for the 2017-18 and 2018-19 school years; (B) additional instruction of 1.1 hours per week per funded learning assistance program student for the 2017-18 and 2018-19 school years in qualifying high-poverty school building; (C) fifteen learning assistance program students per teacher; (D) 36 instructional weeks per year; (E) 900 instructional hours per teacher; and (F) the compensation rates as provided in sections 503 and 504 of this act.

(ii) From July 1, 2017, to August 31, 2017, the superintendent shall allocate funding to school districts for learning assistance programs as provided in section 515, chapter 4, Laws of 2015, 3rd sp. sess., as amended.

(c) A school district's funded students for the learning assistance program shall be the sum of the district's full-time equivalent enrollment in grades K-12 for the prior school year multiplied by the district's percentage of October headcount enrollment in grades K-12 eligible for free or reduced-price lunch in the prior school year. The prior school year's October headcount enrollment for free and reduced-price lunch shall be as reported in the comprehensive education data and research system.

(2) Allocations made pursuant to subsection (1) of this section shall be adjusted to reflect ineligible applications identified through the annual income verification process required by the national school lunch program, as recommended in the report of the state auditor on the learning assistance program dated February, 2010.

(3) The general fund—federal appropriation in this section is provided for Title I Part A allocations of the every student succeeds act of 2016.

(4) A school district may carry over from one year to the next up to 10 percent of the general fund—state funds allocated under this program; however, carryover funds shall be expended for the learning assistance program.

(5) Within existing resources, during the 2017-18 and 2018-19 school years, school districts are authorized to use funds allocated for the learning assistance program to also provide assistance to high school students who have not passed the state assessment in science.

NEW SECTION. Sec. 516. 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	School
	Year	Year
General Apportionment	\$7,038	\$8,037

Basic Education Program	2017-18 School Year	2018-19 School Year
Pupil Transportation	\$422	\$485
Special Education Programs	\$6,920	\$7,875
Institutional Education Programs	\$13,476	\$15,369
Programs for Highly Capable Students	\$455	\$525
Transitional Bilingual Programs	\$1,024	\$1,163
Learning Assistance Program	\$735	\$849

NEW SECTION. Sec. 517. BILL CONTINGENCY. Of amounts appropriated in sections 501 through 515 of this act, a total of \$164,287,000 of the general fund—state appropriation for fiscal year 2018 and \$1,200,417,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of House Bill No. 2242 (fully funding the program of basic education). Amounts referenced in this subsection exclude amounts attributable to formula enhancements in staffing ratios in the prototypical school model, materials supplies and operating costs, the learning assistance program, the transitional bilingual instruction program, if those enhancements are newly codified in House Bill No. 2242 (fully funding the program of basic education) but are funded in maintenance level in the appropriations in this act. If section 301 of the bill is not enacted by July 31, 2017, the amounts referenced in this section shall lapse. In the event of such a lapse, the superintendent of public instruction must certify to the office of financial management the portions of the appropriations in each of sections 501 through 515 that lapse under the requirements of this section.

NEW SECTION. Sec. 518. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

(1) Amounts distributed to districts by the superintendent through part V of this act are for allocations purposes only, unless specified by part V of this act, and do not entitle a particular district, district employee, or student to a specific service, beyond what has been expressly provided in statute. Part V of this act restates the requirements of various sections of Title 28A RCW. If any conflict exists, the provisions of Title 28A RCW control unless this act explicitly states that it is providing an enhancement. Any amounts provided in part V of this act in excess of the amounts required by Title 28A RCW provided in statute, are not within the program of basic education unless clearly stated by this act.

(2) To the maximum extent practicable, when adopting new or revised rules or policies relating to the administration of allocations in part V of this act that result in fiscal impact, the office of the superintendent of public instruction shall attempt to seek legislative approval through the budget request process.

(3) Appropriations made in this act to the office of the superintendent of public instruction shall initially be allotted as required by this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act.

(4) As required by RCW 28A.710.110, the office of the superintendent of public instruction shall transmit the charter school authorizer oversight fee for the charter school commission to the charter school oversight account.

NEW SECTION. Sec. 519. FOR THE OFFICE OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR CHARTER SCHOOLS

Washington Opportunity Pathways Account—State
Appropriation. \$62,713,000

The appropriation in this section is subject to the following conditions and limitations: The superintendent shall distribute funding appropriated in this section to charter schools under chapter 28A.710 RCW. Within amounts provided in this section the superintendent may distribute funding for safety net awards for charter schools with demonstrated needs for special education funding beyond the amounts provided under chapter 28A.710 RCW.

NEW SECTION. Sec. 520. FOR THE OFFICE OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR THE WASHINGTON STATE CHARTER SCHOOL COMMISSION

Washington Opportunity Pathways Account—State
Appropriation \$477,000
Charter Schools Oversight Account—State Appropriation \$1,958,000
TOTAL APPROPRIATION \$2,435,000

The appropriations in this section are subject to the following conditions and limitations: The entire Washington opportunity pathways account—state appropriation in this section is provided to the superintendent of public instruction solely for the operations of the Washington state charter school commission under chapter 28A.710 RCW.

**PART VI
HIGHER EDUCATION**

NEW SECTION. Sec. 601. The appropriations in sections 605 through 611 of this act are subject to the following conditions and limitations:

(1) "Institutions" means the institutions of higher education receiving appropriations under sections 605 through 611 of this act.

(2) The legislature, the office of financial management, and other state agencies need consistent and accurate personnel data from institutions of higher education for policy planning purposes. Institutions of higher education shall report personnel data to the office of financial management for inclusion in the agency's data warehouse. Uniform reporting procedures shall be established by the office of financial management's office of the state human resources director for use by the reporting institutions, including provisions for common job classifications and common definitions of full-time equivalent staff. Annual contract amounts, number of contract months, and funding sources shall be consistently reported for employees under contract.

(3) In addition to waivers granted under the authority of RCW 28B.15.910, the governing boards and the state board may waive all or a portion of operating fees for any student. State general fund appropriations shall not be provided to replace tuition and fee revenue foregone as a result of waivers granted under this subsection.

(4)(a) For institutions receiving appropriations in section 605 of this act, the only allowable salary increases provided are those with normally occurring promotions and increases related to faculty and staff retention, except as provided in Part IX of this act. In fiscal year 2018 and fiscal year 2019, the state board for community and technical colleges may use salary and benefit savings from faculty turnover to provide salary increments and associated benefits for faculty who qualify through professional development and training.

(b) For employees under the jurisdiction of chapter 41.56 RCW, salary increases will be in accordance with the applicable collective bargaining agreement. However, an increase shall not be provided to any classified employee whose salary is above the approved salary range maximum for the class to which the employee's position is allocated.

(c) For each institution of higher education receiving appropriations under sections 606 through 611 of this act:

(i) The only allowable salary increases are those associated with normally occurring promotions and increases related to faculty and staff retention and as provided in Part IX of this act; and

(ii) Institutions may provide salary increases from other sources to instructional and research faculty at the universities and The Evergreen State College, exempt professional staff, teaching and research assistants, as classified by the office of financial management, and all other nonclassified staff, but not including employees under chapter 41.80 RCW. Any salary increase granted under the authority of this subsection (4)(c)(ii) shall not be included in an institution's salary base for future state funding. It is the intent of the legislature that state general fund support for an institution shall not increase during the current or any future biennium as a result of any salary increases authorized under this subsection (4)(c)(ii).

(5) Within funds appropriated to institutions in sections 605 through 611 of this act, teacher preparation programs shall meet the requirements of RCW 28B.10.710 to incorporate information on the culture, history, and government of American Indian people in this state by integrating the curriculum developed and made available free of charge by the office of the superintendent of public instruction into existing programs or courses and may modify that curriculum in order to incorporate elements that have a regionally specific focus.

NEW SECTION. Sec. 602. (1) Within the amounts appropriated in this act, each institution of higher education shall seek to:

(a) Maintain and to the extent possible increase enrollment opportunities at branch campuses;

(b) Maintain and to the extent possible increase enrollment opportunities at university centers and other partnership programs that enable students to earn baccalaureate degrees on community college campuses; and

(c) Eliminate and consolidate programs of study for which there is limited student or employer demand, or that are not areas of core academic strength for the institution, particularly when such programs duplicate offerings by other in-state institutions.

(3) For purposes of monitoring and reporting statewide enrollment, the University of Washington and Washington State University shall notify the office of financial management of the number of full-time student equivalent enrollments for each of their campuses.

NEW SECTION. Sec. 603. PUBLIC BACCALAUREATE INSTITUTIONS

(1) The state universities, the regional universities, and The Evergreen State College must accept the transfer of college-level courses taken by students under RCW 28A.600.290 or 28A.600.300 if a student seeking a transfer of the college-level courses has been admitted to the state university, the regional university, or The Evergreen State College, and if the college-level courses are recognized as transferrable by the admitting institution of higher education.

(2) Appropriations in sections 606 through 611 of this act are sufficient to implement 2017-19 collective bargaining agreements at institutions of higher education negotiated under chapter 41.80 RCW. The institutions may also use these funds for any other purpose including increasing compensation and implementing other collective bargaining agreements.

(3) Within amounts appropriated to institutions in sections 606 through 611 of this act, institutions shall employ at least one full-time mental health counselor licensed under chapter 18.225 RCW who has experience working with active members of the military or military veterans, to work with student, faculty, and staff veterans, as well as their spouses and dependents, through the institution's veteran resource center.

NEW SECTION. Sec. 604. STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES

Appropriations in section 605 of this act are sufficient to implement 2017-19 collective bargaining agreements at institutions of higher education negotiated under chapter 41.80 RCW. The institutions may also use these funds for any other purpose including increasing compensation, and implementing other collective bargaining agreements.

NEW SECTION. Sec. 605. FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES

General Fund—State Appropriation (FY 2018)	.....	\$662,672,000
General Fund—State Appropriation (FY 2019)	.....	\$668,368,000
Community/Technical College Capital Projects		
Account—State Appropriation	.....	\$23,841,000
Education Legacy Trust Account—State Appropriation	.....	\$138,314,000
TOTAL APPROPRIATION	.....	\$1,493,195,000

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 fiscal year 2019 are provided solely for Seattle central college's expansion of allied health programs.

(4) \$5,250,000 of the general fund—state appropriation for fiscal year 2018 and \$5,250,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the student achievement initiative.

(5) \$1,610,000 of the general fund—state appropriation for fiscal year 2018, and \$1,610,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the expansion of the mathematics, engineering, and science achievement program. The state board shall report back to the appropriate committees of the legislature on the number of campuses and students served by December 31, 2018.

(6) \$1,500,000 of the general fund—state appropriation for fiscal year 2018 and \$1,500,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of guided pathways or similar programs designed to improve student success, including, but not limited to, academic program redesign, student advising, and other student supports.

(7) \$1,500,000 of the general fund—state appropriation for fiscal year 2018 and \$1,500,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for operating a fabrication composite wing incumbent worker training program to be housed at the Washington aerospace training and research center.

(8) \$100,000 of the general fund—state appropriation for fiscal year 2018 and \$100,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the aerospace center of excellence currently hosted by Everett community college to:

(a) Increase statewide communications and outreach between industry sectors, industry organizations, businesses, K-12 schools, colleges, and universities;

(b) Enhance information technology to increase business and student accessibility and use of the center's web site; and

(c) Act as the information entry point for prospective students and job seekers regarding education, training, and employment in the industry.

(9) \$18,588,000 of the general fund—state appropriation for fiscal year 2018 and \$18,960,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of the college affordability program as set forth in RCW 28B.15.066.

(10) Community and technical colleges are not required to send mass mailings of course catalogs to residents of their districts. Community and technical colleges shall consider lower cost alternatives, such as mailing postcards or brochures that direct individuals to online information and other ways of acquiring print catalogs.

(11) The state board for community and technical colleges shall not use funds appropriated in this section to support intercollegiate athletics programs.

(12) \$157,000 of the general fund—state appropriation for fiscal year 2018 and \$157,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the Wenatchee Valley college wildfire prevention program.

(13) \$100,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for implementation of chapter 154, Laws of 2017 (SSB 5022) (education loan information).

(14) \$185,000 of the general fund—state appropriation for fiscal year 2018 and \$185,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 177, Laws of 2017 (SSB 5100) (financial literacy seminars).

(15) \$41,000 of the general fund—state appropriation for fiscal year 2018 and \$42,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 98, Laws of 2017 (E2SHB 1375) (ctc course material costs).

(16) \$158,000 of the general fund—state appropriation for fiscal year 2018 and \$5,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 237, Laws of 2017 (ESHB 1115) (paraeducators).

(17) \$150,000 of the general fund—state appropriation for fiscal year 2018 and \$150,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for program delivery through Green River College to the Covington area and southeast King county in response to the education needs assessment conducted by the student achievement council in the 2015-2017 fiscal biennium.

(18) \$60,000 of the general fund—state appropriation for fiscal year 2018 and \$60,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for a youth development program operated by Everett community college in conjunction with a county chapter of a national civil rights organization.

(19) \$750,000 of the general fund—state appropriation for fiscal year 2018 and \$750,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for increased enrollments in the integrated basic education and skills training program. Funding will support approximately 120 additional full-time equivalent enrollments annually.

(20)(a) The state board must provide quality assurance reports on the ctcLink project at the frequency directed by the office of chief information officer for review and for posting on its information technology project dashboard.

(b) The state board must develop a technology budget using a method similar to the state capital budget, identifying project costs, funding sources, and anticipated deliverables through each stage of the investment and across fiscal periods and biennia from project initiation to implementation. The budget must be updated at the frequency directed by the office of chief information officer for review and for posting on its information technology project dashboard.

(c) The office of the chief information officer may suspend the ctcLink project at any time if the office of the chief information officer determines that the project is not meeting or is not expected to meet anticipated performance measures, implementation timelines, or budget estimates. Once suspension or termination occurs, the state board shall not make additional expenditures on the ctcLink project without approval of the chief information officer. The ctcLink project funded through the community and technical college innovation account

created in RCW 28B.50.515 is subject to the conditions, limitations, and review provided in section 724 of this act.

(21) \$150,000 of the general fund—state appropriation for fiscal year 2018 and \$150,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the aerospace center of excellence hosted by Everett Community College to develop an unmanned aircraft system program in Sunnyside.

NEW SECTION. Sec. 606. FOR THE UNIVERSITY OF WASHINGTON

General Fund—State Appropriation (FY 2018)	\$336,712,000
General Fund—State Appropriation (FY 2019)	\$353,811,000
Aquatic Lands Enhancement Account—State Appropriation	\$1,350,000
UW Building Account—State Appropriation.	\$1,052,000
Education Legacy Trust Account—State Appropriation	\$30,050,000
Economic Development Strategic Reserve Account—State Appropriation	\$3,035,000
Biotoxin Account—State Appropriation	\$597,000
Dedicated Marijuana Account—State Appropriation (FY 2018)	\$247,000
Dedicated Marijuana Account—State Appropriation (FY 2019)	\$247,000
Accident Account—State Appropriation	\$7,436,000
Medical Aid Account—State Appropriation	\$7,042,000
TOTAL APPROPRIATION	\$741,579,000

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

(1) \$52,000 of the general fund—state appropriation for fiscal year 2018 and \$52,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the center for international trade in forest products in the college of forest resources.

(2) \$38,581,000 of the general fund—state appropriation for fiscal year 2018 and \$39,353,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of the college affordability program as set forth in RCW 28B.15.066.

(3) \$200,000 of the general fund—state appropriation for fiscal year 2018 and \$200,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for labor archives of Washington. The university shall work in collaboration with the state board for community and technical colleges.

(4) \$8,000,000 of the education legacy trust account—state appropriation is provided solely for the family medicine residency network at the university to expand the number of residency slots available in Washington.

(5) The university must continue work with the education research and data center to demonstrate progress in computer science and engineering enrollments. By September 1st of each year, the university shall provide a report including but not limited to the cost per student, student completion rates, and the number of low-income students enrolled in each program, any process changes or best-practices implemented by the university, and how many students are enrolled in computer science and engineering programs above the prior academic year.

(6) \$1,350,000 of the aquatic lands enhancement account—state is provided solely for ocean acidification monitoring, forecasting, and research and for operation of the Washington ocean acidification center. By September 1, 2017, the center must provide a biennial work plan and begin quarterly progress reports to the Washington marine resources advisory council created under RCW 43.06.338.

(7) \$8,000,000 of the education legacy trust account—state appropriation is provided solely for the expansion of degrees in the department of computer science and engineering at the Seattle campus.

(8) \$1,000,000 of the general fund—state appropriation for fiscal year 2018 and \$1,000,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the university to increase resident undergraduate enrollments in science, technology, engineering, and math majors. The university is expected to increase full-time equivalent enrollment by approximately 60 additional students.

(9) \$3,000,000 of the economic development strategic reserve account appropriation is provided solely to support the joint center for aerospace innovation technology.

(10) The University of Washington shall not use funds appropriated in this section to support intercollegiate athletics programs.

(11) \$250,000 of the general fund—state appropriation for fiscal year 2018 and \$250,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the Latino health center.

(12) \$200,000 of the general fund—state appropriation for fiscal year 2018 and \$200,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the climate impacts group in the college of the environment.

(13) \$8,400,000 of the general fund—state appropriation for fiscal year 2018 and \$7,400,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the continued operations and expansion of the Washington, Wyoming, Alaska, Montana, Idaho medical school program.

(14) \$3,200,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the university to host the Special Olympics USA Games in July 2018.

(15) \$5,000 of the general fund—state appropriation for fiscal year 2018 and \$80,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 262, Laws of 2017 (E2SHB 1612) (lethal means, reduce access).

(16) \$400,000 of the general fund—state appropriation for fiscal year 2018 and \$400,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for a contract with the center for sensorimotor neural engineering to advance research on spinal cord injuries.

(17) \$2,250,000 of the general fund—state appropriation for fiscal year 2018 and \$2,250,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the institute for stem cell and regenerative medicine. Funds appropriated in this subsection must be dedicated to research utilizing pluripotent stem cells and related research methods.

(18) \$500,000 of the general fund—state appropriation for fiscal year 2018 and \$500,000 of the general fund—state appropriation for fiscal year 2019 are provided to the University of Washington to support youth and young adults

experiencing homelessness in the university district of Seattle. Funding is provided for the university to work with community service providers and university colleges and departments to plan for and implement a comprehensive one-stop center with navigation services for homeless youth; the university may contract with the department of commerce to expand services that serve homeless youth in the university district.

(19) \$125,000 of the general fund—state appropriation for fiscal year 2018 and \$125,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the University of Washington school of public health to study the air quality implications of air traffic at the international airport in the state that has the highest total annual number of arrivals and departures. The study must include an assessment of the concentrations of ultrafine particulate matter in areas surrounding and directly impacted by air traffic generated by the airport, including areas within ten miles of the airport in the directions of aircraft flight paths and within ten miles of the airport where public agencies operate an existing air monitoring station. The study must attempt to distinguish between aircraft and other sources of ultrafine particulate matter, and must compare concentrations of ultrafine particulate matter in areas impacted by high volumes of air traffic with concentrations of ultrafine particulate matter in areas that are not impacted by high volumes of air traffic. The university must coordinate with local governments in areas addressed by the study to share results and inclusively solicit feedback from community members. By December 1, 2019, the university must report study findings, including any gaps and uncertainties in health information associated with ultrafine particulate matter, and recommend to the legislature whether sufficient information is available to proceed with a second phase of the study.

(20) The appropriations in this section include sufficient funding for the implementation of chapter 154, Laws of 2017 (SSB 5022) (education loan information).

(21) The appropriations in this section include sufficient funding for the implementation of chapter 177, Laws of 2017 (SSB 5100) (financial literacy seminars).

(22) Within the funds appropriated in this section, the University of Washington shall:

(a) Review the scholarly literature on the short-term and long-term effects of marijuana use to assess if other states or private entities are conducting marijuana research in areas that may be useful to the state.

(b) Provide as part of its budget request for the 2019-2021 biennium:

(i) A list of intended state, federal, and privately funded marijuana research, including cost, duration, and scope; and

(ii) Plans for partnerships with other universities, state agencies, or private entities, including entities outside the state, for purposes related to researching short-term and long-term effects of marijuana use.

(23) General fund—state appropriations in this section are reduced to reflect a reduction in state-supported tuition waivers for graduate students. When reducing tuition waivers, the university will not change its practices and procedures for providing eligible veterans with tuition waivers.

(24) \$45,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for the university to conduct research and analysis of military

officers who are attending or have completed the command and general staff college, intermediate level education, or advanced operations course as part of their military education. The purpose of the research and analysis is to examine possible graduate level degree programs to be offered in partnership with the university and the U.S. army's command and general staff college. The research and analysis shall include stakeholder meetings with the U.S. army's command and general staff college. The university shall submit a report to the appropriate legislative higher education committees and the joint committee on veterans and military affairs by December 31, 2018. The report shall include the results of the research and analysis and plans for possible next steps with other service schools for field grade officers.

(25)(a) \$140,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for the University of Washington school of law to convene a study on the Washington state supreme court decision *Volk v. DeMeerleer*, 386 P.3d 254 (Wash. 2016), and whether or not it substantially changed the law on the duty of care for mental health providers and whether it has had an impact on access to mental health care services in the state. The study shall include:

(i) Comprehensive review of duty to warn and duty to protect case law and laws in the United States, including a description of how Washington state's law compares to other states and to what extent, if any, the Volk decision changed the law in this state;

(ii) Comprehensive review and assessment of the involuntary and voluntary treatment capacity available in the state, including information and data available from the select committee on quality improvement in state hospitals, related contractors, and other sources;

(iii) An analysis of lawsuits brought in the state as a result of the Volk decision, including the outcome of any such cases and any harm alleged in each lawsuit;

(iv) An analysis of lawsuits brought in the state prior to the issuance of the Volk decision, and since the issuance of the decision in *Petersen v. State*, against outpatient mental health providers alleged to have breached either the duty to warn or the duty to take reasonable precautions established in Petersen, including the outcome of any such cases and the harm alleged in each lawsuit;

(v) An analysis of insurance claims filed as a result of the Volk decision, including the outcome of any such cases and any harm alleged in each claim filed;

(vi) Whether insurance policy provisions and rates have been affected due to the Volk decision;

(vii) Assessment of the number of mental health service providers available to provide treatment to voluntary mental health patients in the state, whether that capacity has changed, and whether any such change is a result of the Volk decision, and a description of any changes as a result of the Volk decision;

(viii) Assessment of whether mental health service providers may be changing practice to limit exposure to the potential risks created by the Volk decision;

(ix) Assessment of legal and practice implications state legal standards regarding duty to warn and duty to protect in the voluntary and involuntary treatment context; and

(x) Comprehensive review of practices where the practice has been consistently shown to have achieved the results it seeks to achieve and that those results are superior to those achieved by other means.

(b) When performing the study under this subsection, the University of Washington school of law shall consult with subject-matter experts including, but not limited to, individuals representing the following organizations:

(i) Attorneys with experience representing defendants in personal injury cases or wrongful death cases related to the issues raised by duty to warn cases;

(ii) Washington state association for justice, representing attorneys with experience representing plaintiffs in personal injury cases or wrongful death cases related to the issues raised by duty to warn cases;

(iii) Department of social and health services;

(iv) Washington academy of family physicians;

(v) Washington association for mental health treatment protection;

(vi) Office of the insurance commissioner;

(vii) Washington council for behavioral health;

(viii) Washington state hospital association;

(ix) Washington state medical association;

(x) Washington state psychiatric association;

(xi) Washington state psychological association;

(xii) Washington state society for clinical social work;

(xiii) Washington association of police chiefs and sheriffs;

(xiv) Victim support services;

(xv) NW health law advocates;

(xvi) National alliance on mental illness;

(xvii) American civil liberties union; and

(xviii) A sample of families who testified or presented evidence of their cases to the legislature.

(c) The University of Washington school of law shall consult each listed organization separately. Following collection and analysis of relevant data, they shall hold at least one meeting of all listed organizations to discuss the data, analysis, and recommendations. The University of Washington school of law must submit the final report to the appropriate committees of the legislature by December 1, 2017.

NEW SECTION. Sec. 607. FOR WASHINGTON STATE UNIVERSITY

General Fund—State Appropriation (FY 2018)	\$215,329,000
General Fund—State Appropriation (FY 2019)	\$227,266,000
WSU Building Account—State Appropriation.	\$792,000
Education Legacy Trust Account—State Appropriation	\$33,995,000
Dedicated Marijuana Account—State Appropriation	
(FY 2018)	\$138,000
Dedicated Marijuana Account—State Appropriation	
(FY 2019)	\$138,000
TOTAL APPROPRIATION	\$477,658,000

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

(1) \$90,000 of the general fund—state appropriation for fiscal year 2018 and \$90,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for a rural economic development and outreach coordinator.

(2) The university must continue work with the education research and data center to demonstrate progress in computer science and engineering enrollments. By September 1st of each year, the university shall provide a report including but not limited to the cost per student, student completion rates, and the number of low-income students enrolled in each program, any process changes or best-practices implemented by the university, and how many students are enrolled in computer science and engineering programs above the prior academic year.

(3) \$500,000 of the general fund—state appropriation for fiscal year 2018 and \$500,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for state match requirements related to the federal aviation administration grant.

(4) Washington State University shall not use funds appropriated in this section to support intercollegiate athletic programs.

(5) The appropriations in this section include sufficient funding for the implementation of chapter 154, Laws of 2017 (SSB 5022) (education loan information).

(6) The appropriations in this section include sufficient funding for the implementation of chapter 177, Laws of 2017 (SSB 5100) (financial literacy seminars).

(7) \$3,000,000 of the general fund—state appropriation for fiscal year 2018 and \$7,000,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the continued development and operations of a medical school program in Spokane.

(8) Within the funds appropriated in this section, Washington State University is required to provide administrative support to the sustainable aviation biofuels work group authorized under RCW 28B.30.904.

(9) \$135,000 of the general fund—state appropriation for fiscal year 2018 and \$135,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for a honey bee biology research position.

(10) \$27,425,000 of the general fund—state appropriation for fiscal year 2018 and \$27,973,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of the college affordability program as set forth in RCW 28B.15.066.

(11) \$230,000 of the general fund—state appropriation for fiscal year 2018 and \$376,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for chapter 202, Laws of 2017 (2SHB 1713) (children's mental health).

(12) \$300,000 of the general fund—state appropriation for fiscal year 2018 and \$300,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the William D. Ruckelshaus center to collaborate with groups and organizations, including associations of local governments, associations of the business, real estate and building industries, state agencies, environmental organizations, state universities, public health and planning organizations, and tribal governments, to create a "Road Map to Washington's Future." The road map shall identify areas of agreement on ways to adapt Washington's growth management framework of statutes, institutions, and

policies to meet future challenges in view of robust forecasted growth and the unique circumstances and urgent priorities in the diverse regions of the state. The center shall, in conjunction with state universities and other sponsors, conduct regional workshops to:

- (a) Engage Washington residents in identifying a desired statewide vision for Washington's future;
- (b) Partner with state universities on targeted research to inform future alternatives;
- (c) Facilitate deep and candid interviews with representatives of the above named groups and organizations; and
- (d) Convene parties for collaborative conversations and potential agreement seeking.

The center must submit a final report to the appropriate committees of the legislature by June 30, 2019.

(13) \$580,000 of the general fund—state appropriation for fiscal year 2018 and \$580,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the development of an organic agriculture systems degree program located at the university center in Everett.

(14) Within the funds appropriated in this section, Washington State University shall:

(a) Review the scholarly literature on the short-term and long-term effects of marijuana use to assess if other states or private entities are conducting marijuana research in areas that may be useful to the state.

(b) Provide as part of its budget request for the 2019-2021 fiscal biennium:

(i) A list of intended state, federal, and privately funded marijuana research, including cost, duration, and scope;

(ii) Plans for partnerships with other universities, state agencies, or private entities, including entities outside the state, for purposes related to researching short-term and long-term effects of marijuana use.

(15) \$760,000 of the general fund—state appropriation for fiscal year 2018 and \$760,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 159, Laws of 2017 (2SSB 5474) (elk hoof disease).

(16) \$630,000 of the general fund—state appropriation for fiscal 2018 and \$630,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the creation of an electrical engineering program located in Bremerton. At full implementation, the university is expected to increase degree production by 25 new bachelor's degrees per year. The university must identify these students separately when providing data to the education research data center as required in subsection (2) of this section.

(17) \$1,370,000 of the general fund—state appropriation for fiscal year 2018 and \$1,370,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the creation of software engineering and data analytic programs at the university center in Everett. At full implementation, the university is expected to enroll 50 students per academic year. The university must identify these students separately when providing data to the education research data center as required in subsection (2) of this section.

(18) General fund—state appropriations in this section are reduced to reflect a reduction in state-supported tuition waivers for graduate students. When

reducing tuition waivers, the university will not change its practices and procedures for providing eligible veterans with tuition waivers.

NEW SECTION. Sec. 608. FOR EASTERN WASHINGTON UNIVERSITY

General Fund—State Appropriation (FY 2018)	\$50,064,000
General Fund—State Appropriation (FY 2019)	\$51,985,000
Education Legacy Trust Account—State Appropriation	\$16,598,000
TOTAL APPROPRIATION	\$118,647,000

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

(1) At least \$200,000 of the general fund—state appropriation for fiscal year 2018 and at least \$200,000 of the general fund—state appropriation for fiscal year 2019 must be expended on the Northwest autism center.

(2) The university must continue work with the education research and data center to demonstrate progress in computer science and engineering enrollments. By September 1st of each year, the university shall provide a report including but not limited to the cost per student, student completion rates, and the number of low-income students enrolled in each program, any process changes or best-practices implemented by the university, and how many students are enrolled in computer science and engineering programs above the prior academic year.

(3) Eastern Washington University shall not use funds appropriated in this section to support intercollegiate athletics programs.

(4) \$9,851,000 of the general fund—state appropriation for fiscal year 2018 and \$10,048,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of the college affordability program as set forth in RCW 28B.15.066.

(5) The appropriations in this section include sufficient funding for the implementation of chapter 154, Laws of 2017 (SSB 5022) (education loan information).

(6) The appropriations in this section include sufficient funding for the implementation of chapter 177, Laws of 2017 (SSB 5100) (financial literacy seminars).

(7) Within amounts appropriated in this section, the university is encouraged to increase the number of tenure-track positions created and hired.

NEW SECTION. Sec. 609. FOR CENTRAL WASHINGTON UNIVERSITY

General Fund—State Appropriation (FY 2018)	\$49,969,000
General Fund—State Appropriation (FY 2019)	\$52,303,000
CWU Capital Projects Account—State Appropriation	\$76,000
Education Legacy Trust Account—State Appropriation	\$19,076,000
TOTAL APPROPRIATION	\$121,424,000

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

(1) The university must continue work with the education research and data center to demonstrate progress in engineering enrollments. By September 1st of each year, the university shall provide a report including but not limited to the cost per student, student completion rates, and the number of low-income

students enrolled in each program, any process changes or best-practices implemented by the university, and how many students are enrolled in engineering programs above the prior academic year.

(2) Central Washington University shall not use funds appropriated in this section to support intercollegiate athletics programs.

(3) \$11,104,000 of the general fund—state appropriation for fiscal year 2018 and \$11,326,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of the college affordability program as set forth in RCW 28B.15.066.

(4) The appropriations in this section include sufficient funding for the implementation of chapter 154, Laws of 2017 (SSB 5022) (education loan information).

(5) The appropriations in this section include sufficient funding for the implementation of chapter 177, Laws of 2017 (SSB 5100) (financial literacy seminars).

(6) Within amounts appropriated in this section, the university is encouraged to increase the number of tenure-track positions created and hired.

***NEW SECTION. Sec. 610. FOR THE EVERGREEN STATE COLLEGE**

General Fund—State Appropriation (FY 2018)	\$26,543,000
General Fund—State Appropriation (FY 2019)	\$27,146,000
TESC Capital Projects Account—State Appropriation	\$80,000
Education Legacy Trust Account—State Appropriation	\$5,450,000
Liquor Revolving Account—State Appropriation	\$250,000
TOTAL APPROPRIATION	\$59,469,000

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

(1) \$3,377,000 of the general fund—state appropriation for fiscal year 2018 and \$3,445,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of the college affordability program as set forth in RCW 28B.15.066.

(2) Funding provided in this section is sufficient for The Evergreen State College to continue operations of the Longhouse Center and the Northwest Indian applied research institute.

(3) Notwithstanding other provisions in this section, the board of directors for the Washington state institute for public policy may adjust due dates for projects included on the institute's 2017-19 work plan as necessary to efficiently manage workload.

(4) The Evergreen State College shall not use funds appropriated in this section to support intercollegiate athletics programs.

(5) \$33,000 of the general fund—state appropriation for fiscal year 2018 and \$65,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 265, Laws of 2017 (SHB 1867) (ext. foster care transitions).

(6) \$62,000 of the general fund—state appropriation for fiscal year 2018 are provided solely for implementation of chapter 237, Laws of 2017 (ESHB 1115) (paraeducators).

(7) \$17,000 of the general fund—state appropriation for fiscal year 2018 and \$34,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the Washington institute for public policy to conduct a study regarding the implementation of certain aspects of the involuntary treatment act, pursuant to chapter 29, Laws of 2016, sp. sess. (E3SHB 1713).

(8) The appropriations in this section include sufficient funding for the implementation of chapter 154, Laws of 2017 (SSB 5022) (education loan information).

(9) The appropriations in this section include sufficient funding for the implementation of chapter 177, Laws of 2017 (SSB 5100) (financial literacy seminars).

(10) \$72,000 of the general fund—state appropriation for fiscal year 2018 and \$43,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the Washington institute for public policy to update its previous meta-analysis on the effect of the national board for professional teaching standards certification on student outcomes by December 15, 2018. The institute shall also report on the following:

(a) Does the certification improve teacher retention in Washington state?;

(b) Has the additional bonus provided under RCW 28A.405.415 to certificated instructional staff who have attained national board certification to work in high poverty schools acted as an incentive for such teachers to actually work in high poverty schools?; and

(c) Have other states provided similar incentives to achieve a more equitable distribution of staff with national board certification?

(11) \$122,000 of the general fund—state appropriation for fiscal year 2018 and \$40,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of chapter 244, Laws of 2015 (college bound).

(12) \$1,000 of the general fund—state appropriation for fiscal year 2018 and \$1,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of chapter 7, Laws of 2015, 3rd sp.s. (early start act).

(13) \$250,000 of the liquor revolving account—state appropriation is provided solely for the Washington state institute for public policy to study comparative constitutional and statutory obligations and revenue capacity of local governments. The institute must provide a report on its research and findings to the appropriate committees of the legislature by December 30, 2017.

(14) Within amounts appropriated in this section, the college is encouraged to increase the number of tenure-track positions created and hired.

(15) \$16,000 of the general fund—state appropriation for fiscal year 2018 and \$22,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of Engrossed Substitute Senate Bill No. 5890 (foster care and adoption). If the bill is not enacted by July 31, 2017, the amounts provided in this subsection shall lapse.

**Sec 610 was partially vetoed. See message at end of chapter.*

NEW SECTION. Sec. 611. FOR WESTERN WASHINGTON UNIVERSITY

General Fund—State Appropriation (FY 2018) \$70,456,000

General Fund—State Appropriation (FY 2019)	\$72,950,000
Education Legacy Trust Account—State Appropriation	\$13,831,000
Western Washington University Capital Projects	
Account—State Appropriation (FY 2018)	\$771,000
Western Washington University Capital Projects Account—State	
Appropriation (FY 2019)	\$712,000
TOTAL APPROPRIATION	\$158,720,000

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

(1) The university must continue work with the education research and data center to demonstrate progress in computer science and engineering enrollments. By September 1st of each year, the university shall provide a report including but not limited to the cost per student, student completion rates, and the number of low-income students enrolled in each program, any process changes or best-practices implemented by the university, and how many students are enrolled in computer science and engineering programs above the prior academic year.

(2) \$630,000 of the general fund—state appropriation for fiscal year 2018 and \$630,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the computer and information systems security program located at Olympic college - Poulsbo. The university is expected to enroll 30 students each academic year beginning in fiscal year 2017. The university must identify these students separately when providing data to the educational data centers as required in (1) of this section.

(3) Western Washington University shall not use funds appropriated in this section to support intercollegiate athletics programs.

(4) \$15,326,000 of the general fund—state appropriation for fiscal year 2018 and \$15,632,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of the college affordability program as set forth in RCW 28B.15.066.

(5) The appropriations in this section include sufficient funding for the implementation of chapter 154, Laws of 2017 (SSB 5022) (education loan information).

(6) The appropriations in this section include sufficient funding for the implementation of chapter 177, Laws of 2017 (SSB 5100) (financial literacy seminars).

(7) \$500,000 of the general fund—state appropriation for fiscal year 2018 and \$500,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for programs or initiatives designed to improve student academic success and increase degree completion.

(8) Within amounts appropriated in this section, the university is encouraged to increase the number of tenure-track positions created and hired.

NEW SECTION. Sec. 612. FOR THE STUDENT ACHIEVEMENT COUNCIL—POLICY COORDINATION AND ADMINISTRATION

General Fund—State Appropriation (FY 2018)	\$5,640,000
General Fund—State Appropriation (FY 2019)	\$5,791,000
General Fund—Federal Appropriation	\$4,892,000
TOTAL APPROPRIATION	\$16,323,000

The appropriations in this section are subject to the following conditions and limitations: \$20,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for administrative costs to implement the expansion of the college bound scholarship program for foster youth, pursuant to Engrossed Substitute Senate Bill No. 5890 (foster care and adoption). If the bill is not enacted by July 31, 2017, the amount provided in this subsection shall lapse.

NEW SECTION. Sec. 613. FOR THE STUDENT ACHIEVEMENT COUNCIL—OFFICE OF STUDENT FINANCIAL ASSISTANCE

General Fund—State Appropriation (FY 2018)	.....	\$238,397,000
General Fund—State Appropriation (FY 2019)	.....	\$242,726,000
General Fund—Federal Appropriation	.....	\$11,906,000
General Fund—Private/Local Appropriation	.....	\$300,000
Education Legacy Trust Account—State Appropriation	.....	\$99,955,000
WA Opportunity Pathways Account—State Appropriation	.....	\$117,389,000
Aerospace Training Student Loan Account—State Appropriation	.....	\$208,000
Health Professionals Loan Repayment and Scholarship Program Account—State Appropriation	.....	\$4,720,000
TOTAL APPROPRIATION	.....	\$715,601,000

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

(1) \$229,157,000 of the general fund—state appropriation for fiscal year 2018, \$233,928,000 of the general fund—state appropriation for fiscal year 2019, \$69,376,000 of the education legacy trust account—state appropriation, and \$88,000,000 of the Washington opportunity pathways account—state appropriation are provided solely for student financial aid payments under the state need grant and state work study programs, including up to four percent administrative allowance for the state work study program.

(2)(a) For the 2017-2019 fiscal biennium, state need grant awards given to private for-profit institutions shall be the same amount as the prior year.

(b) For the 2017-2019 fiscal biennium, grant awards given to private four-year not-for-profit institutions shall be set at the same level as the average grant award for public research universities. Increases in awards given to private four-year not-for-profit institutions shall align with annual tuition increases for public research institutions.

(3) Changes made to the state work study program in the 2009-2011 and 2011-2013 fiscal biennia are continued in the 2017-2019 fiscal biennium including maintaining the increased required employer share of wages; adjusted employer match rates; discontinuation of nonresident student eligibility for the program; and revising distribution methods to institutions by taking into consideration other factors such as off-campus job development, historical utilization trends, and student need.

(4) Within the funds appropriated in this section, eligibility for the state need grant includes students with family incomes at or below 70 percent of the state median family income (MFI), adjusted for family size, and shall include students enrolled in three to five credit-bearing quarter credits, or the equivalent semester credits. Awards for students with incomes between 51 and 70 percent of the state median shall be prorated at the following percentages of the award

amount granted to those with incomes below 51 percent of the MFI: 70 percent for students with family incomes between 51 and 55 percent MFI; 65 percent for students with family incomes between 56 and 60 percent MFI; 60 percent for students with family incomes between 61 and 65 percent MFI; and 50 percent for students with family incomes between 66 and 70 percent MFI.

(5) Of the amounts provided in subsection (1) of this section, \$100,000 of the general fund—state appropriation for fiscal year 2018 and \$100,000 of the general fund—state appropriation for fiscal year 2019 are provided for the council to process an alternative financial aid application system pursuant to RCW 28B.92.010.

(6) Students who are eligible for the college bound scholarship shall be given priority for the state need grant program. These eligible college bound students whose family incomes are in the 0-65 percent median family income ranges must be awarded the maximum state need grant for which they are eligible under state policies and may not be denied maximum state need grant funding due to institutional policies or delayed awarding of college bound scholarship students. The council shall provide directions to institutions to maximize the number of college bound scholarship students receiving the maximum state need grant for which they are eligible with a goal of 100 percent coordination. Institutions shall identify all college bound scholarship students to receive state need grant priority. If an institution is unable to identify all college bound scholarship students at the time of initial state aid packaging, the institution should reserve state need grant funding sufficient to cover the projected enrollments of college bound scholarship students.

(7) \$15,849,000 of the education legacy trust account—state appropriation and \$29,389,000 of the Washington opportunity pathways account—state appropriation are provided solely for the college bound scholarship program and may support scholarships for summer session.

(8) \$2,236,000 of the general fund—state appropriation for fiscal year 2018 and \$2,236,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the passport to college program. The maximum scholarship award is up to \$5,000. The council shall contract with a nonprofit organization to provide support services to increase student completion in their postsecondary program and shall, under this contract, provide a minimum of \$500,000 in fiscal years 2018 and 2019 for this purpose.

(9) \$14,730,000 of the education legacy trust account—state appropriation is provided solely to meet state match requirements associated with the opportunity scholarship program. The legislature will evaluate subsequent appropriations to the opportunity scholarship program based on the extent that additional private contributions are made, program spending patterns, and fund balance.

(10) \$2,325,000 of the general fund—state appropriation for fiscal year 2018 and \$2,325,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for expenditure into the health professionals loan repayment and scholarship program account. These amounts and \$4,720,000 appropriated from the health professionals loan repayment and scholarship program account must be used to increase the number of licensed primary care health professionals to serve in licensed primary care health professional critical shortage areas. The office of student financial assistance and the department of

health shall prioritize a portion of any nonfederal balances in the health professional loan repayment and scholarship fund for conditional loan repayment contracts with psychiatrists and with advanced registered nurse practitioners for work at one of the state-operated psychiatric hospitals. The office and department shall designate the state hospitals as health professional shortage areas if necessary for this purpose. The office shall coordinate with the department of social and health services to effectively incorporate three conditional loan repayments into the department's advanced psychiatric professional recruitment and retention strategies. The office may use these targeted amounts for other program participants should there be any remaining amounts after eligible psychiatrists and advanced registered nurse practitioners have been served. The office shall also work to prioritize loan repayments to professionals working at health care delivery sites that demonstrate a commitment to serving uninsured clients.

(11) \$42,000 of the general fund—state appropriation for fiscal year 2018 and \$42,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the council to design and implement a program that provides customized information to high-achieving (as determined by local school districts), low-income, high school students. "Low-income" means students who are from low-income families as defined by the education data center in RCW 43.41.400. For the purposes of designing, developing, and implementing the program, the council shall partner with a national entity that offers aptitude tests and shall consult with institutions of higher education with a physical location in Washington. The council shall implement the program no later than fall 2016, giving consideration to spring mailings in order to capture early action decisions offered by institutions of higher education and nonprofit baccalaureate degree-granting institutions. The information packet for students must include at a minimum:

- (a) Materials that help students to choose colleges;
- (b) An application guidance booklet;
- (c) Application fee waivers, if available, for four-year institutions of higher education and independent nonprofit baccalaureate degree-granting institutions in the state that enable students receiving a packet to apply without paying application fees;
- (d) Information on college affordability and financial aid that includes information on the net cost of attendance for each four-year institution of higher education and each nonprofit baccalaureate degree-granting institution, and information on merit and need-based 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.

NEW SECTION. Sec. 614. FOR THE WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD

General Fund—State Appropriation (FY 2018)	\$1,881,000
General Fund—State Appropriation (FY 2019)	\$1,795,000
General Fund—Federal Appropriation	\$55,279,000
General Fund—Private/Local Appropriation	\$208,000
TOTAL APPROPRIATION	\$59,163,000

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 workforce shortages and to meet the increased demand for services now, and with the integration of behavioral health and primary care in 2020. The analysis and recommended action plan shall align with the recommendations of the adult behavioral health system task force and related work of the healthier Washington initiative. The board shall consider workforce data, gaps, distribution, pipeline, development, and infrastructure, including innovative high school, postsecondary, and postgraduate programs to evolve, align, and respond accordingly to our state's behavioral health and related and integrated primary care workforce needs. The board will continue its work and submit final recommendations in calendar year 2017.

(3) \$22,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for implementation of chapter 154, Laws of 2017 (SSB 5022) (education loan information).

(4) \$114,000 of the general fund—state appropriation for fiscal year 2018 and \$57,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for implementation of chapter 182, Laws of 2017 (2SSB 5285) (workforce employment sectors study).

NEW SECTION. Sec. 615. FOR THE DEPARTMENT OF EARLY LEARNING

General Fund—State Appropriation (FY 2018)	\$119,174,000
General Fund—Federal Appropriation	\$171,032,000
Education Legacy Trust Account—State Appropriation	\$14,091,000
Home Visiting Services Account—State Appropriation	\$3,133,000
Home Visiting Services Account—Federal Appropriation	\$12,153,000
WA Opportunity Pathways Account—State Appropriation	\$40,000,000
TOTAL APPROPRIATION	\$359,583,000

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

(1) \$58,185,000 of the general fund—state appropriation for fiscal year 2018, \$12,125,000 of the education legacy trust account—state appropriation, and \$40,000,000 of the opportunity pathways account appropriation are provided solely for the early childhood education and assistance program. These amounts shall support at least 12,491 slots in fiscal year 2018.

(2) \$200,000 of the general fund—state appropriation for fiscal year 2018 is provided solely to develop and provide culturally relevant supports for parents, family, and other caregivers.

(3) The department is the lead agency for and recipient of the federal child care and development fund grant. Amounts within this grant shall be used to

fund child care licensing, quality initiatives, agency administration, and other costs associated with child care subsidies. The department shall transfer a portion of this grant to the department of social and health services to fund the child care subsidies paid by the department of social and health services on behalf of the department of early learning.

(4)(a) \$76,650,000 of the general fund—federal appropriation is provided solely for the working connections child care program under RCW 43.215.135. In order to not exceed the appropriated amount, the department shall manage the program so that the average monthly caseload does not exceed 33,000 households. The department shall give prioritized access into the program according to the following order:

(i) Families applying for or receiving temporary assistance for needy families (TANF);

(ii) TANF families curing sanction;

(iii) Foster children;

(iv) Families that include a child with special needs;

(v) Families in which a parent of a child in care is a minor who is not living with a parent or guardian and who is a full-time student in a high school that has a school-sponsored on-site child care center;

(vi) Families with a child residing with a biological parent or guardian who have received child protective services, child welfare services, or a family assessment response from the department of social and health services in the past six months, and has received a referral for child care as part of the family's case management; and

(vii) Families that received subsidies within the last thirty days and:

(A) Have reapplied for subsidies; and

(B) Have household income of two hundred percent federal poverty level or below; and

(viii) All other eligible families.

(b) The department of early learning and the department of social and health services must take immediate action to reduce fraud and overpayments in the working connections child care program. By December 1, 2017, the department must adopt rules to:

(i) Require verification of the applicant's household composition in determining eligibility for the working connections child care program. At a minimum, the department of social and health services must consult agency records for the temporary assistance for needy families program, food assistance, medical assistance, and child support enforcement to verify the applicant's household composition and other applicable eligibility criteria whenever possible. In cases where only one parent's name appears on the application and the department of social and health services cannot verify an open child support case or verify household composition through internal agency records, then the applicant must:

(A) Provide the name and address of the other parent or indicate, under penalty of perjury, that the other parent's identity or address are unknown to the applicant; and

(B) Document the presence or absence of the other parent through acceptable documentation as defined by the department in rule.

The department must exempt an applicant from providing information about the other parent if the department of social and health services determines the applicant has good cause not to cooperate. For the purposes of this subsection, "good cause" must include, at a minimum, consideration of the safety of domestic violence victims;

(ii) Authorize working connections child care payments to licensed and certified providers and in-home relative child care providers serving eligible consumers who participate in one hundred ten hours or more of approved work or related activities per calendar month within the following categories: (A) Full day care for a non-school-age child, (B) half-day care for a school-age child during the school year, and (C) full day care for a school-age child during school holidays;

(iii) Define the occurrence of fraud, an intentional program violation, an unintentional program violation and an administrative error;

(iv) Outline the administrative process for determining fraud or an intentional program violation; and

(v) Define the progressive disqualification process for providers who commit fraud or intentional program violation(s).

(c) The department, in collaboration with the department of social and health services, must submit a preliminary report by December 1, 2017, and a final report by December 1, 2018, to the governor and the appropriate fiscal and policy committees of the legislature on quality control measures for the working connections child care program. The reports must each include:

(i) A detailed narrative of the procurement and implementation of an improved time and attendance system, including a detailed accounting of the costs of procurement and implementation;

(ii) A comprehensive description of all processes, including computer algorithms and additional rule development, that the department and the department of social and health services plan to establish prior to and after full implementation of the time and attendance system. At a minimum, processes must be designed to:

(A) Ensure the department's auditing efforts are informed by regular and continuous alerts of the potential for overpayments;

(B) Avoid overpayments to the maximum extent possible and expediently recover overpayments that have occurred;

(C) Withhold payment from providers when necessary to incentivize receipt of the necessary documentation to complete an audit;

(D) Establish methods for reducing future payments or establishing repayment plans in order to recover any overpayments;

(E) Sanction providers, including termination of eligibility, who commit intentional program violations or fail to comply with program requirements, including compliance with any established repayment plans;

(F) Consider pursuit of prosecution in cases with fraudulent activity; and

(iii) A description of the process by which fraud is identified and how fraud investigations are prioritized and expedited.

(d) Beginning July 1, 2018, and annually thereafter, the department, in collaboration with the department of social and health services, must report to the governor and the appropriate fiscal and policy committees of the legislature

on the status of overpayments in the working connections child care program. The report must include the following information for the previous fiscal year:

- (i) A summary of the number of overpayments that occurred;
- (ii) The reason for each overpayment;
- (iii) The total cost of overpayments;
- (iv) A comparison to overpayments that occurred in the past two preceding fiscal years; and
- (v) Any planned modifications to internal processes that will take place in the coming fiscal year to further reduce the occurrence of overpayments.

(5) Within available amounts, the department in consultation with the office of financial management and the department of social and health services shall report enrollments and active caseload for the working connections child care program to the legislative fiscal committees and the legislative-executive WorkFirst oversight task force on an agreed upon schedule. The report shall also identify the number of cases participating in both temporary assistance for needy families and working connections child care. The department must also report on the number of children served through contracted slots.

(6) \$1,560,000 of the general fund—state appropriation for fiscal year 2018 and \$6,712,000 of the general fund—federal appropriation are provided solely for the seasonal child care program. If federal sequestration cuts are realized, cuts to the seasonal child care program must be proportional to other federal reductions made within the department.

(7) \$4,674,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for the early childhood intervention prevention services (ECLIPSE) program. The department shall contract for ECLIPSE services to provide therapeutic child care and other specialized treatment services to abused, neglected, at-risk, and/or drug-affected children. Priority for services shall be given to children referred from the department of social and health services children's administration.

(8) \$44,663,000 of the general fund—state appropriation for fiscal year 2018 and \$13,954,000 of the general fund—federal appropriation are provided solely to maintain the requirements set forth in chapter 7, Laws of 2015 3rd sp. sess. The department shall place a ten percent administrative overhead cap on any contract entered into with the University of Washington. In its annual report to the governor and the legislature, the department shall report the total amount of funds spent on the quality rating and improvements system and the total amount of funds spent on degree incentives, scholarships, and tuition reimbursements. Of the amounts provided in this subsection, \$386,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for a six percent base rate increase for child care center providers.

(9) \$1,728,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for reducing barriers for low-income providers to participate in the early achievers program.

(10) \$300,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for a contract with a nonprofit entity experienced in the provision of promoting early literacy for children through pediatric office visits.

(11) \$2,000,000 of the education legacy trust account—state appropriation is provided solely for early intervention assessment and services.

(12) \$7,979,000 of the general fund—federal appropriation for fiscal year 2018 is provided solely for the department to procure a time and attendance system and are subject to the conditions, limitations, and review provided in section 724 of this act.

(13) Information technology projects or investments and proposed projects or investments impacting time capture, payroll and payment processes and systems, eligibility, case management and authorization systems within the department of early learning are subject to technical oversight by the office of the chief information officer. The department must collaborate with the office of the chief information officer to develop a strategic business and technology architecture plan for a child care attendance and billing system that supports a statewide architecture.

(14)(a)(i) The department of early learning is required to provide to the education research and data center, housed at the office of financial management, data on all state-funded early childhood programs. These programs include the early support for infants and toddlers, early childhood education and assistance program (ECEAP), and the working connections and seasonal subsidized childcare programs including license exempt facilities or family, friend, and neighbor care. The data provided by the department to the education research data center must include information on children who participate in these programs, including their name and date of birth, and dates the child received services at a particular facility.

(ii) ECEAP early learning professionals must enter any new qualifications into the department's professional development registry starting in the 2015-16 school year, and every school year thereafter. By October 2017, and every October thereafter, the department must provide updated ECEAP early learning professional data to the education research data center.

(iii) The department must request federally funded head start programs to voluntarily provide data to the department and the education research data center that is equivalent to what is being provided for state-funded programs.

(iv) The education research and data center must provide an updated report on early childhood program participation and K-12 outcomes to the house of representatives appropriations committee and the senate ways and means committee using available data by November 2017 for the school year ending in 2016 and again in March 2018 for the school year ending in 2017.

(b) The department, in consultation with the department of social and health services, must withhold payment for services to early childhood programs that do not report on the name, date of birth, and the dates a child received services at a particular facility.

(15) The department shall work with state and local law enforcement, federally recognized tribal governments, and tribal law enforcement to develop a process for expediting fingerprinting and data collection necessary to conduct background checks for tribal early learning and child care providers.

(16) \$2,651,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for the 2017-2019 collective bargaining agreement covering family child care providers as set forth in section 940 of this act. Funding is contingent upon enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining). If the bill is not enacted by July 31,

2017, the amount provided in this subsection shall lapse. Of the amounts provided in this subsection:

- (a) \$273,000 is for a base rate increase;
 - (b) \$55,000 is for increasing paid professional development days from three days to five days;
 - (c) \$1,708,000 is for the family child care providers 501c3 organization for the substitute pool, training and quality improvement support services, and administration;
 - (d) \$114,000 is for increasing licensing incentive payments; and
 - (e) \$500,000 is for needs based grants.
- (17) \$175,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for the department to contract with a nonprofit entity that provides quality improvement services to participants in the early achievers program to implement a community-based training module that supports licensed child care providers who have been rated in early achievers and who are specifically interested in serving children in the early childhood education and assistance program. The module must be functionally translated into Spanish and Somali. The module must prepare trainees to administer all aspects of the early childhood education and assistance program for eligible children in their licensed program and must be offered to 105 child care providers to serve children eligible for the early childhood education and assistance program by June 30, 2019.

(18) \$750,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for the implementation of the early achievers expanded learning opportunity quality initiative pursuant to RCW 43.215.100(3)(d).

(19) \$267,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for implementation of chapter 236, Laws of 2017 (SHB 1445) (dual language in early learning & K-12).

(20) \$100,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for implementation of chapter 202, Laws of 2017 (E2SHB 1713) (children's mental health).

(21) \$5,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for a child care workforce development technical work group to develop recommendations to support increased child care workforce wages, reduce turnover, enable child care providers to recruit more qualified educators, and maintain the diversity of the current workforce.

(a) The department shall convene and provide staff support for the technical work group. The department shall consult with advocates and stakeholders of the early learning workforce when selecting members for the technical work group. Membership of the work group must consist of representatives from the following organizations and entities:

- (i) The statewide child care resource and referral network;
- (ii) The department;
- (iii) The department of commerce;
- (iv) The economic opportunity institute;
- (v) A coalition of organizations representing nonprofits, professional associations, businesses, and industries in early learning;
- (vi) The state board for community and technical colleges;
- (vii) A union representing child care workers;

- (viii) The small business administration;
- (ix) A member consisting of either an economist or a representative of the workforce development councils;
- (x) A representative from an early childhood education and assistance program;
- (xi) A representative from a nonprofit child care center;
- (xii) A representative from a private child care center; and
- (xiii) A representative from an organization that provides culturally responsive services for early learning programs in communities with high numbers of families whose primary language is not English.

(b) Members of the work group may be reimbursed for travel expenses as provided in RCW 43.03.050 and 43.03.060. Funding in this subsection is provided solely for travel reimbursement of work group members and other costs to conduct the meetings. Funding provided in this subsection may not be used to contract for facilitation.

(c) The work group shall issue a report with recommendations and an implementation plan to the governor and appropriate committees of the legislature by December 1, 2018.

(22) \$317,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for implementation of chapter 162, Laws of 2017 (SSB 5357) (outdoor early learning programs).

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

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

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

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

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

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

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

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

NEW SECTION. Sec. 616. FOR THE STATE SCHOOL FOR THE BLIND

General Fund—State Appropriation (FY 2018) \$6,976,000

General Fund—State Appropriation (FY 2019)	\$7,427,000
General Fund—Private/Local Appropriation	\$34,000
TOTAL APPROPRIATION	\$14,437,000

The appropriations in this section are subject to the following conditions and limitations: Funding provided in this section is sufficient for the school to offer to students enrolled in grades nine through twelve for full-time instructional services at the Vancouver campus with the opportunity to participate in a minimum of one thousand eighty hours of instruction and the opportunity to earn twenty-four high school credits.

NEW SECTION. Sec. 617. FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING LOSS

General Fund—State Appropriation (FY 2018)	\$10,646,000
General Fund—State Appropriation (FY 2019)	\$11,679,000
TOTAL APPROPRIATION	\$22,325,000

The appropriations in this section are subject to the following conditions and limitations: Funding provided in this section is sufficient for the center to offer to students enrolled in grades nine through twelve for full-time instructional services at the Vancouver campus with the opportunity to participate in a minimum of one thousand eighty hours of instruction and the opportunity to earn twenty-four high school credits.

NEW SECTION. Sec. 618. FOR THE WASHINGTON STATE ARTS COMMISSION

General Fund—State Appropriation (FY 2018)	\$1,497,000
General Fund—State Appropriation (FY 2019)	\$1,514,000
General Fund—Federal Appropriation	\$2,124,000
General Fund—Private/Local Appropriation	\$16,000
TOTAL APPROPRIATION	\$5,151,000

The appropriations in this section are subject to the following conditions and limitations: \$78,000 of the general fund—state appropriation for fiscal year 2018 and \$78,000 of the general fund—state appropriation for fiscal year 2019 are provided solely to implement chapter 240, Laws of 2017 (creative districts).

NEW SECTION. Sec. 619. FOR THE WASHINGTON STATE HISTORICAL SOCIETY

General Fund—State Appropriation (FY 2018)	\$2,505,000
General Fund—State Appropriation (FY 2019)	\$2,603,000
TOTAL APPROPRIATION	\$5,108,000

NEW SECTION. Sec. 620. FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY

General Fund—State Appropriation (FY 2018)	\$1,991,000
General Fund—State Appropriation (FY 2019)	\$2,044,000
TOTAL APPROPRIATION	\$4,035,000

**PART VII
SPECIAL APPROPRIATIONS**

NEW SECTION. Sec. 701. FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND

REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT

General Fund—State Appropriation (FY 2018)	\$1,133,223,000
General Fund—State Appropriation (FY 2019)	\$1,190,324,000
State Building Construction Account—State Appropriation	\$6,456,000
Columbia River Basin Water Supply—State Appropriation	\$79,000
State Taxable Building Construction Account—State Appropriation	\$376,000
Debt-Limit Reimbursable Bond Retire Account—State Appropriation	\$570,000
TOTAL APPROPRIATION	\$2,331,028,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the debt-limit general fund bond retirement account.

NEW SECTION. Sec. 702. FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE

General Fund—State Appropriation (FY 2018)	\$9,592,000
General Fund—State Appropriation (FY 2019)	\$1,517,000
Nondebt-Limit Reimbursable Bond Retirement Account—State Appropriation	\$184,549,000
TOTAL APPROPRIATION	\$195,658,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the nondebt-limit general fund bond retirement account.

NEW SECTION. Sec. 703. FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES

General Fund—State Appropriation (FY 2018)	\$1,400,000
General Fund—State Appropriation (FY 2019)	\$1,400,000
Hood Canal Aquatic Rehabilitation—State Appropriation	\$1,000
State Building Construction Account—State Appropriation	\$2,191,000
Columbia River Basin Water Supply—State Appropriation	\$58,000
Columbia River Basin Taxable Bond Water Supply—State Appropriation	\$14,000
State Taxable Building Construction Account—State Appropriation	\$150,000
TOTAL APPROPRIATION	\$5,214,000

NEW SECTION. Sec. 704. FOR THE OFFICE OF FINANCIAL MANAGEMENT—EMERGENCY FUND

General Fund—State Appropriation (FY 2018)	\$850,000
General Fund—State Appropriation (FY 2019)	\$850,000

TOTAL APPROPRIATION \$1,700,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section are for the governor's emergency fund for the critically necessary work of any agency.

NEW SECTION. Sec. 705. FOR THE OFFICE OF FINANCIAL MANAGEMENT—EDUCATION TECHNOLOGY REVOLVING ACCOUNT

General Fund—State Appropriation (FY 2018) \$8,000,000
 General Fund—State Appropriation (FY 2019) \$8,000,000
 TOTAL APPROPRIATION \$16,000,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section are provided solely for expenditure into the education technology revolving account for the purpose of covering ongoing operational and equipment replacement costs incurred by the K-20 educational network program in providing telecommunication services to network participants.

NEW SECTION. Sec. 706. FOR THE OFFICE OF FINANCIAL MANAGEMENT—O'BRIEN BUILDING IMPROVEMENT

General Fund—State Appropriation (FY 2018) \$2,797,000
 General Fund—State Appropriation (FY 2019) \$2,798,000
 TOTAL APPROPRIATION \$5,595,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the enterprise services account for payment of principal, interest, and financing expenses associated with the certificate of participation for the O'Brien building improvement, project number 20081007.

NEW SECTION. Sec. 707. FOR THE OFFICE OF FINANCIAL MANAGEMENT—CHERBERG BUILDING REHABILITATION

General Fund—State Appropriation (FY 2018) \$552,000
 General Fund—State Appropriation (FY 2019) \$554,000
 TOTAL APPROPRIATION \$1,106,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the enterprise services account for payment for the principal, interest, and financing expenses associated with the certificate of participation for the Cherberg building improvements, project number 2002-1-005.

NEW SECTION. Sec. 708. FOR THE STATE TREASURER—COUNTY PUBLIC HEALTH ASSISTANCE

General Fund—State Appropriation (FY 2018) \$36,386,000
 General Fund—State Appropriation (FY 2019) \$36,386,000
 TOTAL APPROPRIATION \$72,772,000

The appropriations in this section are subject to the following conditions and limitations: The state treasurer shall distribute the appropriations to the following counties and health districts in the amounts designated to support public health services, including public health nursing:

Health District	FY 2018	FY 2019	2017-2019 Biennium
Adams County Health District	\$121,213	\$121,213	\$242,426
Asotin County Health District	\$159,890	\$159,890	\$319,780
Benton-Franklin Health District	\$1,614,337	\$1,614,337	\$3,228,674
Chelan-Douglas Health District	\$399,634	\$399,634	\$799,268
Clallam County Health and Human Services Department	\$291,401	\$291,401	\$582,802
Clark County Health District	\$1,767,341	\$1,767,341	\$3,534,682
Skamania County Health Department	\$111,327	\$111,327	\$222,654
Columbia County Health District	\$119,991	\$119,991	\$239,982
Cowlitz County Health Department	\$477,981	\$477,981	\$955,962
Garfield County Health District	\$93,154	\$93,154	\$186,308
Grant County Health District	\$297,761	\$297,761	\$595,522
Grays Harbor Health Department	\$335,666	\$335,666	\$671,332
Island County Health Department	\$255,224	\$255,224	\$510,448
Jefferson County Health and Human Services	\$184,080	\$184,080	\$368,160
Seattle-King County Department of Public Health	\$12,685,521	\$12,685,521	\$25,371,042
Bremerton-Kitsap County Health District	\$997,476	\$997,476	\$1,994,952
Kittitas County Health Department	\$198,979	\$198,979	\$397,958
Klickitat County Health Department	\$153,784	\$153,784	\$307,568
Lewis County Health Department	\$263,134	\$263,134	\$526,268
Lincoln County Health Department	\$113,917	\$113,917	\$227,834
Mason County Department of Health Services	\$227,448	\$227,448	\$454,896
Okanogan County Health District	\$169,882	\$169,882	\$339,764
Pacific County Health Department	\$169,075	\$169,075	\$338,150
Tacoma-Pierce County Health Department	\$4,143,169	\$4,143,169	\$8,286,338
San Juan County Health and Community Services	\$126,569	\$126,569	\$253,138
Skagit County Health Department	\$449,745	\$449,745	\$899,490
Snohomish Health District	\$3,433,291	\$3,433,291	\$6,866,582
Spokane County Health District	\$2,877,318	\$2,877,318	\$5,754,636
Northeast Tri-County Health District	\$249,303	\$249,303	\$498,606
Thurston County Health Department	\$1,046,897	\$1,046,897	\$2,093,794
Wahkiakum County Health Department	\$93,181	\$93,181	\$186,362
Walla Walla County-City Health Department	\$302,173	\$302,173	\$604,346
Whatcom County Health Department	\$1,214,301	\$1,214,301	\$2,428,602
Whitman County Health Department	\$189,355	\$189,355	\$378,710
Yakima Health District	\$1,052,482	\$1,052,482	\$2,104,964
TOTAL APPROPRIATIONS	\$36,386,000	\$36,386,000	\$72,772,000

**NEW SECTION. Sec. 709. FOR THE STATE TREASURER—
COUNTY CLERK LEGAL FINANCIAL OBLIGATION GRANTS**

General Fund—State Appropriation (FY 2018)	\$541,000
General Fund—State Appropriation (FY 2019)	\$441,000
TOTAL APPROPRIATION	\$982,000

The appropriations in this section are subject to the following conditions and limitations: By October 1st of each fiscal year, the state treasurer shall distribute the appropriations to the following county clerk offices in the amounts designated as grants for the collection of legal financial obligations pursuant to RCW 2.56.190:

County Clerk	FY 2018	FY 2019
Adams County Clerk	\$2,103	\$1,714
Asotin County Clerk	\$2,935	\$2,392
Benton County Clerk	\$18,231	\$14,858
Chelan County Clerk	\$7,399	\$6,030
Clallam County Clerk	\$5,832	\$4,753
Clark County Clerk	\$32,635	\$26,597
Columbia County Clerk	\$384	\$313
Cowlitz County Clerk	\$16,923	\$13,792
Douglas County Clerk	\$3,032	\$2,471
Ferry County Clerk	\$422	\$344
Franklin County Clerk	\$5,486	\$4,471
Garfield County Clerk	\$243	\$198
Grant County Clerk	\$10,107	\$8,237
Grays Harbor County Clerk	\$8,659	\$7,057
Island County Clerk	\$3,059	\$2,493
Jefferson County Clerk	\$1,859	\$1,515
King County Court Clerk	\$119,290	\$97,266
Kitsap County Clerk	\$22,242	\$18,127
Kittitas County Clerk	\$3,551	\$2,894
Klickitat County Clerk	\$2,151	\$1,753
Lewis County Clerk	\$10,340	\$8,427
Lincoln County Clerk	\$724	\$590
Mason County Clerk	\$5,146	\$4,194
Okanogan County Clerk	\$3,978	\$3,242
Pacific County Clerk	\$2,411	\$1,965
Pend Oreille County Clerk	\$611	\$498
Pierce County Clerk	\$77,102	\$62,837
San Juan County Clerk	\$605	\$493

County Clerk	FY 2018	FY 2019
Skagit County Clerk	\$11,059	\$9,013
Skamania County Clerk	\$1,151	\$938
Snohomish County Clerk	\$38,143	\$31,086
Spokane County Clerk	\$44,825	\$36,578
Stevens County Clerk	\$2,984	\$2,432
Thurston County Clerk	\$22,204	\$18,096
Wahkiakum County Clerk	\$400	\$326
Walla Walla County Clerk	\$4,935	\$4,022
Whatcom County Clerk	\$20,728	\$16,893
Whitman County Clerk	\$2,048	\$1,669
Yakima County Clerk	\$25,063	\$20,426

TOTAL APPROPRIATIONS \$541,000 \$441,000

NEW SECTION. Sec. 710. BELATED CLAIMS

The agencies and institutions of the state may expend moneys appropriated in this act, upon approval of the office of financial management, for the payment of supplies and services furnished to the agency or institution in prior fiscal biennia.

NEW SECTION. Sec. 711. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS—CONTRIBUTIONS TO RETIREMENT SYSTEMS

The appropriations in this section are subject to the following conditions and limitations: The appropriations for the law enforcement officers' and firefighters' retirement system shall be made on a monthly basis consistent with chapter 41.45 RCW, and the appropriations for the judges and judicial retirement systems shall be made on a quarterly basis consistent with chapters 2.10 and 2.12 RCW.

(1) There is appropriated for state contributions to the law enforcement officers' and firefighters' retirement system:

General Fund—State Appropriation (FY 2018)	\$70,050,000
General Fund—State Appropriation (FY 2019)	\$73,350,000
TOTAL APPROPRIATION	\$143,400,000

(2) There is appropriated for contributions to the judicial retirement system:

General Fund—State Appropriation (FY 2018)	\$8,700,000
General Fund—State Appropriation (FY 2019)	\$8,400,000
TOTAL APPROPRIATION	\$17,100,000

(3) There is appropriated for contributions to the judges' retirement system:

General Fund—State Appropriation (FY 2018)	\$500,000
General Fund—State Appropriation (FY 2019)	\$500,000
TOTAL APPROPRIATION	\$1,000,000

NEW SECTION. Sec. 712. FOR THE OFFICE OF FINANCIAL MANAGEMENT—STATE EFFICIENCY AND RESTRUCTURING REPAYMENT

General Fund—State Appropriation (FY 2018)	\$5,000,000
General Fund—State Appropriation (FY 2019)	\$5,002,000
TOTAL APPROPRIATION	\$10,002,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section are provided solely for expenditure into the cleanup settlement account on July 1, 2017, and July 1, 2018, as repayment of moneys that were transferred to the state efficiency and restructuring account.

NEW SECTION. Sec. 713. FOR THE OFFICE OF FINANCIAL MANAGEMENT—COMMON SCHOOL CONSTRUCTION ACCOUNT

General Fund—State Appropriation (FY 2018)	\$600,000
General Fund—State Appropriation (FY 2019)	\$600,000
TOTAL APPROPRIATION	\$1,200,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section are provided solely for expenditure into the common school construction account—state on July 1, 2017, and July 1, 2018, for an interest payment pursuant to RCW 90.38.130.

NEW SECTION. Sec. 714. FOR THE OFFICE OF FINANCIAL MANAGEMENT—NATURAL RESOURCES REAL PROPERTY REPLACEMENT ACCOUNT

General Fund—State Appropriation (FY 2018)	\$300,000
General Fund—State Appropriation (FY 2019)	\$300,000
TOTAL APPROPRIATION	\$600,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section are provided solely for expenditure into the natural resources real property replacement account—state on July 1, 2017, and July 1, 2018, for an interest payment pursuant to RCW 90.38.130.

NEW SECTION. Sec. 715. FOR THE OFFICE OF FINANCIAL MANAGEMENT—COUNTY CRIMINAL JUSTICE ASSISTANCE ACCOUNT

General Fund—State Appropriation (FY 2018)	\$227,000
General Fund—State Appropriation (FY 2019)	\$227,000
TOTAL APPROPRIATION	\$454,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section, or so much thereof as may be necessary, are provided solely for expenditure into the county criminal justice assistance account—state. The treasurer shall make quarterly distributions from the county criminal justice assistance account of the amounts provided in this section in accordance with RCW 82.14.310 for the purposes of reimbursing local jurisdictions for increased costs incurred as a result of the mandatory arrest of repeat offenders pursuant to chapter 35, Laws of 2013 2nd sp. sess. The appropriations and distributions made under this section constitute appropriate

reimbursement for costs for any new programs or increased level of services for the purposes of RCW 43.135.060.

NEW SECTION. Sec. 716. FOR THE OFFICE OF FINANCIAL MANAGEMENT—MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT

General Fund—State Appropriation (FY 2018)	.....	\$133,000
General Fund—State Appropriation (FY 2019)	.....	\$133,000
TOTAL APPROPRIATION	.....	\$266,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section, or so much thereof as may be necessary, are appropriated for expenditure into the municipal criminal justice assistance account. The treasurer shall make quarterly distributions from the municipal criminal justice assistance account of the amounts provided in this section in accordance with RCW 82.14.320 and 82.14.330, for the purposes of reimbursing local jurisdictions for increased costs incurred as a result of the mandatory arrest of repeat offenders pursuant to chapter 35, Laws of 2013 2nd sp. sess. The appropriations and distributions made under this section constitute appropriate reimbursement for costs for any new programs or increased level of services for the purposes of RCW 43.135.060.

NEW SECTION. Sec. 717. FOR THE OFFICE OF FINANCIAL MANAGEMENT—COMMUNICATION SERVICES REFORM

General Fund—State Appropriation (FY 2018)	.....	\$5,000,000
General Fund—State Appropriation (FY 2019)	.....	\$5,000,000
TOTAL APPROPRIATION	.....	\$10,000,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section are provided solely for expenditure into the universal communications services fund to fund the temporary universal communications services program.

NEW SECTION. Sec. 718. FOR THE OFFICE OF FINANCIAL MANAGEMENT—OUTDOOR EDUCATION AND RECREATION ACCOUNT

General Fund—State Appropriation (FY 2018)	.....	\$750,000
General Fund—State Appropriation (FY 2019)	.....	\$750,000
TOTAL APPROPRIATION	.....	\$1,500,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the outdoor education and recreation account for the state parks and recreation commission's outdoor education and recreation program purposes identified in RCW 79A.05.351.

NEW SECTION. Sec. 719. FOR THE OFFICE OF FINANCIAL MANAGEMENT—SUICIDE SAFER HOMES PROJECT ACCOUNT

General Fund—State Appropriation (FY 2018)	\$50,000
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The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the suicide safer homes project account for the implementation of chapter 262, Laws of 2017 (partial veto) (E2SHB 1612) (lethal means, reduce access).

NEW SECTION. Sec. 720. FOR THE OFFICE OF FINANCIAL MANAGEMENT—CANCER RESEARCH ENDOWMENT FUND MATCH TRANSFER ACCOUNT

General Fund—State Appropriation (FY 2018) \$5,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for expenditure into the cancer research endowment fund match transfer account per RCW 43.348.080 to fund the cancer research endowment program.

NEW SECTION. Sec. 721. FOR THE OFFICE OF FINANCIAL MANAGEMENT—HOME VISITING SERVICES ACCOUNT

General Fund—State Appropriation (FY 2018) \$691,000

General Fund—State Appropriation (FY 2019) \$744,000

TOTAL APPROPRIATION \$1,435,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the home visiting services account for the home visiting program.

NEW SECTION. Sec. 722. FOR THE OFFICE OF FINANCIAL MANAGEMENT—HEALTH PROFESSIONS ACCOUNT

Dedicated Marijuana Account—State Appropriation (FY 2018) \$352,000

Dedicated Marijuana Account—State Appropriation (FY 2019) \$352,000

TOTAL APPROPRIATION \$704,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the health professions account to reimburse the account for costs incurred by the department of health for the development and administration of the marijuana authorization database.

NEW SECTION. Sec. 723. FOR THE OFFICE OF FINANCIAL MANAGEMENT—LEASE COST POOL

General Fund—State Appropriation (FY 2018) \$9,712,000

General Fund—Federal Appropriation \$2,431,000

TOTAL APPROPRIATION \$12,143,000

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

(1) The appropriations in this section are provided solely for expenditure into the state agency office relocation pool account created in section 949 of this act for state agency office relocation costs as shown in LEAP omnibus document LEAS-2017, dated March 14, 2017, which is hereby incorporated by reference. To facilitate the transfer of moneys from other funds and accounts that are associated with office relocations contained in LEAP omnibus document LEAS-2017, dated March 14, 2017, the state treasurer is directed to transfer moneys from other funds and accounts in an amount not to exceed \$2,431,000 to the lease cost pool in accordance with schedules provided by the office of financial management.

(2) Agencies may apply to the office of financial management to receive funds from the state agency office relocation pool account in an amount not to exceed the actual costs for the office relocations.

NEW SECTION. Sec. 724. FOR THE OFFICE OF FINANCIAL MANAGEMENT—INFORMATION TECHNOLOGY INVESTMENT POOL

General Fund—State Appropriation (FY 2019) \$8,226,000

(1) The appropriation in this section is provided solely for expenditure into the information technology investment revolving account created in section 950 of this act.

(a) Amounts in the account are provided solely for the following information technology projects:

- (i) Department of services for the blind - business management system;
- (ii) Secretary of state - modernize elections system;
- (iii) Office of the superintendent of public instruction - school financial system redesign.

(b) To facilitate the transfer of moneys from other funds and accounts that are associated with projects listed in (a)(i) through (iii) of this subsection, the state treasurer must transfer moneys from other funds and accounts to the information technology investment revolving account in accordance with schedules provided by the office of financial management.

(2) Agencies may apply to the office of financial management to receive funding from the information technology investment revolving account.

(3) Agencies must apply to the office of the state chief information officer for approval before proceeding with each stage of a project subject to this section. At each stage, the office of the state chief information officer must certify that the project complies with state information technology and security policy and strategies. Allocations and allotments may be made only during discrete stages of projects, which at a minimum must include a planning stage, procurement stage, and implementation and integration stage. Prior to an allocation or allotment of funds to an agency, the office of financial management, jointly with the office of the chief information officer, must deliver to the legislative fiscal committees the following information for each project receiving an allocation:

(a) A technology budget using a method similar to the state capital budget, identifying project costs, funding sources, and anticipated deliverables through each stage of the investment and across fiscal periods and biennia from project initiation to implementation. If the project affects more than one agency, a technology budget must be prepared for each agency;

(b) The technology implementation plan that includes:

- (i) An organizational chart of the project management team that identifies team members and their roles and responsibilities;
- (ii) The office of the chief information officer staff assigned to the project;
- (iii) An implementation schedule covering activities, critical milestones, and deliverables at each stage of the project for the life of the project at each agency affected by the project; and
- (iv) Performance measures used to determine that the project is on time, within budget, and meeting expectations for quality of work product.

(c) A letter from the office of the chief information officer certifying that:

- (i) The project is consistent with the state's enterprise architecture and other policies developed by the office of the chief information officer;

(ii) The agency has the organizational capacity, preparedness, and leadership to implement the project successfully;

(iii) The agency has adequately assessed and minimized the risks inherent with the project;

(iv) The project has the management, staffing, and oversight resources needed for the cost, complexity, and risks associated with the project;

(v) The project has implementation schedules and performance measures for timeliness, deliverables, quality, and budget;

(vi) The agency has an adequate risk management plan that also enables the office of the chief information officer to assess, intervene, and take necessary action when performance measures are not being met; and

(vii) For any investment that does not use commercial off-the-shelf or software as a service technology solution, the proposed project represents the best business solution and should not be delayed.

(4) For any project that exceeds two million dollars in total funds to complete, requires more than one biennium to complete, or is financed through financial contracts, bonds, or other indebtedness:

(i) Quality assurance for the project must report independently to the office of the chief information officer;

(ii) The office of the chief information officer must review, and if necessary, revise the proposed project to ensure it is flexible and adaptable to advances in technology;

(iii) The technology budget must specifically identify the uses of any financing proceeds. No more than thirty percent of the financing proceeds may be used for payroll-related costs for state employees assigned to project management, installation, testing, or training;

(iv) The agency must consult with the office of the state treasurer during the competitive procurement process to evaluate early in the process whether products and services to be solicited and the responsive bids from a solicitation may be financed; and

(v) The agency must consult with the contracting division of the department of enterprise services for a review of all contracts and agreements related to the project's information technology procurements.

(5) The office of the chief information officer may suspend or terminate a project at any time if the office of the chief information officer determines that the project is not meeting or is not expected to meet anticipated performance measures. Once suspension or termination occurs, the agency shall not make additional expenditures on the project without approval of the state chief information officer. If a project is terminated, the office of financial management must terminate the agency's allocation from the information technology investment revolving account and the agency shall return any remaining funds to the account to be reallocated to other projects by the office of financial management.

(6) Any cost to administer or implement this section for projects listed in subsection (1) of this section, must be paid from the information technology investment revolving account. For any other information technology project made subject to the conditions, limitations, and review of this section, the cost to implement this section must be paid from the funds for that project.

NEW SECTION. Sec. 725. TRANSPORTATION COMPENSATION

2017 c 313 s 501 (ESB 5096) (uncodified) is repealed.

NEW SECTION. Sec. 726. A new section is added to 2017 c 313 (ESB 5096) (uncodified) to read as follows:

TRANSPORTATION—WASHINGTON FEDERATION OF STATE EMPLOYEES

Motor Vehicle Account—State Appropriation	\$18,443,000
State Patrol Highway Account—State Appropriation	\$1,199,000
State Patrol Highway Account—Federal Appropriation	\$22,000
Puget Sound Ferry Operations Account—State Appropriation	\$73,000
Highway Safety Account—State Appropriation.	\$2,613,000
Motorcycle Safety Education Account—State Appropriation	\$37,000
State Wildlife Account—State Appropriation	\$14,000
Ignition Interlock Device Revolving Account—State Appropriation.	\$5,000
Department of Licensing Services Account—State Appropriation.	\$102,000
Aeronautics Account—State Appropriation.	\$3,000
Interstate 405 Express Toll Lanes Operations Account—State Appropriation.	\$27,000
State Route Number 520 Corridor Account—State Appropriation.	\$51,000
State Route Number 520 Civil Penalties Account—State Appropriation.	\$16,000
Multimodal Transportation Account—State Appropriation.	\$40,000
Tacoma Narrows Toll Bridge Account—State Appropriation	\$22,000
TOTAL APPROPRIATION	\$22,667,000

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

(1) An agreement has been reached between the governor and the Washington federation of state employees general government under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is provided for a two percent general wage increase effective July 1, 2017, a two percent general wage increase effective July 1, 2018, and a two percent general wage increase effective January 1, 2019. The agreement also includes and funding is provided for salary adjustments for targeted job classifications and increases to vacation leave accruals. Funding is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining). If the bill is not enacted by July 31, 2017, the appropriation in this section shall lapse.

(2) Provisions of the collective bargaining agreement contained in this section are described in general terms. Only major economic terms are included in the descriptions. These descriptions do not contain the complete contents of the agreement. The collective bargaining agreement contained in this section may also be funded by expenditures from nonappropriated accounts. If positions are funded with lidded grants or dedicated fund sources with insufficient revenue, additional funding from other sources is not provided. Appropriations for state agencies are increased by the amounts specified in LEAP Transportation Document 713 - 2017T to fund the provisions of this agreement.

NEW SECTION. Sec. 727. A new section is added to 2017 c 313 (ESB 5096) (uncodified) to read as follows:

TRANSPORTATION—WPEA GENERAL GOVERNMENT

Motor Vehicle Account—State Appropriation	\$60,000
State Patrol Highway Account—State Appropriation	\$862,000
State Patrol Highway Account—Federal Appropriation	\$36,000
TOTAL APPROPRIATION	\$958,000

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

(1) An agreement has been reached between the governor and the Washington public employees association general government under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is provided for a two percent general wage increase effective July 1, 2017, a two percent general wage increase effective July 1, 2018, and a two percent general wage increase effective January 1, 2019. The agreement also includes and funding is provided for salary adjustments for targeted job classifications and increases to vacation leave accruals. Funding is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining). If the bill is not enacted by July 31, 2017, the appropriation in this section shall lapse.

(2) Provisions of the collective bargaining agreement contained in this section are described in general terms. Only major economic terms are included in the descriptions. These descriptions do not contain the complete contents of the agreement. The collective bargaining agreement contained in this section may also be funded by expenditures from nonappropriated accounts. If positions are funded with lidded grants or dedicated fund sources with insufficient revenue, additional funding from other sources is not provided. Appropriations for state agencies are increased by the amounts specified in LEAP Transportation Document 713 - 2017T to fund the provisions of this agreement.

NEW SECTION. Sec. 728. A new section is added to 2017 c 313 (ESB 5096) (uncodified) to read as follows:

TRANSPORTATION—COLLECTIVE BARGAINING AGREEMENTS—PTE LOCAL 17

State Patrol Highway Account—State Appropriation	\$3,849,000
State Patrol Highway Account—Federal Appropriation	\$399,000
State Patrol Highway Account—Private/Local Appropriation.	\$129,000
Motor Vehicle Account—State Appropriation	\$2,659,000
Highway Safety Account—State Appropriation	\$2,462,000
Aeronautics Account—State Appropriation.	\$12,000
Puget Sound Ferry Operations Account—State Appropriation.	\$26,000
State Route Number 520 Corridor Account—State Appropriation.	\$86,000
State Route Number 520 Civil Penalties Account—State Appropriation.	\$4,000
Multimodal Transportation Account—State Appropriation	\$43,000
Tacoma Narrows Toll Bridge Account—State Appropriation	\$62,000
Motorcycle Safety Education Account—State Appropriation	\$10,000

TOTAL APPROPRIATION \$9,741,000

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

(1) An agreement has been reached between the governor and the professional and technical employees local 17 under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is provided for a two percent general wage increase effective July 1, 2017, a two percent general wage increase effective July 1, 2018, and a two percent general wage increase effective January 1, 2019. The agreement also includes and funding is provided for salary adjustments for targeted job classifications and increases to vacation leave accruals. Funding is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining). If the bill is not enacted by July 31, 2017, the appropriation in this section shall lapse.

(2) Provisions of the collective bargaining agreement contained in this section are described in general terms. Only major economic terms are included in the descriptions. These descriptions do not contain the complete contents of the agreement. The collective bargaining agreement contained in this section may also be funded by expenditures from nonappropriated accounts. If positions are funded with lidded grants or dedicated fund sources with insufficient revenue, additional funding from other sources is not provided. Appropriations for state agencies are increased by the amounts specified in LEAP Transportation Document 713 - 2017T to fund the provisions of this agreement.

NEW SECTION. Sec. 729. A new section is added to 2017 c 313 (ESB 5096) (uncodified) to read as follows:

TRANSPORTATION—THE COALITION OF UNIONS AGREEMENT

State Patrol Highway Account—State Appropriation \$309,000

State Patrol Highway Account—Federal Appropriation \$44,000

TOTAL APPROPRIATION \$353,000

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

(1) An agreement has been reached between the governor and the coalition of unions under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is provided for a two percent general wage increase effective July 1, 2017, a two percent general wage increase effective July 1, 2018, and a two percent general wage increase effective January 1, 2019. The agreement also includes and funding is provided for salary adjustments for targeted job classifications and increases to vacation leave accruals. Funding is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining). If the bill is not enacted by July 31, 2017, the appropriation in this section shall lapse.

(2) Provisions of the collective bargaining agreement contained in this section are described in general terms. Only major economic terms are included in the descriptions. These descriptions do not contain the complete contents of the agreement. The collective bargaining agreement contained in this section may also be funded by expenditures from nonappropriated accounts. If positions are funded with lidded grants or dedicated fund sources with insufficient revenue, additional funding from other sources is not provided. Appropriations

for state agencies are increased by the amounts specified in LEAP Transportation Document 713 - 2017T to fund the provisions of this agreement.

NEW SECTION. Sec. 730. A new section is added to 2017 c 313 (ESB 5096) (unmodified) to read as follows:

TRANSPORTATION—GENERAL WAGE INCREASE—STATE EMPLOYEES

Motor Vehicle Account—State Appropriation	\$5,163,000
State Patrol Highway Account—State Appropriation	\$812,000
State Patrol Highway Account—Federal Appropriation	\$8,000
State Patrol Highway Account—Private/Local Appropriation.	\$1,000
Puget Sound Ferry Operations Account—State Appropriation	\$460,000
Highway Safety Account—State Appropriation	\$655,000
Highway Safety Account—Federal Appropriation	\$119,000
Motorcycle Safety Education Account—State Appropriation	\$12,000
State Wildlife Account—State Appropriation	\$8,000
Department of Licensing Services Account—State Appropriation.	\$21,000
Aeronautics Account—State Appropriation.	\$53,000
State Route Number 520 Corridor Account—State Appropriation.	\$102,000
Multimodal Transportation Account—State Appropriation	\$302,000
Rural Arterial Trust Account—State Appropriation.	\$32,000
County Arterial Preservation Account—State Appropriation	\$33,000
Transportation Improvement Account—State Appropriation	\$84,000
TOTAL APPROPRIATION	\$7,865,000

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

(1) Funding is provided for state agency employee compensation for employees funded in the 2017-2019 omnibus transportation appropriations act who are not represented or who bargain under statutory authority other than chapter 41.80 or 47.64 RCW or RCW 41.56.473 or 41.56.475. Funding is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining). If the bill is not enacted by July 31, 2017, the appropriation in this section shall lapse.

(2) Funding is provided for a two percent general wage increase effective July 1, 2017, for all classified employees as specified in subsection (1) of this section, employees in the Washington management service, and exempt employees under the jurisdiction of the office of financial management. The appropriations are also sufficient to fund a two percent salary increase effective July 1, 2017, for executive, legislative, and judicial branch employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials.

(3) Funding is provided for a two percent general wage increase effective July 1, 2018, for all classified employees as specified in subsection (1) of this section, employees in the Washington management service, and exempt employees under the jurisdiction of the office of financial management. The appropriations are also sufficient to fund a two percent salary increase effective July 1, 2018, for executive, legislative, and judicial branch employees exempt

from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials.

(4) Funding is provided for a two percent general wage increase effective January 1, 2019, for all classified employees as specified in subsection (1) of this section, employees in the Washington management service, and exempt employees under the jurisdiction of the office of financial management. The appropriations are also sufficient to fund a two percent salary increase effective January 1, 2019, for executive, legislative, and judicial branch employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials.

(5) Appropriations for state agencies are increased by the amounts specified in LEAP Transportation Document 713 - 2017T to fund the provisions of this section.

NEW SECTION. Sec. 731. A new section is added to 2017 c 313 (ESB 5096) (uncodified) to read as follows:

TRANSPORTATION—TARGETED COMPENSATION INCREASES—NONREPRESENTED JOB CLASS SPECIFIC

Motor Vehicle Account—State Appropriation	\$629,000
Puget Sound Ferry Operations Account—State Appropriation	\$14,000
Transportation Improvement Account—State Appropriation	\$90,000
County Arterial Preservation Account—State Appropriation	\$16,000
State Route Number 520 Corridor Account—State Appropriation.	\$16,000
TOTAL APPROPRIATION	\$765,000

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

(1) Funding is provided for salary adjustments for targeted job classifications for employees funded in the 2017-2019 omnibus transportation appropriations act, as specified by the office of financial management, of classified state employees, except those represented by a collective bargaining unit under chapters 41.80 and 47.64 RCW and RCW 41.56.473 and 41.56.475. Funding is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining). If the bill is not enacted by July 31, 2017, the appropriation in this section shall lapse.

(2) Appropriations for state agencies are increased by the amounts specified in LEAP Transportation Document 713 - 2017T to fund the provisions of this section.

NEW SECTION. Sec. 732. A new section is added to 2017 c 313 (ESB 5096) (uncodified) to read as follows:

TRANSPORTATION—ORCA TRANSIT PASSES—WASHINGTON FEDERATION OF STATE EMPLOYEES

Motor Vehicle Account—State Appropriation	\$410,000
State Patrol Highway Account—State Appropriation	\$32,000
Puget Sound Ferry Operations Account—State Appropriation	\$8,000
Highway Safety Account—State Appropriation.	\$30,000
State Route Number 520 Corridor Account—State Appropriation	\$8,000
State Route Number 520 Civil Penalties Account—State Appropriation.	\$2,000

Tacoma Narrows Toll Bridge Account—State Appropriation	\$2,000
Interstate 405 Express Toll Lanes Operations Account—State Appropriation.	\$6,000
TOTAL APPROPRIATION	\$498,000

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

(1) Funding is provided for transit passes for state employees outside of higher education who work in King County, who are represented by the Washington Federation of State Employees. Funding is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining). If the bill is not enacted by July 31, 2017, the appropriation in this section shall lapse.

(2) Appropriations for state agencies are increased by the amounts specified in LEAP Transportation Document 713 - 2017T to fund the provisions of this section.

NEW SECTION. Sec. 733. A new section is added to 2017 c 313 (ESB 5096) (uncodified) to read as follows:

TRANSPORTATION—ORCA TRANSIT PASSES

Motor Vehicle Account—State Appropriation	\$142,000
State Patrol Highway Account—State Appropriation	\$252,000
State Patrol Highway Account—Federal Appropriation	\$6,000
State Patrol Highway Account—Local Appropriation.	\$8,000
Puget Sound Ferry Operations Account—State Appropriation	\$1,548,000
Highway Safety Account—State Appropriation	\$76,000
State Route Number 520 Corridor Account—State Appropriation	\$16,000
Tacoma Narrows Toll Bridge Account—State Appropriation	\$4,000
Multimodal Transportation Account—State Appropriation.	\$10,000
TOTAL APPROPRIATION	\$2,062,000

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

(1) Funding is provided for transit passes for state employees outside of higher education who work in King County, and who are not covered by a collective bargaining agreement. Funding is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining). If the bill is not enacted by July 31, 2017, the appropriation in this section shall lapse.

(2) Appropriations for state agencies are increased by the amounts specified in LEAP Transportation Document 713 - 2017T to fund the provisions of this section.

***NEW SECTION. Sec. 734.** A new section is added to 2017 c 313 (ESB 5096) (uncodified) to read as follows:

TRANSPORTATION—REDUCTIONS TO AGENCY MANAGEMENT

<i>Aeronautics Account—State Appropriation</i>	<i>(\$12,000)</i>
<i>State Patrol Highway Account—State Appropriation</i>	<i>(\$169,000)</i>
<i>State Patrol Highway Account—Federal Appropriation</i>	<i>(\$4,000)</i>
<i>State Patrol Highway Account—Private/Local</i>	

<i>Appropriation</i>	<i>(\$1,000)</i>
<i>Motorcycle Safety Education Account—State Appropriation</i>	<i>(\$9,000)</i>
<i>Rural Arterial Trust Account—State Appropriation</i>	<i>(\$14,000)</i>
<i>State Wildlife Account—State Appropriation</i>	<i>(\$5,000)</i>
<i>Highway Safety Account—State Appropriation</i>	<i>(\$481,000)</i>
<i>Highway Safety Account—Federal Appropriation</i>	<i>(\$53,000)</i>
<i>Motor Vehicle Account—State Appropriation</i>	<i>(\$2,409,000)</i>
<i>Puget Sound Ferry Operations Account—State Appropriation</i> ...	<i>(\$262,000)</i>
<i>Transportation Improvement Account—State Appropriation</i>	<i>(\$14,000)</i>
<i>State Route Number 520 Corridor Account—State</i>	
<i>Appropriation</i>	<i>(\$41,000)</i>
<i>County Arterial Preservation Account—State Appropriation</i>	<i>(\$8,000)</i>
<i>Department of Licensing Services Account—State</i>	
<i>Appropriation</i>	<i>(\$16,000)</i>
<i>Multimodal Transportation Account—State Appropriation</i>	<i>(\$68,000)</i>
TOTAL APPROPRIATION	(\$3,566,000)

The appropriations in this section reflect adjustments in agency appropriations:

(1) Funding is adjusted for agency and institution appropriations to reflect a six percent reduction of Washington management service and exempt management service employees.

(2) Appropriations for state agencies are adjusted by the amounts specified in LEAP Transportation Document 713 - 2017T.

**Sec 734 was vetoed. See message at end of chapter.*

NEW SECTION. **Sec. 735.** A new section is added to 2017 c 313 (ESB 5096) (uncodified) to read as follows:

TRANSPORTATION—COMPENSATION—REPRESENTED EMPLOYEES—INSURANCE BENEFITS

Aeronautics Account—State Appropriation	\$3,000
State Patrol Highway Account—State Appropriation	\$711,000
State Patrol Highway Account—Federal Appropriation	\$38,000
State Patrol Highway Account—Private/Local Appropriation	\$15,000
Motorcycle Safety Education Account—State Appropriation	\$7,000
State Wildlife Account—State Appropriation	\$4,000
Highway Safety Account—State Appropriation	\$821,000
Motor Vehicle Account—State Appropriation	\$2,955,000
Puget Sound Ferry Operations Account—State Appropriation	\$1,872,000
Ignition Interlock Device Revolving Account—State	
Appropriation	\$1,000
State Route Number 520 Corridor Account—State Appropriation	\$20,000
State Route Number 520 Civil Penalties Account—State	
Appropriation	\$4,000
Department of Licensing Services Account—State Appropriation	\$18,000
Multimodal Transportation Account—State Appropriation	\$18,000
Tacoma Narrows Toll Bridge Account—State Appropriation	\$9,000
I-405 Express Toll Lanes Operations Account—State	
Appropriation	\$8,000
TOTAL APPROPRIATION	\$6,504,000

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

Collective bargaining agreements were reached for the 2017-2019 fiscal biennium between the governor and the employee representatives under the provisions of chapters 41.80 and 41.56 RCW. Appropriations in this act for state agencies are sufficient to implement the provisions of the 2017-2019 collective bargaining agreements and are subject to the following conditions and limitations:

(1)(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan must not exceed \$913 per eligible employee for fiscal year 2018. For fiscal year 2019, the monthly employer funding rate must not exceed \$957 per eligible employee.

(b) 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 must require any or all of the following: Employee premium copayments, increases in point-of-service cost sharing, the implementation of managed competition, or other changes to benefits consistent with RCW 41.05.065. The board shall collect a twenty-five dollar per month surcharge payment from members who use tobacco products and a surcharge payment of not less than fifty dollars per month from members who cover a spouse or domestic partner where the spouse or domestic partner has chosen not to enroll in another employer-based group health insurance that has benefits and premiums with an actuarial value of not less than 95 percent of the actuarial value of the public employees' benefits board plan with the largest enrollment. The surcharge payments shall be collected in addition to the member premium payment.

(c) The health care authority must deposit any moneys received on behalf of the uniform medical plan as a result of rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys recovered as a result of prior uniform medical plan claims payments into the public employees' and retirees' insurance account to be used for insurance benefits. Such receipts must not be used for administrative expenditures.

(2) The health care authority, subject to the approval of the public employees' benefits board, must provide subsidies for health benefit premiums to eligible retired or disabled public employees and school district employees who are eligible for medicare, pursuant to RCW 41.05.085. For calendar years 2018 and 2019, the subsidy must be up to \$150.00 per month. The public employees' benefits board may not authorize under RCW 41.05.085, and the health care authority may not provide, a subsidy under this subsection of more than \$150.00 per month. Funds from reserves accumulated for future adverse claims experience, from past favorable claims experience, or otherwise, may not be used to increase this retiree subsidy beyond what is authorized by the legislature in this subsection.

(3) All savings resulting from reduced claim costs or other factors identified after June 1, 2017, must be reserved for funding employee health benefits in the 2019-2021 fiscal biennium.

(4) Appropriations for state agencies are increased by the amounts specified in LEAP Transportation Document 713 - 2017T to fund the provisions of this agreement.

NEW SECTION. Sec. 736. A new section is added to 2017 c 313 (ESB 5096) (uncodified) to read as follows:

TRANSPORTATION—COMPENSATION—NONREPRESENTED EMPLOYEES—INSURANCE BENEFITS

Aeronautics Account—State Appropriation	\$9,000
State Patrol Highway Account—State Appropriation	\$1,414,000
State Patrol Highway Account—Federal Appropriation	\$14,000
Motorcycle Safety Education Account—State Appropriation	\$2,000
Rural Arterial Trust Account—State Appropriation.	\$4,000
State Wildlife Account—State Appropriation	\$1,000
Highway Safety Account—State Appropriation.	\$111,000
Highway Safety Account—Federal Appropriation	\$20,000
Motor Vehicle Account—State Appropriation	\$781,000
Puget Sound Ferry Operations Account—State Appropriation	\$68,000
Transportation Improvement Account—State Appropriation	\$12,000
State Route Number 520 Corridor Account—State Appropriation	\$16,000
County Arterial Preservation Account—State Appropriation	\$4,000
Department of Licensing Services Account—State Appropriation	\$3,000
Multimodal Transportation Account—State Appropriation	\$45,000
TOTAL APPROPRIATION	\$2,504,000

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

(1) Appropriations for state agencies in this act are sufficient for nonrepresented state employee health benefits for state agencies, including institutions of higher education, and are subject to the following conditions and limitations:

(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan must not exceed \$913 per eligible employee for fiscal year 2018. For fiscal year 2019, the monthly employer funding rate must not exceed \$957 per eligible employee.

(b) In order to achieve the level of funding provided for health benefits, the public employees' benefits board must require any of the following: Employee premium copayments, increases in point-of-service cost sharing, the implementation of managed competition, or other changes to benefits consistent with RCW 41.05.065. The board shall collect a twenty-five dollar per month surcharge payment from members who use tobacco products and a surcharge payment of not less than fifty dollars per month from members who cover a spouse or domestic partner where the spouse or domestic partner has chosen not to enroll in another employer-based group health insurance that has benefits and premiums with an actuarial value of not less than 95 percent of the actuarial value of the public employees' benefits board plan with the largest enrollment. The surcharge payments shall be collected in addition to the member premium payment.

(c) The health care authority must deposit any moneys received on behalf of the uniform medical plan as a result of rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys recovered as a result of prior uniform medical plan claims payments into the public employees' and retirees' insurance account to be used for insurance benefits. Such receipts must not be used for administrative expenditures.

(2) The health care authority, subject to the approval of the public employees' benefits board, must provide subsidies for health benefit premiums to eligible retired or disabled public employees and school district employees who are eligible for medicare, pursuant to RCW 41.05.085. For calendar years 2018 and 2019, the subsidy must be up to \$150.00 per month. The public employees' benefits board may not authorize under RCW 41.05.085, and the health care authority may not provide, a subsidy under this subsection of more than \$150.00 per month. Funds from reserves accumulated for future adverse claims experience, from past favorable claims experience, or otherwise, may not be used to increase this retiree subsidy beyond what is authorized by the legislature in this subsection.

(3) All savings resulting from reduced claim costs or other factors identified after June 1, 2017, must be reserved for funding employee health benefits in the 2019-2021 fiscal biennium.

(4) Appropriations for state agencies are increased by the amounts specified in LEAP Transportation Document 713 - 2017T to fund the provisions of this agreement.

NEW SECTION. Sec. 737. FOR THE OFFICE OF FINANCIAL MANAGEMENT—PENSION FUNDING STABILIZATION ACCOUNT ADJUSTMENTS

General Fund—State Appropriation (FY 2018)	(\$231,292,000)
General Fund—State Appropriation (FY 2019)	(\$231,291,000)
Pension Funding Stabilization Account—State	
Appropriation	\$462,583,000

The appropriations in this section reflect adjustments in agency appropriations according to the following conditions and limitations: For each state agency and institution of higher education, the office of financial management must calculate the portion of general fund—state appropriations attributed to employer contributions to the state retirement systems, including the higher education retirement plans. The office of financial management must ratably reduce the general fund—state allotments for pension contributions in each agency's budget to reflect the total reduction in general fund—state appropriations for each fiscal year provided in this section. Each agency shall be allocated an authority to expend from the pension funding stabilization account an amount equal to the agency's general fund—state allotment reduction. In the event that a balance in the pension funding stabilization account remains at the end of the 2017-2019 fiscal biennium, the legislature intends that this policy be continued in the 2019-2021 fiscal biennium. Nothing in this section reduces employer pension contribution amounts nor does this section impact employee or employer pension contribution rates.

NEW SECTION. Sec. 738. FOR THE DEPARTMENT OF AGRICULTURE—NORTHEAST WASHINGTON WOLF-LIVESTOCK MANAGEMENT ACCOUNT

General Fund—State Appropriation (FY 2018)	\$100,000
General Fund—State Appropriation (FY 2019)	\$200,000
TOTAL APPROPRIATION	\$300,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for expenditure into the northeast Washington wolf-livestock management account for the deployment of nonlethal wolf deterrence resources as provided in chapter 257, Laws of 2017 (ESHB 2126) (wolves/livestock depredation).

PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

NEW SECTION. Sec. 801. FOR THE STATE TREASURER—STATE REVENUES FOR DISTRIBUTION

General Fund Appropriation for fire insurance premium distributions	\$9,731,000
General Fund Appropriation for prosecuting attorney distributions	\$6,786,000
General Fund Appropriation for boating safety and education distributions	\$4,000,000
General Fund Appropriation for public utility district excise tax distributions	\$60,611,000
Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies	\$3,556,000
Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution	\$140,000
Timber Tax Distribution Account Appropriation for distribution to "timber" counties	\$77,367,000
County Criminal Justice Assistance Appropriation	\$96,145,000
Municipal Criminal Justice Assistance Appropriation	\$38,126,000
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	\$20,012,000
Columbia River Water Delivery Account Appropriation for the Confederated Tribes of the Colville Reservation	\$8,074,000
Columbia River Water Delivery Account Appropriation for the Spokane Tribe of Indians	\$5,402,000
Liquor Revolving Account Appropriation for liquor profits distribution	\$98,876,000
General Fund Appropriation for other tax distributions	\$80,000

General Fund Appropriation for Marijuana Excise	
Tax distributions	\$12,000,000
General Fund Appropriation for Habitat Conservation	
Program distributions	\$5,347,000
TOTAL APPROPRIATION	\$529,471,000

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

NEW SECTION. Sec. 802. FOR THE STATE TREASURER—FOR THE COUNTY CRIMINAL JUSTICE ASSISTANCE ACCOUNT

Impaired Driving Safety Appropriation	\$2,110,000
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The appropriation in this section is subject to the following conditions and limitations: The amount appropriated in this section shall be distributed quarterly during the 2017-2019 fiscal biennium in accordance with RCW 82.14.310. This funding is provided to counties for the costs of implementing criminal justice legislation including, but not limited to: Chapter 206, Laws of 1998 (drunk driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).

NEW SECTION. Sec. 803. FOR THE STATE TREASURER—MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT

Impaired Driver Safety Appropriation	\$1,407,000
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The appropriation in this section is subject to the following conditions and limitations: The amount appropriated in this section shall be distributed quarterly during the 2017-2019 fiscal biennium to all cities ratably based on population as last determined by the office of financial management. The distributions to any city that substantially decriminalizes or repeals its criminal code after July 1, 1990, and that does not reimburse the county for costs associated with criminal cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in which the city is located. This funding is provided to cities for the costs of implementing criminal justice legislation including, but not limited to: Chapter 206, Laws of 1998 (drunk driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).

NEW SECTION. Sec. 804. FOR THE STATE TREASURER—FEDERAL REVENUES FOR DISTRIBUTION

General Fund Appropriation for federal flood control	
funds distribution	\$50,000

General Fund Appropriation for federal grazing fees distribution	\$43,000
General Fund Appropriation for federal military fees distribution	\$601,000
Forest Reserve Fund Appropriation for federal forest reserve fund distribution	\$4,610,000

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

NEW SECTION. Sec. 805. FOR THE STATE TREASURER—TRANSFERS

Criminal Justice Treatment Account: For transfer to the state general fund, \$4,450,000 for fiscal year 2018 and \$4,450,000 for fiscal year 2019	\$8,900,000
Dedicated Marijuana Account: For transfer to the basic health plan trust account, the lesser of the amount determined pursuant to RCW 69.50.540 or this amount for fiscal year 2018, \$170,000,000 and this amount for fiscal year 2019, \$180,000,000	\$350,000,000
Dedicated Marijuana Account: For transfer to the state general fund, the lesser of the amount determined pursuant to RCW 69.50.540 or this amount for fiscal year 2018, \$120,000,000 and this amount for fiscal year 2019, \$130,000,000	\$239,239,000
Aquatic Lands Enhancement Account: For transfer to the clean up settlement account as repayment of the loan provided in section 3022(2) chapter 2, Laws of 2012, 2nd sp. sess. (ESB 6074 2012 supplemental capital budget), \$620,000 for fiscal year 2018 and \$620,000 for fiscal year 2019.	\$1,240,000
Tobacco Settlement Account: For transfer to the state general fund, in an amount not to exceed the actual amount of the annual base payment to the tobacco settlement account for fiscal year 2018	\$101,639,000
Tobacco Settlement Account: For transfer to the state general fund, in an amount not to exceed the actual amount of the annual base payment to the tobacco settlement account for fiscal year 2019	\$101,639,000
State Toxics Control Account: For transfer to the cleanup settlement account as repayment of the loan provided in section 3022(2) chapter 2, Laws of 2012, 2nd sp. sess. (ESB 6074, 2012 supplemental capital budget), \$620,000 for fiscal year 2018 and \$620,000 for fiscal year 2019	\$1,240,000
General Fund: For transfer to the streamlined sales and use tax account, \$11,171,000 for fiscal year 2018 and \$8,641,000 for fiscal year 2019	\$20,012,000

Aerospace Training and Student Loan Account: For transfer to the state general fund, \$750,000 for fiscal year 2018 and \$750,000 for fiscal year 2019	\$1,500,000
Disaster Response Account: For transfer to the state general fund, \$42,000,000 for fiscal year 2018	\$42,000,000
State Treasurer's Service Account: For transfer to the state general fund, \$6,000,000 for fiscal year 2018 and \$6,000,000 for fiscal year 2019	\$12,000,000
Statewide Information Tech System Maintenance and Operations Revolving Account: For transfer to the consolidated technology services revolving account, \$5,500,000 for fiscal year 2018	\$5,500,000
General Fund: For transfer to the family and medical leave insurance account as start-up costs for the family and medical leave insurance program pursuant to enactment of Substitute House Bill No. 1116 (family and medical leave insurance), Senate Bill No. 5975 (paid family and medical leave insurance), or Senate Bill No. 5032 (family and medical leave insurance), \$82,000,000 for fiscal year 2018	\$82,000,000
Family and Medical Leave Insurance Account: For transfer to the General Fund as repayment for start-up costs for the family and medical leave insurance program pursuant to implementation of Substitute House Bill No. 1116 (family and medical leave insurance), Senate Bill No. 5975 (paid family and medical leave insurance), or Senate Bill No. 5032 (family and medical leave insurance), the lesser of the amount determined by the treasurer for full repayment of the \$82,000,000 transferred from the general fund in fiscal year 2018 for start-up costs with any related interest or this amount for fiscal year 2019, \$90,000,000	\$90,000,000
Public Works Assistance Account: For transfer to the education legacy trust account, \$136,998,000 for fiscal year 2018 and \$117,017,000 for fiscal year 2019	\$254,015,000
General Fund: For transfer to the firearms range account for fiscal year 2018.	\$75,000
Death Investigations Account: For transfer to the state general fund, \$1,186,000 for fiscal year 2018	\$1,186,000
New Motor Vehicle Arbitration Account: For transfer to the state general fund, \$2,000,000 for fiscal year 2018	\$2,000,000
Local Toxics Control Account: For transfer to the	

state toxics control account, \$9,000,000 for	
fiscal year 2018 and \$12,000,000 for fiscal	
year 2019	\$21,000,000

**PART IX
MISCELLANEOUS**

NEW SECTION. Sec. 901. EXPENDITURE AUTHORIZATIONS

The appropriations contained in this act are maximum expenditure authorizations. Pursuant to RCW 43.88.037, moneys disbursed from the treasury on the basis of a formal loan agreement shall be recorded as loans receivable and not as expenditures for accounting purposes. To the extent that moneys are disbursed on a loan basis, the corresponding appropriation shall be reduced by the amount of loan moneys disbursed from the treasury during the 2015-2017 fiscal biennium.

NEW SECTION. Sec. 902. EMERGENCY FUND ALLOCATIONS

Whenever allocations are made from the governor's emergency fund appropriation to an agency that is financed in whole or in part by other than general fund moneys, the director of financial management may direct the repayment of such allocated amount to the general fund from any balance in the fund or funds which finance the agency. An appropriation is not necessary to effect such repayment.

NEW SECTION. Sec. 903. STATUTORY APPROPRIATIONS

In addition to the amounts appropriated in this act for revenues for distribution, state contributions to the law enforcement officers' and firefighters' retirement system plan 2 and bond retirement and interest, including ongoing bond registration and transfer charges, transfers, interest on registered warrants, and certificates of indebtedness, there is also appropriated such further amounts as may be required or available for these purposes under any statutory formula or under chapters 39.94, 39.96, and 39.98 RCW or any proper bond covenant made under law.

NEW SECTION. Sec. 904. BOND EXPENSES

In addition to such other appropriations as are made by this act, there is hereby appropriated to the state finance committee from legally available bond proceeds in the applicable construction or building funds and accounts such amounts as are necessary to pay the expenses incurred in the issuance and sale of the subject bonds.

NEW SECTION. Sec. 905. VOLUNTARY RETIREMENT AND SEPARATION

(1) As a management tool to reduce costs and make more effective use of resources, while improving employee productivity and morale, agencies may implement either a voluntary retirement or separation program, or both, that is cost neutral or results in cost savings, including costs to the state pension systems, over a two-year period following the commencement of the program, provided that such a program is approved by the director of financial management. Agencies participating in this authorization may offer voluntary retirement and/or separation incentives and options according to procedures and guidelines established by the office of financial management in consultation with the department of retirement systems. The options may include, but are not

limited to, financial incentives for voluntary separation or retirement. An employee does not have a contractual right to a financial incentive offered under this section. Offers shall be reviewed and monitored jointly by the office of financial management and the department of retirement systems. Agencies are required to submit a report by the date established by the office of financial management in the guidelines required in this section to the legislature and the office of financial management on the outcome of their approved incentive program. The report should include information on the details of the program, including the incentive payment amount for each participant, the total cost to the state, and the projected or actual net dollar savings over the two-year period.

(2) The department of retirement systems may collect from employers the actuarial cost of any incentive provided under this program, or any other incentive to retire provided by employers to members of the state's pension systems, for deposit in the appropriate pension account.

NEW SECTION. Sec. 906. COLLECTIVE BARGAINING AGREEMENTS NOT IMPAIRED

Nothing in this act prohibits the expenditure of any funds by an agency or institution of the state for benefits guaranteed by any collective bargaining agreement in effect on the effective date of this section.

NEW SECTION. Sec. 907. COLLECTIVE BARGAINING AGREEMENTS

The following sections represent the results of the 2017-2019 collective bargaining process required under the provisions of chapters 41.80, 41.56, and 74.39A RCW. Provisions of the collective bargaining agreements contained in sections 908 through 941 of this act are described in general terms. Only major economic terms are included in the descriptions. These descriptions do not contain the complete contents of the agreements. The collective bargaining agreements contained in Part IX of this act may also be funded by expenditures from nonappropriated accounts. If positions are funded with lidded grants or dedicated fund sources with insufficient revenue, additional funding from other sources is not provided.

NEW SECTION. Sec. 908. COLLECTIVE BARGAINING AGREEMENT—WFSE

An agreement has been reached between the governor and the Washington federation of state employees general government under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is provided for a two percent general wage increase effective July 1, 2017, a two percent general wage increase effective July 1, 2018, and a two percent general wage increase effective January 1, 2019. The agreement also includes and funding is provided for salary adjustments for targeted job classifications and increases to vacation leave accruals. Approval of this agreement is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining).

NEW SECTION. Sec. 909. COLLECTIVE BARGAINING AGREEMENT—WFSE DEPARTMENT OF CORRECTION UNIQUE CLASSIFICATIONS

An agreement has been reached between the governor and the Washington federation of state employees general government for department of corrections unique classifications through an interest arbitration award as provided in a

memorandum of understanding between the parties and under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. In addition to the economic provisions applicable to all employees covered by the agreement in section 908 of this act, funding is provided for the awarded increases for targeted job classifications ranging from one and three-tenths percent to sixteen and three-tenths percent. Approval of this agreement is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining).

NEW SECTION. Sec. 910. COLLECTIVE BARGAINING AGREEMENT—WPEA

An agreement has been reached between the governor and the Washington public employees association general government under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is provided for a two percent general wage increase effective July 1, 2017, a two percent general wage increase effective July 1, 2018, and a two percent general wage increase effective January 1, 2019. The agreement also includes and funding is provided for salary adjustments for targeted job classifications and increases to vacation leave accruals. Approval of this agreement is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining).

NEW SECTION. Sec. 911. COLLECTIVE BARGAINING AGREEMENT—COALITION OF UNIONS

An agreement has been reached between the governor and the coalition of unions under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is provided for a two percent general wage increase effective July 1, 2017, a two percent general wage increase effective July 1, 2018, and a two percent general wage increase effective January 1, 2019. The agreement also includes and funding is provided for salary adjustments for targeted job classifications and increases to vacation leave accruals. Approval of this agreement is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining).

NEW SECTION. Sec. 912. COLLECTIVE BARGAINING AGREEMENT—WAFWP

An agreement has been reached between the governor and the Washington association of fish and wildlife professionals under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is provided for a two percent general wage increase effective July 1, 2017, a two percent general wage increase effective July 1, 2018, and a two percent general wage increase effective January 1, 2019. The agreement also includes and funding is provided for salary adjustments for targeted job classifications. Approval of this agreement is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining).

NEW SECTION. Sec. 913. COLLECTIVE BARGAINING AGREEMENT—PTE LOCAL 17

An agreement has been reached between the governor and the professional and technical employees local 17 under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is provided for a two percent general wage increase effective July 1, 2017, a two percent general wage increase effective July 1, 2018, and a two percent general wage increase effective January

1, 2019. The agreement also includes and funding is provided for salary adjustments for targeted job classifications and increases to vacation leave accruals. Approval of this agreement is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining).

NEW SECTION. Sec. 914. COLLECTIVE BARGAINING AGREEMENT—SEIU HEALTHCARE 1199NW

An agreement has been reached between the governor and the service employees international union healthcare 1199nw under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is provided for registered nurses targeted job classification salary adjustments in lieu of a general wage increase. The salary adjustments funded in this act vary depending on classification and location. The agreement also includes and funding is provided for continuing education and increases to vacation leave accruals. Approval of this agreement is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining).

NEW SECTION. Sec. 915. COLLECTIVE BARGAINING AGREEMENT—TEAMSTERS LOCAL 117 DEPARTMENT OF ENTERPRISE SERVICES

An agreement has been reached between the governor and the international brotherhood of teamsters local 117 for the department of enterprise services under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is provided for a two percent general wage increase effective July 1, 2017, a two percent general wage increase effective July 1, 2018, and a two percent general wage increase effective January 1, 2019. Approval of this agreement is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining).

NEW SECTION. Sec. 916. COLLECTIVE BARGAINING AGREEMENT—TEAMSTERS LOCAL 117 DEPARTMENT OF CORRECTIONS

An agreement has been reached between the governor and the international brotherhood of teamsters local 117 for the department of corrections through an interest arbitration award as provided in a memorandum of understanding between the parties and under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is provided for the awarded four and one-half percent general wage increase effective July 1, 2017, a three percent general wage increase effective July 1, 2018, and a three percent general wage increase effective January 1, 2019. Funding is also provided for targeted job classification specific increases and increases to vacation leave accruals. Approval of this agreement is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining).

NEW SECTION. Sec. 917. COLLECTIVE BARGAINING AGREEMENT—WFSE HIGHER EDUCATION COMMUNITY COLLEGE COALITION

An agreement has been reached between the governor and the Washington federation of state employees community college coalition under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is provided for a two percent general wage increase effective July 1, 2017, a two percent general wage increase effective July 1, 2018, and a two percent general wage

increase effective January 1, 2019. The agreement also includes and funding is provided for salary adjustments for targeted job classifications. Approval of this agreement is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining).

NEW SECTION. Sec. 918. COLLECTIVE BARGAINING AGREEMENT—WPEA HIGHER EDUCATION COMMUNITY COLLEGE COALITION

An agreement has been reached between the governor and the Washington public employees association community college coalition under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is provided for a two percent general wage increase effective July 1, 2017, a two percent general wage increase effective July 1, 2018, and a two percent general wage increase effective January 1, 2019. The agreement also includes and funding is provided for salary adjustments for targeted job classifications. Approval of this agreement is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining).

NEW SECTION. Sec. 919. COLLECTIVE BARGAINING AGREEMENT—WSP TROOPERS ASSOCIATION

An agreement has been reached between the governor and the Washington state patrol troopers association under the provisions of chapter 41.56 RCW for the 2017-2019 fiscal biennium. Funding is provided for a sixteen percent general wage increase for troopers effective July 1, 2017, and a three percent general wage increase for troopers effective July 1, 2018. Funding is also provided for a twenty percent general wage increase for sergeants effective July 1, 2017, and a three percent general wage increase for sergeants effective July 1, 2018. The agreement also includes and funding is provided for increases to longevity pay, changes to specialty pay, and an increase to vacation leave accruals.

NEW SECTION. Sec. 920. COLLECTIVE BARGAINING AGREEMENT—WSP LIEUTENANTS ASSOCIATION

An agreement has been reached between the governor and the Washington state patrol lieutenants association under the provisions of chapter 41.56 RCW for the 2017-2019 fiscal biennium. Funding is provided for a twenty percent general wage increase effective July 1, 2017, and a three percent general wage increase effective July 1, 2018. The agreement also includes and funding is provided for increases to longevity pay.

NEW SECTION. Sec. 921. COLLECTIVE BARGAINING AGREEMENT—UNIVERSITY OF WASHINGTON—WFSE

(1) An agreement has been reached between the University of Washington and the Washington federation of state employees under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. For bargaining units 00, 01, 02, 03, 04, and 06, the agreement includes and funding is provided for a two percent general wage increase effective July 1, 2017, a two percent general wage increase effective July 1, 2018, and a two percent general wage increase effective January 1, 2019. The agreement also includes and funding is provided for an increase of one dollar per hour in certification pay for certain job classifications, salary adjustments for targeted job classifications, and increases to vacation leave accruals. For bargaining unit 05, police management, the agreement includes and funding is provided for an eight percent general wage

increase effective July 1, 2017, an eight percent general wage increase effective July 1, 2018, adjustments to maintain a sixteen and one-half percent differential over employees supervised, an adjustment to longevity pay, and a five hundred dollar annual clothing allowance for "plain clothes" positions.

(2) Effective September 1, 2017, \$100,000 is to be split between SEIU 925 and WFSE represented employees at Harborview Medical Center and UW Medical Center for obtaining degree or certification required for employment in a health care field within the hospital. Step values were synchronized between select WFSE and SEIU 925 pay tables. Approval of this agreement is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining).

NEW SECTION. Sec. 922. COLLECTIVE BARGAINING AGREEMENT—UNIVERSITY OF WASHINGTON—SEIU 925

(1) An agreement has been reached between the University of Washington and the service employees international union local 925 under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is provided for a two percent general wage increase effective July 1, 2017, a two percent general wage increase effective July 1, 2018, and a two percent general wage increase effective January 1, 2019. The agreement also includes and funding is provided for an increase of one dollar per hour in certification pay for certain job classifications, salary adjustments for targeted job classifications, and increases to vacation leave accruals.

(2) Effective September 1, 2017, \$100,000 is to be split between SEIU 925 and WFSE represented employees at Harborview Medical Center and UW Medical Center for obtaining degree or certification required for employment in a health care field within the hospital. Step values were synchronized between select WFSE and SEIU 925 pay tables. Approval of this agreement is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining).

NEW SECTION. Sec. 923. COLLECTIVE BARGAINING AGREEMENT—UNIVERSITY OF WASHINGTON—TEAMSTERS LOCAL 117

An agreement has been reached between the University of Washington and teamster local 117 under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is provided for a five percent general wage increase effective July 1, 2017, to maintain increases that were not funded in the 2015-2017 budget due to missing the submission deadline, an additional ten percent general wage increase effective July 1, 2017, and a ten percent general wage increase effective July 1, 2018. The agreement also includes and funding is provided for educational incentive pay and longevity pay. Approval of this agreement is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining).

NEW SECTION. Sec. 924. COLLECTIVE BARGAINING AGREEMENT—WASHINGTON STATE UNIVERSITY—WFSE

An agreement has been reached between the Washington State University and the Washington federation of state employees under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. For bargaining units 2, 12, 13, and 15, the agreement includes and funding is provided for a two percent

general wage increase effective July 1, 2017, and a one percent general wage increase effective July 1, 2018. If the schedule for non-represented employees yields a higher overall salary schedule or general wage increase in 2017-2019 fiscal biennium, salary schedules of job classifications for non-represented employees are increased, or higher leave accruals are implemented, the contract must implement the provision most beneficial to the employee. Approval of this agreement is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining).

NEW SECTION. Sec. 925. COLLECTIVE BARGAINING AGREEMENT—WASHINGTON STATE UNIVERSITY—PSE

An agreement has been reached between the Washington State University and the public school employees under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. For bargaining units 16 and 18, the agreement includes and funding is provided for a two percent general wage increase effective July 1, 2017, and a one percent general wage increase effective July 1, 2018. If the schedule for non-represented employees yields a higher overall salary schedule or general wage increase in 2017-2019 fiscal biennium, salary schedules of job classifications for non-represented employees are increased, or higher leave accruals are implemented, the contract must implement the provision most beneficial to the employee. Approval of this agreement is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining).

NEW SECTION. Sec. 926. COLLECTIVE BARGAINING AGREEMENT—WASHINGTON STATE UNIVERSITY—WSU POLICE GUILD BARGAINING UNIT 4

An agreement has been reached between the Washington State University and the WSU Police Guild bargaining unit 4 under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. The agreement includes and funding is provided for the following: The university will follow the general service salary schedules for nonrepresented employees in effect July 1, 2017, through June 30, 2019, and, effective July 1, 2017, targeted job classifications will be assigned special pay range assignment on the general services salary schedule. Additionally, the agreement includes and funding is provided for wage increases equal to the general services salary schedule and higher leave accruals applicable to civil service employees. Approval of this agreement is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining).

NEW SECTION. Sec. 927. COLLECTIVE BARGAINING AGREEMENT—CENTRAL WASHINGTON UNIVERSITY—WFSE

An agreement has been reached between Central Washington University and the Washington federation of state employees under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is provided for a two percent general wage increase effective July 1, 2017, a two percent general wage increase effective July 1, 2018, and a two percent general wage increase effective January 1, 2019. The agreement also includes and funding is provided for additional leave accruals and a one-time payment of \$100 on July 25, 2017. Approval of this agreement is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining).

NEW SECTION. Sec. 928. COLLECTIVE BARGAINING AGREEMENT—CENTRAL WASHINGTON UNIVERSITY—PSE

An agreement has been reached between Central Washington University and the public school employees under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is provided for a two percent general wage increase effective July 1, 2017, a two percent general wage increase effective July 1, 2018, and a two percent general wage increase effective January 1, 2019. The agreement also includes and funding is provided for a sixty cents per hour shift premium increase. Approval of this agreement is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining).

NEW SECTION. Sec. 929. COLLECTIVE BARGAINING AGREEMENT—THE EVERGREEN STATE COLLEGE—WFSE

An agreement has been reached between The Evergreen State College and the Washington federation of state employees under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is provided for a two percent general wage increase effective July 1, 2017, a two percent general wage increase effective July 1, 2018, and a two percent general wage increase effective January 1, 2019. The agreement also includes and funding is provided for salary range adjustments for police classifications and other targeted job classifications, a shift differential increase, salary increase for law enforcement officers while engaged in training activities, and a \$100 signing incentive. Approval of this agreement is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining).

NEW SECTION. Sec. 930. COLLECTIVE BARGAINING AGREEMENT—WESTERN WASHINGTON UNIVERSITY—WFSE

An agreement has been reached between Western Washington University and the Washington federation of state employees bargaining units A, B, and E under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is provided for a two percent general wage increase effective July 1, 2017, a two percent general wage increase effective July 1, 2018, and a two percent general wage increase effective January 1, 2019. The agreement also includes and funding is provided for salary range adjustments for targeted job classifications, clothing and footwear allowances for specific job classification, increase in vacation leave accruals, and a \$250 signing incentive. Approval of this agreement is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining).

NEW SECTION. Sec. 931. COLLECTIVE BARGAINING AGREEMENT—WESTERN WASHINGTON UNIVERSITY—PSE

An agreement has been reached between Western Washington University and the public school employees bargaining units D and PT under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is provided for a two percent general wage increase effective July 1, 2017, a two percent general wage increase effective July 1, 2018, and a two percent general wage increase effective January 1, 2019. The agreement also includes and funding is provided for increase in vacation leave accruals and incentive pay for specified employees. Approval of this agreement is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining).

NEW SECTION. Sec. 932. COLLECTIVE BARGAINING AGREEMENT—EASTERN WASHINGTON UNIVERSITY—WFSE

An agreement has been reached between Eastern Washington University and the Washington federation of state employees under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is provided for a two percent general wage increase effective July 1, 2017, a two percent general wage increase effective July 1, 2018, and a two percent general wage increase effective January 1, 2019. The agreement also includes and funding is provided for salary range adjustments for police officers, increase in leave accruals, and a one-time payment of \$100. Approval of this agreement is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining).

NEW SECTION. Sec. 933. COLLECTIVE BARGAINING AGREEMENT—EASTERN WASHINGTON UNIVERSITY—PSE

An agreement has been reached between Eastern Washington University and the public school employees under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is provided for a one and three-quarters percent general wage increase effective July 1, 2017. Approval of this agreement is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining).

NEW SECTION. Sec. 934. COLLECTIVE BARGAINING AGREEMENT—YAKIMA VALLEY COMMUNITY COLLEGE—WPEA

An agreement has been reached between Yakima Valley Community College and the Washington public employees association under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is provided for a two percent general wage increase effective July 1, 2017, a two percent general wage increase effective July 1, 2018, and a two percent general wage increase effective January 1, 2019. The agreement also includes and funding is provided for a one dollar shift differential. Approval of this agreement is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining).

NEW SECTION. Sec. 935. COLLECTIVE BARGAINING AGREEMENT—HIGHLINE COMMUNITY COLLEGE—WPEA

An agreement has been reached between Highline Community College and the Washington public employees association under the provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium. Funding is provided for a two percent general wage increase effective July 1, 2017, a two percent general wage increase effective July 1, 2018, and a two percent general wage increase effective January 1, 2019. The agreement also includes and funding is provided for a one-time signing incentive of \$400 to be paid in fiscal year 2018. Approval of this agreement is contingent upon the enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining).

NEW SECTION. Sec. 936. 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 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 changes to benefits consistent with RCW 41.05.065. The board shall collect a twenty-five dollar per month surcharge payment from members who use tobacco products and a surcharge payment of not less than fifty dollars per month from members who cover a spouse or domestic partner where the spouse or domestic partner has chosen not to enroll in another employer-based group health insurance that has benefits and premiums with an actuarial value of not less than 95 percent of the actuarial value of the public employees' benefits board plan with the largest enrollment. The surcharge payments shall be collected in addition to the member premium payment.

(3) The health care authority shall deposit any moneys received on behalf of the uniform medical plan as a result of rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys recovered as a result of prior uniform medical plan claims payments, into the public employees' and retirees' insurance account to be used for insurance benefits. Such receipts may not be used for administrative expenditures.

NEW SECTION. Sec. 937. COMPENSATION—REPRESENTED EMPLOYEES OUTSIDE SUPER COALITION—INSURANCE BENEFITS

Appropriations for state agencies in this act are sufficient for represented employees outside the super coalition for health benefits, 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, may not exceed \$913 per eligible employee for fiscal year 2018. For fiscal year 2019, the monthly employer funding rate may not exceed \$957 per eligible employee.

(2) 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 changes to benefits consistent with RCW 41.05.065. The board shall collect a twenty-five dollar per month surcharge payment from members who use tobacco products and a surcharge payment of not less than fifty dollars per month from members who cover a spouse or domestic partner where the spouse or domestic partner has chosen not to enroll in another employer-based group health insurance that has benefits and premiums with an actuarial value of not less than 95 percent of the actuarial value of the public employees' benefits board plan with the largest enrollment.

The surcharge payments shall be collected in addition to the member premium payment.

(3) The health care authority shall deposit any moneys received on behalf of the uniform medical plan as a result of rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys recovered as a result of prior uniform medical plan claims payments, into the public employees' and retirees' insurance account to be used for insurance benefits. Such receipts may not be used for administrative expenditures.

NEW SECTION. Sec. 938. COLLECTIVE BARGAINING AGREEMENT FOR NONSTATE EMPLOYEES—WFSE LANGUAGE ACCESS PROVIDERS

An agreement has been reached between the governor and the Washington federation of state employees for the language access providers under the provisions of chapter 41.56 RCW for the 2017-2019 fiscal biennium. Funding is provided for a rate increase of fifty cents an hour for fiscal year 2018 and a rate increase of one dollar twenty-six cents an hour for fiscal year 2019. The agreement also includes and funding is provided for DSHS minimum appointment times, DSHS travel premium pilot program, increased cancellation fees, and reimbursements for parking, ferries, and tolls.

NEW SECTION. Sec. 939. COLLECTIVE BARGAINING AGREEMENT FOR NONSTATE EMPLOYEES—SEIU LOCAL 775 HOME CARE WORKERS

An agreement has been reached between the governor and the service employees international union local 775 under the provisions of chapters 74.39A and 41.56 RCW for the 2017-2019 fiscal biennium. Funding is provided for increases to hourly wages through the term of the agreement and an additional wage step for those at the top of the wage scale. The agreement also includes and funding is provided for establishment of a health and safety benefit study and increased contributions to the retirement, health care, and training trusts.

NEW SECTION. Sec. 940. COLLECTIVE BARGAINING AGREEMENT FOR NONSTATE EMPLOYEES—SEIU LOCAL 925 CHILDCARE WORKERS

An agreement has been reached between the governor and the service employees international union local 925 under the provisions of chapter 41.56 RCW for the 2017-2019 fiscal biennium. Funding is provided for a two percent rate increase for licensed providers and a three to six cent an hour per child increase for licensed-exempt providers. The agreement also includes and funding is provided for increased funding for health insurance for licensed providers, increases in training funding, professional development days, licensing incentives and need-based grants, and establishment of a family child care career development fund.

NEW SECTION. Sec. 941. COLLECTIVE BARGAINING AGREEMENT FOR NONSTATE EMPLOYEES—AFHC ADULT FAMILY HOMES

An agreement has been reached between the governor and the adult family home council under the provisions of chapter 41.56 RCW for the 2017-2019 fiscal biennium. Funding is provided for increases in the daily rates, payments to providers for providing meaningful home-based activities, payment to providers

supporting clients in accessing and participating in the community integration program, and mileage reimbursement under certain circumstances.

NEW SECTION. Sec. 942. COMPENSATION—NONREPRESENTED EMPLOYEES—INSURANCE BENEFITS

Appropriations for state agencies in this act are sufficient for nonrepresented state employee health benefits for state agencies, including institutions of higher education, and are subject to the following conditions and limitations:

(1)(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, may not exceed \$913 per eligible employee for fiscal year 2018. For fiscal year 2019, the monthly employer funding rate may not exceed \$957 per eligible employee.

(b) 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 make other changes to benefits consistent with RCW 41.05.065. The board shall collect a twenty-five dollar per month surcharge payment from members who use tobacco products and a surcharge payment of not less than fifty dollars per month from members who cover a spouse or domestic partner where the spouse or domestic partner has chosen not to enroll in another employer-based group health insurance that has benefits and premiums with an actuarial value of not less than 95 percent of the actuarial value of the public employees' benefits board plan with the largest enrollment. The surcharge payments shall be collected in addition to the member premium payment. All savings resulting from reduced claim costs or other factors identified after December 31, 2016, must be reserved for funding employee health benefits in the 2019-2021 fiscal biennium.

(c) The health care authority shall deposit any moneys received on behalf of the uniform medical plan as a result of rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys recovered as a result of prior uniform medical plan claims payments, into the public employees' and retirees' insurance account to be used for insurance benefits. Such receipts may not be used for administrative expenditures.

(2) The health care authority, subject to the approval of the public employees' benefits board, shall provide subsidies for health benefit premiums to eligible retired or disabled public employees and school district employees who are eligible for medicare, pursuant to RCW 41.05.085. For calendar years 2018 and 2019, the subsidy shall be up to \$150 per month. The public employees' benefits board may not authorize under RCW 41.05.085, and the health care authority may not provide, a subsidy under this subsection of more than \$150 per month. Funds from reserves accumulated for future adverse claims experience, from past favorable claims experience, or otherwise, may not be used to increase this retiree subsidy beyond what is authorized by the legislature in this subsection.

(3) Technical colleges, school districts, and educational service districts shall remit to the health care authority for deposit into the public employees' and retirees' insurance account established in RCW 41.05.120 the following amounts:

(a) For each full-time employee, \$64.07 per month beginning September 1, 2017, and \$68.67 beginning September 1, 2018;

(b) For each part-time employee, who at the time of the remittance is employed in an eligible position as defined in RCW 41.32.010 or 41.40.010 and is eligible for employer fringe benefit contributions for basic benefits, \$64.07 each month beginning September 1, 2017, and \$68.67 beginning September 1, 2018, prorated by the proportion of employer fringe benefit contributions for a full-time employee that the part-time employee receives. The remittance requirements specified in this subsection do not apply to employees of a technical college, school district, or educational service district who purchase insurance benefits through contracts with the health care authority.

NEW SECTION. Sec. 943. GENERAL WAGE INCREASES

(1) Appropriations for state agency employee compensation in this act are sufficient to provide general wage increases to state agency employees who are not represented or who bargain under statutory authority other than chapter 41.80 or 47.64 RCW or RCW 41.56.473 or 41.56.475. Funding for general wage increases is contingent upon enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining).

(2) Funding is provided for a two percent general wage increase effective July 1, 2017, for all classified employees as specified in subsection (1) of this section, employees in the Washington management service, and exempt employees under the jurisdiction of the office of financial management. The appropriations are also sufficient to fund a two percent salary increase effective July 1, 2017, for executive, legislative, and judicial branch employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials.

(3) Funding is provided for a two percent general wage increase effective July 1, 2018, for all classified employees as specified in subsection (1) of this section, employees in the Washington management service, and exempt employees under the jurisdiction of the office of financial management. The appropriations are also sufficient to fund a two percent salary increase effective July 1, 2018, for executive, legislative, and judicial branch employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials.

(4) Funding is provided for a two percent general wage increase effective January 1, 2019, for all classified employees as specified in subsection (1) of this section, employees in the Washington management service, and exempt employees under the jurisdiction of the office of financial management, except for employees who receive cost-of-living adjustments under Initiative Measure No. 732. The appropriations are also sufficient to fund a two percent salary increase effective January 1, 2019, for executive, legislative, and judicial branch employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials.

NEW SECTION. Sec. 944. INITIATIVE 732 COST-OF-LIVING INCREASES

Part IX of this act authorizes general wage increases for state employees covered by Initiative Measure No. 732. The general wage increases on July 1, 2017, and July 1, 2018, provide a portion of the annual cost-of-living

adjustments required under Initiative Measure No. 732. Funding is also provided for additional increases of three-tenths of a percent on July 1, 2017, and seven-tenths of a percent on July 1, 2018, for cost-of-living adjustments under the initiative. Funding is provided for a salary increase on January 1, 2019, of one percent for these employees, for a nominal total of a six percent increase during the 2017-2019 fiscal biennium.

NEW SECTION. Sec. 945. TARGETED COMPENSATION INCREASES

Funding is provided for salary adjustments for targeted job classifications as specified by the office of financial management for classified state employees, except those represented by a collective bargaining unit under chapters 41.80 and 47.64 RCW and RCW 41.56.473 and 41.56.475. Funding for targeted salary adjustments is contingent upon enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining).

NEW SECTION. Sec. 946. MINIMUM STARTING WAGE

Funding is also provided for a minimum starting wage of twelve dollars an hour, effective July 1, 2017, and for increases in wages of job classes that are aligned with affected job classes, except those represented by a collective bargaining unit under chapters 41.80 and 47.64 RCW and RCW 41.56.473 and 41.56.475. This funding is sufficient for general government agencies and higher education institutions to comply with the provisions of Initiative Measure No. 1433 with respect to state employees. Funding for minimum starting wages is contingent upon enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining).

NEW SECTION. Sec. 947. VACATION LEAVE SCHEDULE

Funding is provided for the cost of additional staff hours required by modification of the vacation leave accrual schedule as specified by the office of financial management for general government state employees, except those represented by a collective bargaining unit under chapters 41.80 and 47.64 RCW and RCW 41.56.473 and 41.56.475. Funding for additional vacation leave is contingent upon enactment of Senate Bill No. 5969 (transparency in public employee collective bargaining).

NEW SECTION. Sec. 948. COMPENSATION—REVISE PENSION CONTRIBUTION RATES

The appropriations in this act for school districts and state agencies, including institutions of higher education, are subject to the following conditions and limitations: Appropriations are adjusted to reflect changes to agency appropriations to reflect pension contribution rates adopted by the pension funding council and the law enforcement officers' and firefighters' retirement system plan 2 board.

NEW SECTION. Sec. 949. A new section is added to chapter 43.31 RCW to read as follows:

The state agency office relocation pool account is created in the custody of the state treasurer. All receipts from legislative appropriations and transfers must be deposited in the account. Expenditures from the account may be used only for state agency costs related to relocation of state agency offices. Authorized expenditures include lease payments and costs of relocation, equipment, furniture, and tenant improvements. Only the director of the office 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.

NEW SECTION. Sec. 950. A new section is added to chapter 43.41 RCW to read as follows:

(1) The information technology investment 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 account created in subsection (1) of this section after June 30, 2017.

Sec. 951. RCW 19.118.110 and 2008 c 93 s 1 are each amended to read as follows:

If the new motor vehicle will be registered in the state of Washington, a three-dollar arbitration fee shall be collected by either the new motor vehicle dealer or vehicle lessor from the consumer upon execution of a retail sale or lease agreement. The fee shall be forwarded to the department of licensing at the time of title application for deposit in the new motor vehicle arbitration account hereby created in the state treasury. Moneys in the account shall be used for the purposes of this chapter, subject to appropriation. During the 1995-97 fiscal biennium, the legislature may transfer moneys from the account to the extent that the moneys are not necessary for the purposes of this chapter.

At the end of each fiscal year, the attorney general shall prepare a report listing the annual revenue generated and the expenses incurred in implementing and operating the arbitration program under this chapter.

During the 2017-2019 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the new motor vehicle arbitration account to the state general fund.

Sec. 952. RCW 28B.15.210 and 2015 3rd sp.s. c 3 s 7027 are each amended to read as follows:

Within thirty-five days from the date of collection thereof, all building fees at the University of Washington, including building fees to be charged students registering in the schools of medicine and dentistry, shall be paid into the state treasury and credited as follows:

One-half or such larger portion as may be necessary to prevent a default in the payments required to be made out of the bond retirement fund to the "University of Washington bond retirement fund" and the remainder thereof to the "University of Washington building account." The sum so credited to the University of Washington building account shall be used exclusively for the purpose of erecting, altering, maintaining, equipping, or furnishing buildings, and for certificates of participation under chapter 39.94 RCW, except for any sums transferred as authorized in RCW 28B.20.725(3). The sum so credited to the University of Washington bond retirement fund shall be used for the payment

of principal of and interest on bonds outstanding as provided by chapter 28B.20 RCW except for any sums transferred as authorized in RCW 28B.20.725(5). ~~((During the 2013-2015 biennium, sums credited to the University of Washington building account shall also be used for routine facility maintenance, utility costs, and facility condition assessments.))~~ During the 2015-2017 biennium, sums credited to the University of Washington building account shall also be used for routine facility maintenance, utility costs, and facility condition assessments. During the 2017-2019 biennium, sums credited to the University of Washington building account shall also be used for routine facility maintenance, utility costs, and facility condition assessments.

Sec. 953. RCW 28B.15.310 and 2015 3rd sp.s. c 3 s 7026 are each amended to read as follows:

Within thirty-five days from the date of collection thereof, all building fees shall be paid and credited as follows: To the Washington State University bond retirement fund, one-half or such larger portion as may be necessary to prevent a default in the payments required to be made out of such bond retirement fund; and the remainder thereof to the Washington State University building account.

The sum so credited to the Washington State University building account shall be expended by the board of regents for buildings, equipment, or maintenance on the campus of Washington State University as may be deemed most advisable and for the best interests of the university, and for certificates of participation under chapter 39.94 RCW, except for any sums transferred as authorized by law. ~~((During the 2013-2015 biennium, sums credited to the Washington State University building account shall also be used for routine facility maintenance, utility costs, and facility condition assessments.))~~ During the 2015-2017 biennium, sums credited to the Washington State University building account shall also be used for routine facility maintenance, utility costs, and facility condition assessments. During the 2017-2019 biennium, sums credited to the Washington State University building account shall also be used for routine facility maintenance, utility costs, and facility condition assessments. Expenditures so made shall be accounted for in accordance with existing law and shall not be expended until appropriated by the legislature.

The sum so credited to the Washington State University bond retirement fund shall be used to pay and secure the payment of the principal of and interest on building bonds issued by the university, except for any sums which may be transferred out of such fund as authorized by law.

Sec. 954. RCW 28B.35.370 and 2015 3rd sp.s. c 3 s 7029 are each amended to read as follows:

Within thirty-five days from the date of collection thereof all building fees of each regional university and The Evergreen State College shall be paid into the state treasury and these together with such normal school fund revenues as provided in RCW 28B.35.751 as are received by the state treasury shall be credited as follows:

(1) On or before June 30th of each year the board of trustees of each regional university and The Evergreen State College, if issuing bonds payable out of its building fees and above described normal school fund revenues, shall certify to the state treasurer the amounts required in the ensuing twelve months to pay and secure the payment of the principal of and interest on such bonds. The

amounts so certified by each regional university and The Evergreen State College shall be a prior lien and charge against all building fees and above described normal school fund revenues of such institution. The state treasurer shall thereupon deposit the amounts so certified in the Eastern Washington University capital projects account, the Central Washington University capital projects account, the Western Washington University capital projects account, or The Evergreen State College capital projects account respectively, which accounts are hereby created in the state treasury. The amounts deposited in the respective capital projects accounts shall be used to pay and secure the payment of the principal of and interest on the building bonds issued by such regional universities and The Evergreen State College as authorized by law. If in any twelve month period it shall appear that the amount certified by any such board of trustees is insufficient to pay and secure the payment of the principal of and interest on the outstanding building and above described normal school fund revenue bonds of its institution, the state treasurer shall notify the board of trustees and such board shall adjust its certificate so that all requirements of moneys to pay and secure the payment of the principal of and interest on all such bonds then outstanding shall be fully met at all times.

(2) All normal school fund revenue pursuant to RCW 28B.35.751 shall be deposited in the Eastern Washington University capital projects account, the Central Washington University capital projects account, the Western Washington University capital projects account, or The Evergreen State College capital projects account respectively, which accounts are hereby created in the state treasury. The sums deposited in the respective capital projects accounts shall be appropriated and expended to pay and secure the payment of the principal of and interest on bonds payable out of the building fees and normal school revenue and for the construction, reconstruction, erection, equipping, maintenance, demolition and major alteration of buildings and other capital assets, and the acquisition of sites, rights-of-way, easements, improvements or appurtenances in relation thereto except for any sums transferred therefrom as authorized by law. ~~((However, during the 2013-2015 biennium, sums in the respective capital accounts shall also be used for routine facility maintenance, utility costs, and facility condition assessments.))~~ However, during the 2015-2017 biennium, sums in the respective capital accounts shall also be used for routine facility maintenance, utility costs, and facility condition assessments. However, during the 2017-2019 biennium, sums in the respective capital accounts shall also be used for routine facility maintenance, utility costs, and facility condition assessments.

(3) Funds available in the respective capital projects accounts may also be used for certificates of participation under chapter 39.94 RCW.

Sec. 955. RCW 28B.50.360 and 2015 3rd sp.s. c 3 s 7030 are each amended to read as follows:

Within thirty-five days from the date of start of each quarter all collected building fees of each such community and technical college shall be paid into the state treasury, and shall be credited as follows:

(1) On or before June 30th of each year the college board, if issuing bonds payable out of building fees, shall certify to the state treasurer the amounts required in the ensuing twelve-month period to pay and secure the payment of the principal of and interest on such bonds. The state treasurer shall thereupon

deposit the amounts so certified in the community and technical college capital projects account. Such amounts of the funds deposited in the community and technical college capital projects account as are necessary to pay and secure the payment of the principal of and interest on the building bonds issued by the college board as authorized by this chapter shall be devoted to that purpose. If in any twelve-month period it shall appear that the amount certified by the college board is insufficient to pay and secure the payment of the principal of and interest on the outstanding building bonds, the state treasurer shall notify the college board and such board shall adjust its certificate so that all requirements of moneys to pay and secure the payment of the principal and interest on all such bonds then outstanding shall be fully met at all times.

(2) The community and technical college capital projects account is hereby created in the state treasury. The sums deposited in the capital projects account shall be appropriated and expended to pay and secure the payment of the principal of and interest on bonds payable out of the building fees and for the construction, reconstruction, erection, equipping, maintenance, demolition and major alteration of buildings and other capital assets owned by the state board for community and technical colleges in the name of the state of Washington, and the acquisition of sites, rights-of-way, easements, improvements or appurtenances in relation thereto, engineering and architectural services provided by the department of enterprise services, and for the payment of principal of and interest on any bonds issued for such purposes. ~~((However, during the 2013-2015 biennium, sums in the capital projects account shall also be used for routine facility maintenance and utility costs.))~~ However, during the 2015-2017 biennium, sums in the capital projects account shall also be used for routine facility maintenance and utility costs. However, during the 2017-2019 biennium, sums in the capital projects account shall also be used for routine facility maintenance and utility costs.

(3) Funds available in the community and technical college capital projects account may also be used for certificates of participation under chapter 39.94 RCW.

NEW SECTION. Sec. 956. A new section is added to chapter 28B.76 RCW to read as follows:

The highway worker memorial scholarship account is created in the custody of the state treasurer. Moneys received from legislative appropriations and transfers, private donations, public or private gifts and grants, conveyances, and other sources may be deposited into the account. Expenditures from the account may be made only for the purposes of providing scholarships to children and surviving spouses of highway workers who lost his or her life or became totally disabled while employed by a general contractor or subcontractor on a state transportation project. Children and surviving spouses must apply to the office of student financial assistance, and if found to be eligible, may receive a scholarship in an amount of the annual cost of tuition at the enrolled individual's institution of higher education or the cost of undergraduate tuition and state-mandated fees at the most expensive Washington state public university, whichever is less. Eligible individuals may receive up to four annual scholarships. Scholarships will be provided on a first-come, first-served basis subject to the availability of moneys in the account. Disbursements from the account may be authorized only by the office of student financial assistance or

the Washington student achievement council. An appropriation is not required for expenditures, but the account is subject to allotment procedures under chapter 43.88 RCW.

Sec. 957. RCW 28B.95.092 and 2016 c 69 s 11 are each amended to read as follows:

The governing body shall begin and continue to accept applications for new tuition unit contracts and authorize the sale of new tuition units by July 1, ~~((2017))~~ 2018. Upon reopening the advanced college tuition payment program, in any year in which the total annual sale of tuition units is below five hundred thousand, the governing body shall determine how to reinvigorate the advanced college tuition payment program to incentivize Washingtonians to enter into tuition unit contracts and purchase tuition units.

Sec. 958. RCW 28B.115.070 and 2015 3rd sp.s. c 4 s 947 are each amended to read as follows:

(1) After June 1, 1992, the department, in consultation with the office and the department of social and health services, shall:

~~((1))~~ (a) Determine eligible credentialed health care professions for the purposes of the loan repayment and scholarship program authorized by this chapter. Eligibility shall be based upon an assessment that determines that there is a shortage or insufficient availability of a credentialed profession so as to jeopardize patient care and pose a threat to the public health and safety. The department shall consider the relative degree of shortages among professions when determining eligibility. The department may add or remove professions from eligibility based upon the determination that a profession is no longer in shortage. Should a profession no longer be eligible, participants or eligible students who have received scholarships shall be eligible to continue to receive scholarships or loan repayments until they are no longer eligible or until their service obligation has been completed;

~~((2))~~ (b) Determine health professional shortage areas for each of the eligible credentialed health care professions.

~~((3))~~ (2) For the ~~((2015-2017))~~ 2017-2019 fiscal biennium, consideration for eligibility shall also be given to registered nursing students who have been accepted into an eligible nursing education program and have declared an intention to teach nursing upon completion of the nursing education program.

Sec. 959. RCW 28B.122.050 and 2016 sp.s. c 36 s 917 are each amended to read as follows:

(1) The aerospace training student loan account is created in the custody of the state treasurer. No appropriation is required for expenditures of funds from the account for student loans. An appropriation is required for expenditures of funds from the account for costs associated with program administration by the office. The account is not subject to allotment procedures under chapter 43.88 RCW.

(2) The office shall deposit into the account all moneys received for the program. The account shall be self-sustaining and consist of moneys received for the program by the office, and receipts from participant repayments, including principal and interest.

(3) Expenditures from the account may be used solely for student loans to participants in the program established by this chapter and costs associated with program administration by the office.

(4) Disbursements from the account may be made only on the authorization of the office.

(5) During the 2015-2017 and 2017-2019 fiscal (~~(biennium)~~) biennia, the legislature may transfer from the aerospace training student loan account to the state general fund such amounts as reflect the excess fund balance of the account.

Sec. 960. RCW 28C.04.535 and 2015 3rd sp.s. c 4 s 948 are each amended to read as follows:

Except for the (~~(2015-16 and 2016-17)~~) 2017-18 and 2018-19 school years, the Washington award for vocational excellence shall be granted annually. It is the intent of the legislature to continue the policy of not granting the Washington award for vocational excellence in the 2019-20 and 2020-21 school years. The workforce training and education coordinating board shall notify the students receiving the award, their vocational instructors, local chambers of commerce, the legislators of their respective districts, and the governor, after final selections have been made. The workforce training and education coordinating board, in conjunction with the governor's office, shall prepare appropriate certificates to be presented to the selected students. Awards shall be presented in public ceremonies at times and places determined by the workforce training and education coordinating board in cooperation with the office of the governor.

Sec. 961. RCW 36.70A.725 and 2011 c 360 s 7 are each amended to read as follows:

(1) Upon receipt of a work plan submitted to the director under RCW 36.70A.720(2)(a), the director must submit the work plan to the technical panel for review.

(2) The technical panel shall review the work plan and report to the director within (~~(forty-five)~~) ninety days after the director receives the work plan. The technical panel shall assess whether at the end of ten years after receipt of funding, the work plan, in conjunction with other existing plans and regulations, will protect critical areas while maintaining and enhancing the viability of agriculture in the watershed.

(3)(a) If the technical panel determines the proposed work plan will protect critical areas while maintaining and enhancing the viability of agriculture in the watershed:

- (i) It must recommend approval of the work plan; and
- (ii) The director must approve the work plan.

(b) If the technical panel determines the proposed work plan will not protect critical areas while maintaining and enhancing the viability of agriculture in the watershed:

- (i) It must identify the reasons for its determination; and
- (ii) The director must advise the watershed group of the reasons for disapproval.

(4) The watershed group may modify and resubmit its work plan for review and approval consistent with this section.

(5) If the director does not approve a work plan submitted under this section within two years and nine months after receipt of funding, the director shall submit the work plan to the statewide advisory committee for resolution. If the statewide advisory committee recommends approval, the director must approve the work plan.

(6) If the director does not approve a work plan for a watershed within three years after receipt of funding, the provisions of RCW 36.70A.735(2) apply to the watershed.

Sec. 962. RCW 38.52.105 and 2016 sp.s. c 36 s 918 are each amended to read as follows:

The disaster response account is created in the state treasury. Moneys may be placed in the account from legislative appropriations and transfers, federal appropriations, or any other lawful source. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for support of state agency and local government disaster response and recovery efforts and to reimburse the workers' compensation funds and self-insured employers under RCW 51.16.220. During the 2009-2011 fiscal biennium, the legislature may transfer from the disaster response account to the state drought preparedness account such amounts as reflect the excess fund balance of the account to support expenditures related to a state drought declaration. During the 2009-2011 fiscal biennium, the legislature may transfer from the disaster response account to the state general fund such amounts as reflect the excess fund balance of the account. During the 2015-2017 and 2017-2019 fiscal ~~(biennium)~~ biennia, expenditures from the disaster response account may be used for military department operations and to support wildland fire suppression preparedness, prevention, and restoration activities by state agencies and local governments. ~~((The legislature intends to transfer in))~~ During the 2017-2019 fiscal biennium ~~((from the disaster response account to the state general fund amounts as reflect the excess fund balance of the disaster response account from federal grants and other revenues directed into the account)),~~ the legislature may direct the treasurer to make transfers of moneys in the disaster response account to the state general fund.

Sec. 963. RCW 41.26.450 and 2000 c 247 s 801 are each amended to read as follows:

(1) Port districts established under Title 53 RCW and institutions of higher education as defined in RCW 28B.10.016 shall contribute both the employer and state shares of the cost of the retirement system for any of their employees who are law enforcement officers.

(2) Institutions of higher education shall contribute both the employer and the state shares of the cost of the retirement system for any of their employees who are firefighters.

(3) During fiscal years 2018 and 2019:

When an employer charges a fee or recovers costs for work performed by a plan member where:

(a) The member receives compensation that is includable as basic salary under RCW 41.26.030(4)(b); and

(b) The service is provided, whether directly or indirectly, to an entity that is not an "employer" under RCW 41.26.030(14)(b);

the employer shall contribute both the employer and state shares of the cost of the retirement system contributions for that compensation. Nothing in this subsection prevents an employer from recovering the cost of the contribution from the entity receiving services from the member.

*Sec. 964. RCW 41.26.802 and 2015 3rd sp.s. c 4 s 950 are each amended to read as follows:

(1) By September 30, 2011, if the prior fiscal biennium's general state revenues exceed the previous fiscal biennium's revenues by more than five percent, subject to appropriation by the legislature, the state treasurer shall transfer five million dollars to the local public safety enhancement account.

(2) By September 30, ~~((2017))~~ 2019, and by September 30 of each odd-numbered year thereafter, if the prior fiscal biennium's general state revenues exceed the previous fiscal biennium's revenues by more than five percent, subject to appropriation by the legislature, the state treasurer shall transfer the lesser of one-third of the increase, or fifty million dollars, to the local public safety enhancement account.

(3) It is the intent of the legislature to fund any distribution in 2019 and 2021 dedicated to the local law enforcement officers' and firefighters' retirement system benefits improvement account through alternate means, which may include transfers from the law enforcement officers' and firefighters' plan 2 retirement fund.

**Sec 964 was partially vetoed. See message at end of chapter.*

Sec. 965. RCW 41.60.050 and 2015 3rd sp.s. c 4 s 952 are each amended to read as follows:

The legislature shall appropriate from the personnel service fund for the payment of administrative costs of the productivity board. However, during the ~~((2013-2015 and))~~ 2015-2017 and 2017-2019 fiscal biennia, the operations of the productivity board shall be suspended.

Sec. 966. RCW 43.08.190 and 2015 3rd sp.s. c 4 s 953 are each amended to read as follows:

There is hereby created a fund within the state treasury to be known as the "state treasurer's service fund." Such fund shall be used solely for the payment of costs and expenses incurred in the operation and administration of the state treasurer's office.

Moneys shall be allocated monthly and placed in the state treasurer's service fund equivalent to a maximum of one percent of the trust and treasury average daily cash balances from the earnings generated under the authority of RCW 43.79A.040 and 43.84.080 other than earnings generated from investment of balances in funds and accounts specified in RCW 43.79A.040(4)(c). The allocation shall precede the distribution of the remaining earnings as prescribed under RCW 43.79A.040 and 43.84.092. The state treasurer shall establish a uniform allocation rate for all funds and accounts; except that the state treasurer may negotiate a different allocation rate with any state agency that has independent authority over funds not statutorily required to be held in the state treasury or in the custody of the state treasurer. In no event shall the rate be less than the actual costs incurred by the state treasurer's office. If no rate is separately negotiated, the default rate for any funds held shall be the rate set for funds held pursuant to statute.

During the 2013-2015 and 2015-2017 fiscal biennia, the legislature may transfer from the state treasurer's service fund to the state general fund such amounts as reflect the excess fund balance of the fund. During the 2017-2019 fiscal biennium, the legislature may direct the state treasurer to make transfers of money in the state treasurer's service fund to the state general fund. It is the intent of the legislature that this policy will be continued in subsequent biennia.

Sec. 967. RCW 43.09.475 and 2016 sp.s. c 36 s 925 are each amended to read as follows:

The performance audits of government account is hereby created in the custody of the state treasurer. Revenue identified in RCW 82.08.020(5) and 82.12.0201 shall be deposited in the account. Money in the account shall be used to fund the performance audits and follow-up performance audits under RCW 43.09.470 and shall be expended by the state auditor in accordance with chapter 1, Laws of 2006. Only the state auditor or the state auditor'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. During the 2013-2015 (~~and~~), 2015-2017, and 2017-2019 fiscal biennia, the performance audits of government account may be appropriated for the joint legislative audit and review committee, the legislative evaluation and accountability program committee, the office of financial management, the superintendent of public instruction, the department of fish and wildlife, and audits of school districts. In addition, during the 2013-2015 (~~and~~), 2015-2017, and 2017-2019 fiscal biennia the account may be used to fund the office of financial management's contract for the compliance audit of the state auditor and audit activities at the department of revenue. In addition, during the 2015-2017 fiscal biennium, the legislature may transfer from the performance audits of government account to the state general fund such amounts as reflect the excess fund balance of the fund.

Sec. 968. RCW 43.41.450 and 2016 sp.s. c 36 s 927 are each amended to read as follows:

The office of financial management central service account is created in the state treasury. The account is to be used by the office as a revolving fund for the payment of salaries, wages, and other costs required for the operation and maintenance of statewide budgeting, accounting, forecasting, and functions and activities in the office. All receipts from agency fees and charges for services collected from public agencies must be deposited into the account. The director shall fix the terms and charges to agencies based on each agency's share of the office statewide cost allocation plan for federal funds. Moneys in the account may be spent only after appropriation. During the 2017-2019 fiscal biennium, the account may be used as a revolving fund for the payment of salaries, wages, and other costs related to policy activities in the office. The legislature intends to continue the use of the revolving fund for policy activities during the 2019-2021 biennium.

Sec. 969. RCW 43.43.839 and 2016 sp.s. c 36 s 928 are each amended to read as follows:

The fingerprint identification account is created in the custody of the state treasurer. All receipts from incremental charges of fingerprint checks requested for noncriminal justice purposes and electronic background requests shall be

deposited in the account. Receipts for fingerprint checks by the federal bureau of investigation may also be deposited in the account. Expenditures from the account may be used only for the cost of record checks. Only the chief of the state patrol or the chief's designee may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW. No appropriation is required for expenditures prior to July 1, 1997. After June 30, 1997, the account shall be subject to appropriation. ~~((During the 2009-2011 fiscal biennium, the legislature may transfer from the fingerprint identification account to the state general fund such amounts as reflect the excess fund balance of the account. During the 2013-2015 fiscal biennium, funds in the account may be used for expenditures that support the criminal records management division of the state patrol.))~~ During the 2015-2017 and 2017-2019 fiscal ~~((biennium))~~ biennia, funds in the account may be used for expenditures related to the upgrade of the state patrol's criminal history system. During the 2015-2017 fiscal biennium, the legislature may transfer from the fingerprint identification account to the sexual assault kit account and the account may be used for building the sexual assault kit tracking system in such amounts as reflect the excess fund balance of the account. During the 2017-2019 fiscal biennium, the account may be used for building the sexual assault kit tracking system.

Sec. 970. RCW 43.79.445 and 2016 sp.s. c 36 s 931 are each amended to read as follows:

There is established an account in the state treasury referred to as the "death investigations account" which shall exist for the purpose of receiving, holding, investing, and disbursing funds appropriated or provided in RCW 70.58.107 and any moneys appropriated or otherwise provided thereafter.

Moneys in the death investigations account shall be disbursed by the state treasurer once every year on December 31 and at any other time determined by the treasurer. The treasurer shall make disbursements to: The state toxicology laboratory, counties for the cost of autopsies, the state patrol for providing partial funding for the state dental identification system, the criminal justice training commission for training county coroners, medical examiners and their staff, and the state forensic investigations council. Funds from the death investigations account may be appropriated during the 2013-2015 fiscal biennium for the activities of the state crime laboratory within the Washington state patrol. ~~((During the 2015-2017 fiscal biennium, the legislature may transfer from the death investigations account to the sexual assault kit account such amounts as reflect the excess fund balance of the account.))~~ In addition, during the 2017-2019 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the death investigations account to the state general fund.

Sec. 971. RCW 43.79.460 and 2016 sp.s. c 36 s 932 are each amended to read as follows:

(1) The savings incentive account is created in the custody of the state treasurer. The account shall consist of all moneys appropriated to the account by the legislature. The account is subject to the allotment procedures under chapter 43.88 RCW, but no appropriation is required for expenditures from the account.

(2) Within the savings incentive account, the state treasurer may create subaccounts to be credited with incentive savings attributable to individual state agencies, as determined by the office of financial management in consultation

with the legislative fiscal committees. Moneys deposited in the subaccounts may be expended only on the authorization of the agency's executive head or designee and only for the purpose of one-time expenditures to improve the quality, efficiency, and effectiveness of services to customers of the state, such as one-time expenditures for employee training, employee incentives, technology improvements, new work processes, or performance measurement. Funds may not be expended from the account to establish new programs or services, expand existing programs or services, or incur ongoing costs that would require future expenditures.

(3) For purposes of this section, "incentive savings" means state general fund appropriations that are unspent as of June 30th of a fiscal year, excluding any amounts included in across-the-board reductions under RCW 43.88.110 and excluding unspent appropriations for:

(a) Caseload and enrollment in entitlement programs, except to the extent that an agency has clearly demonstrated that efficiencies have been achieved in the administration of the entitlement program. "Entitlement program," as used in this section, includes programs for which specific sums of money are appropriated for pass-through to third parties or other entities;

(b) Enrollments in state institutions of higher education;

(c) Except for fiscal year 2011, a specific amount contained in a condition or limitation to an appropriation in the biennial appropriations act, if the agency did not achieve the specific purpose or objective of the condition or limitation;

(d) Debt service on state obligations; and

(e) State retirement system obligations.

(4) The office of financial management, after consulting with the legislative fiscal committees, shall report the amount of savings incentives achieved.

(5) For fiscal year 2010, the legislature may transfer from the savings incentive account to the state general fund such amounts as reflect the fund balance of the account attributable to unspent state general fund appropriations for fiscal year 2009. For fiscal year 2011, the legislature may transfer from the savings incentive account to the state general fund such amounts as reflect the fund balance of the account attributable to unspent state general fund appropriations for fiscal year 2010. For fiscal year 2011, the legislature may transfer from the savings incentive account to the state general fund eight million dollars or as much as reflects the fund balance of the account attributable to unspent agency credits prior to fiscal year 2009. Credits for legislative and judicial agencies are not included in this action, with the exception and upon consent of the supreme court, court of appeals, office of public defense, and office of civil legal aid.

(6) For fiscal years 2012 and 2013, the legislature may transfer from the savings incentive account to the state general fund such amounts as reflect the fund balance of the account attributable to unspent general fund appropriations for fiscal years 2011 and 2012.

(7) For fiscal year 2016, the legislature may transfer from the savings incentive account to the state general fund such amounts as reflect the fund balance of the account attributable to unspent agency credit. Credits for legislative and judicial agencies are not included in this action.

(8) For the 2017-2019 fiscal biennium, the joint legislative audit and review committee and the legislative evaluation and accountability program committee

may use moneys deposited in their subaccounts for one-time costs related to their office relocation to the 1063 building.

Sec. 972. RCW 43.101.220 and 2015 3rd sp.s. c 4 s 958 are each amended to read as follows:

(1) The corrections personnel of the state and all counties and municipal corporations initially employed on or after January 1, 1982, shall engage in basic corrections training which complies with standards adopted by the commission. The training shall be successfully completed during the first six months of employment of the personnel, unless otherwise extended or waived by the commission, and shall be requisite to the continuation of employment.

(2) The commission shall provide the training required in this section, together with facilities, supplies, materials, and the room and board for noncommuting attendees, except during the (~~(2013-2015 and)~~) 2015-2017 and 2017-2019 fiscal biennia, when the employing county, municipal corporation, or state agency shall reimburse the commission for twenty-five percent of the cost of training its personnel.

(3)(a) Subsections (1) and (2) of this section do not apply to the Washington state department of corrections prisons division. The Washington state department of corrections is responsible for identifying training standards, designing curricula and programs, and providing the training for those corrections personnel employed by it. In doing so, the secretary of the department of corrections shall consult with staff development experts and correctional professionals both inside and outside of the agency, to include soliciting input from labor organizations.

(b) The commission and the department of corrections share the responsibility of developing and defining training standards and providing training for community corrections officers employed within the community corrections division of the department of corrections.

Sec. 973. RCW 43.101.200 and 2015 3rd sp.s. c 4 s 957 are each amended to read as follows:

(1) All law enforcement personnel, except volunteers, and reserve officers whether paid or unpaid, initially employed on or after January 1, 1978, shall engage in basic law enforcement training which complies with standards adopted by the commission pursuant to RCW 43.101.080. For personnel initially employed before January 1, 1990, such training shall be successfully completed during the first fifteen months of employment of such personnel unless otherwise extended or waived by the commission and shall be requisite to the continuation of such employment. Personnel initially employed on or after January 1, 1990, shall commence basic training during the first six months of employment unless the basic training requirement is otherwise waived or extended by the commission. Successful completion of basic training is requisite to the continuation of employment of such personnel initially employed on or after January 1, 1990.

(2) Except as otherwise provided in this chapter, the commission shall provide the aforementioned training together with necessary facilities, supplies, materials, and the board and room of noncommuting attendees for seven days per week, except during the (~~(2013-2015 and)~~) 2015-2017 and 2017-2019 fiscal biennia when the employing, county, city, or state law enforcement agency shall

reimburse the commission for twenty-five percent of the cost of training its personnel. Additionally, to the extent funds are provided for this purpose, the commission shall reimburse to participating law enforcement agencies with ten or less full-time commissioned patrol officers the cost of temporary replacement of each officer who is enrolled in basic law enforcement training: PROVIDED, That such reimbursement shall include only the actual cost of temporary replacement not to exceed the total amount of salary and benefits received by the replaced officer during his or her training period.

Sec. 974. RCW 43.155.050 and 2015 3rd sp.s. c 4 s 959 and 2015 3rd sp.s. c 3 s 7032 are each reenacted and amended to read as follows:

The public works assistance account is hereby established in the state treasury. Money may be placed in the public works assistance account from the proceeds of bonds when authorized by the legislature or from any other lawful source. Money in the public works assistance account shall be used to make loans and to give financial guarantees to local governments for public works projects. Moneys in the account may also be appropriated to provide for state match requirements under federal law for projects and activities conducted and financed by the board under the drinking water assistance account. Not more than fifteen percent of the biennial capital budget appropriation to the public works board from this account may be expended or obligated for preconstruction loans, emergency loans, or loans for capital facility planning under this chapter; of this amount, not more than ten percent of the biennial capital budget appropriation may be expended for emergency loans and not more than one percent of the biennial capital budget appropriation may be expended for capital facility planning loans. During the 2015-2017 fiscal biennium, the legislature may transfer from the public works assistance account to the general fund, the water pollution control revolving account, and the drinking water assistance account such amounts as reflect the excess fund balance of the account. (~~During the 2013-2015 fiscal biennium, the legislature may transfer from the public works assistance account to the education legacy trust account such amounts as specified by the legislature.~~) During the 2015-2017 and 2017-2019 fiscal ~~((biennium))~~ biennia, the legislature may appropriate moneys from the account for activities related to rural economic development, the growth management act, and the voluntary stewardship program. During the 2015-2017 fiscal biennium, the legislature may transfer from the public works assistance account to the state general fund such amounts as specified by the legislature. (~~In the 2017-2019 fiscal biennium the legislature intends to allocate seventy-three million dollars of future loan repayments paid into the public works assistance account to support basic education.~~) During the 2017-2019 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the public works assistance account to the education legacy trust account. It is the intent of the legislature that this policy will be continued in subsequent fiscal biennia.

Sec. 975. RCW 43.330.250 and 2015 3rd sp.s. c 4 s 962 are each amended to read as follows:

(1) The economic development strategic reserve account is created in the state treasury to be used only for the purposes of this section.

(2) Only the governor, with the recommendation of the director of the department of commerce, may authorize expenditures from the account.

(3) During the 2009-2011 and 2011-2013 fiscal biennia, moneys in the account may also be transferred into the state general fund.

(4) Expenditures from the account may be made to prevent closure of a business or facility, to prevent relocation of a business or facility in the state to a location outside the state, or to recruit a business or facility to the state. Expenditures may be authorized for:

(a) Workforce development;

(b) Public infrastructure needed to support or sustain the operations of the business or facility;

(c) Other lawfully provided assistance((s)) including, but not limited to, technical assistance, environmental analysis, relocation assistance, and planning assistance. Funding may be provided for such assistance only when it is in the public interest and may only be provided under a contractual arrangement ensuring that the state will receive appropriate consideration, such as an assurance of job creation or retention; and

(d) The joint center for aerospace technology innovation.

(5) The funds shall not be expended from the account unless:

(a) The circumstances are such that time does not permit the director of the department of commerce or the business or facility to secure funding from other state sources;

(b) The business or facility produces or will produce significant long-term economic benefits to the state, a region of the state, or a particular community in the state;

(c) The business or facility does not require continuing state support;

(d) The expenditure will result in new jobs, job retention, or higher incomes for citizens of the state;

(e) The expenditure will not supplant private investment; and

(f) The expenditure is accompanied by private investment.

(6) No more than three million dollars per year may be expended from the account for the purpose of assisting an individual business or facility pursuant to the authority specified in this section.

(7) If the account balance in the strategic reserve account exceeds fifteen million dollars at any time, the amount in excess of fifteen million dollars shall be transferred to the education construction account.

(8) During the 2015-2017 and 2017-2019 fiscal ((~~biennium~~)) biennia, the legislature may appropriate moneys from the account to fund ((~~economic development~~)) programs and grants at the department of commerce. It is the intent of the legislature that this policy will be continued in subsequent fiscal biennia.

Sec. 976. RCW 43.320.110 and 2015 3rd sp.s. c 4 s 960 are each amended to read as follows:

There is created a local fund known as the "financial services regulation fund" which shall consist of all moneys received by the divisions of the department of financial institutions, except for the division of securities which shall deposit thirteen percent of all moneys received, except as provided in RCW 43.320.115, and which shall be used for the purchase of supplies and necessary equipment; the payment of salaries, wages, and utilities; the establishment of

reserves; and other incidental costs required for the proper regulation of individuals and entities subject to regulation by the department. The state treasurer shall be the custodian of the fund. Disbursements from the fund shall be on authorization of the director of financial institutions or the director's designee. In order to maintain an effective expenditure and revenue control, the fund shall be subject in all respects to chapter 43.88 RCW, but no appropriation is required to permit expenditures and payment of obligations from the fund.

During the 2015-2017 fiscal biennium, the legislature may transfer from the financial services regulation fund to the state general fund such amounts as reflect the excess fund balance of the fund. During the 2015-2017 and 2017-2019 fiscal (~~biennium~~) biennia, moneys from the financial services regulation fund may be appropriated for the family prosperity account program at the department of commerce and for the operations of the department of revenue.

Sec. 977. RCW 50.16.010 and 2016 sp.s. c 36 s 940 are each amended to read as follows:

(1) There shall be maintained as special funds, separate and apart from all public moneys or funds of this state an unemployment compensation fund and an administrative contingency fund, which shall be administered by the commissioner exclusively for the purposes of this title, and to which RCW 43.01.050 shall not be applicable.

(2)(a) The unemployment compensation fund shall consist of:

(i) All contributions collected under RCW 50.24.010 and payments in lieu of contributions collected pursuant to the provisions of this title;

(ii) Any property or securities acquired through the use of moneys belonging to the fund;

(iii) All earnings of such property or securities;

(iv) Any moneys received from the federal unemployment account in the unemployment trust fund in accordance with Title XII of the social security act, as amended;

(v) All money recovered on official bonds for losses sustained by the fund;

(vi) All money credited to this state's account in the unemployment trust fund pursuant to section 903 of the social security act, as amended;

(vii) All money received from the federal government as reimbursement pursuant to section 204 of the federal-state extended compensation act of 1970 (84 Stat. 708-712; 26 U.S.C. Sec. 3304);

(viii) The portion of the additional penalties as provided in RCW 50.20.070(2) that is fifteen percent of the amount of benefits overpaid or deemed overpaid; and

(ix) All moneys received for the fund from any other source.

(b) All moneys in the unemployment compensation fund shall be commingled and undivided.

(3)(a) Except as provided in (b) of this subsection, the administrative contingency fund shall consist of:

(i) All interest on delinquent contributions collected pursuant to this title;

(ii) All fines and penalties collected pursuant to the provisions of this title, except the portion of the additional penalties as provided in RCW 50.20.070(2) that is fifteen percent of the amount of benefits overpaid or deemed overpaid;

(iii) All sums recovered on official bonds for losses sustained by the fund; and

(iv) Revenue received under RCW 50.24.014.

(b) All fees, fines, forfeitures, and penalties collected or assessed by a district court because of the violation of this title or rules adopted under this title shall be remitted as provided in chapter 3.62 RCW.

(c) Except as provided in (d) of this subsection, moneys available in the administrative contingency fund, other than money in the special account created under RCW 50.24.014, shall be expended upon the direction of the commissioner, with the approval of the governor, whenever it appears to him or her that such expenditure is necessary solely for:

(i) The proper administration of this title and that insufficient federal funds are available for the specific purpose to which such expenditure is to be made, provided, the moneys are not substituted for appropriations from federal funds which, in the absence of such moneys, would be made available.

(ii) The proper administration of this title for which purpose appropriations from federal funds have been requested but not yet received, provided, the administrative contingency fund will be reimbursed upon receipt of the requested federal appropriation.

(iii) The proper administration of this title for which compliance and audit issues have been identified that establish federal claims requiring the expenditure of state resources in resolution. Claims must be resolved in the following priority: First priority is to provide services to eligible participants within the state; second priority is to provide substitute services or program support; and last priority is the direct payment of funds to the federal government.

(d)(i) During the 2007-2009 fiscal biennium, moneys available in the administrative contingency fund, other than money in the special account created under RCW 50.24.014(1)(a), shall be expended as appropriated by the legislature for: (A) The cost of the job skills or worker retraining programs at the community and technical colleges and administrative costs at the state board for community and technical colleges; and (B) reemployment services such as business and project development assistance, local economic development capacity building, and local economic development financial assistance at the department of commerce. The remaining appropriation may be expended as specified in (c) of this subsection.

(ii) During the (~~(2013-2015 and)~~ 2015-2017 and 2017-2019 fiscal (~~(biennium [biennia])~~ biennia), moneys available in the administrative contingency fund, other than money in the special account created under RCW 50.24.014(1)(a), shall be expended as appropriated by the legislature: (A) For the department of social and health services for employment and training services and programs in the WorkFirst program; (B) for the administrative costs of state agencies participating in the WorkFirst program; and (C) by the commissioner for the work group on agricultural and agricultural-related issues as provided in the 2013-2015 omnibus operating appropriations act. The remaining appropriation may be expended as specified in (c) of this subsection.

(4) Money in the special account created under RCW 50.24.014(1)(a) may only be expended, after appropriation, for the purposes specified in this section and RCW 50.62.010, 50.62.020, 50.62.030, 50.24.014, 50.44.053, and 50.22.010.

Sec. 978. RCW 66.08.170 and 2015 3rd sp.s. c 4 s 966 are each amended to read as follows:

There shall be a fund, known as the "liquor revolving fund," which shall consist of all license fees, permit fees, penalties, forfeitures, and all other moneys, income, or revenue received by the board. The state treasurer shall be custodian of the fund. All moneys received by the board or any employee thereof, except for change funds and an amount of petty cash as fixed by the board within the authority of law shall be deposited each day in a depository approved by the state treasurer and transferred to the state treasurer to be credited to the liquor revolving fund. During the 2009-2011 fiscal biennium, the legislature may transfer funds from the liquor revolving account [fund] to the state general fund and may direct an additional amount of liquor profits to be distributed to local governments. Neither the transfer of funds nor the additional distribution of liquor profits to local governments during the 2009-2011 fiscal biennium may reduce the excess fund distributions that otherwise would occur under RCW 66.08.190. During the 2011-2013 fiscal biennium, the state treasurer shall transfer from the liquor revolving fund to the state general fund forty-two million five hundred thousand dollars for fiscal year 2012 and forty-two million five hundred thousand dollars for fiscal year 2013. The transfer during the 2011-2013 fiscal biennium may not reduce the excess fund distributions that otherwise would occur under RCW 66.08.190. Sales to licensees are exempt from any liquor price increases that may result from the transfer of funds from the liquor revolving fund to the state general fund during the 2011-2013 fiscal biennium. Disbursements from the revolving fund shall be on authorization of the board or a duly authorized representative thereof. During the 2017-2019 fiscal biennium, the legislature may also appropriate from the account for local government studies. In order to maintain an effective expenditure and revenue control the liquor revolving fund shall be subject in all respects to chapter 43.88 RCW but no appropriation shall be required to permit expenditures and payment of obligations from such fund. During the 2013-2015 and 2015-2017 fiscal biennia, the legislature may transfer from the liquor revolving fund to the state general fund such amounts as reflect the excess fund balance of the account.

Sec. 979. RCW 69.50.540 and 2015 3rd sp.s. c 4 s 967 are each amended to read as follows:

The legislature must annually appropriate moneys in the dedicated marijuana account created in RCW 69.50.530 as follows:

(1) For the purposes listed in this subsection (1), the legislature must appropriate to the respective agencies amounts sufficient to make the following expenditures on a quarterly basis:

(a) Beginning July 1, 2015, one hundred twenty-five thousand dollars to the department of social and health services to design and administer the Washington state healthy youth survey, analyze the collected data, and produce reports, in collaboration with the office of the superintendent of public instruction, department of health, department of commerce, family policy council, and state liquor and cannabis board. The survey must be conducted at least every two years and include questions regarding, but not necessarily limited to, academic achievement, age at time of substance use initiation, antisocial behavior of friends, attitudes toward antisocial behavior, attitudes toward substance use, laws and community norms regarding antisocial behavior,

family conflict, family management, parental attitudes toward substance use, peer rewarding of antisocial behavior, perceived risk of substance use, and rebelliousness. Funds disbursed under this subsection may be used to expand administration of the healthy youth survey to student populations attending institutions of higher education in Washington;

(b) Beginning July 1, 2015, fifty thousand dollars to the department of social and health services for the purpose of contracting with the Washington state institute for public policy to conduct the cost-benefit evaluation and produce the reports described in RCW 69.50.550. This appropriation ends after production of the final report required by RCW 69.50.550;

(c) Beginning July 1, 2015, five thousand dollars to the University of Washington alcohol and drug abuse institute for the creation, maintenance, and timely updating of web-based public education materials providing medically and scientifically accurate information about the health and safety risks posed by marijuana use;

(d)(i) An amount not less than one million two hundred fifty thousand dollars to the state liquor and cannabis board for administration of this chapter as appropriated in the omnibus appropriations act; and

(ii) Three hundred fifty-one thousand seven hundred fifty dollars for fiscal year 2018 and three hundred fifty-one thousand seven hundred fifty dollars for fiscal year 2019 to the health professions account established under RCW 43.70.320 for the development and administration of the marijuana authorization database by the department of health. It is the intent of the legislature that this policy will be continued in the 2019-2021 fiscal biennium;

(e) Twenty-three thousand seven hundred fifty dollars to the department of enterprise services provided solely for the state building code council established under RCW 19.27.070, to develop and adopt fire and building code provisions related to marijuana processing and extraction facilities. The distribution under this subsection (1)(e) is for fiscal year 2016 only;

(2) From the amounts in the dedicated marijuana account after appropriation of the amounts identified in subsection (1) of this section, the legislature must appropriate for the purposes listed in this subsection (2) as follows:

(a)(i) Up to fifteen percent to the department of social and health services division of behavioral health and recovery for the development, implementation, maintenance, and evaluation of programs and practices aimed at the prevention or reduction of maladaptive substance use, substance use disorder, substance abuse or substance dependence, as these terms are defined in the Diagnostic and Statistical Manual of Mental Disorders, among middle school and high school-age students, whether as an explicit goal of a given program or practice or as a consistently corresponding effect of its implementation, mental health services for children and youth, and services for pregnant and parenting women; PROVIDED, That:

(A) Of the funds appropriated under (a)(i) of this subsection for new programs and new services, at least eighty-five percent must be directed to evidence-based or research-based programs and practices that produce objectively measurable results and, by September 1, 2020, are cost-beneficial; and

(B) Up to fifteen percent of the funds appropriated under (a)(i) of this subsection for new programs and new services may be directed to proven and tested practices, emerging best practices, or promising practices.

(ii) In deciding which programs and practices to fund, the secretary of the department of social and health services must consult, at least annually, with the University of Washington's social development research group and the University of Washington's alcohol and drug abuse institute.

(iii) For the fiscal year beginning July 1, 2016, the legislature must appropriate a minimum of twenty-seven million seven hundred eighty-six thousand dollars, and for each subsequent fiscal year thereafter, the legislature must appropriate a minimum of twenty-five million five hundred thirty-six thousand dollars under this subsection (2)(a);

(b)(i) Up to ten percent to the department of health for the following, subject to (b)(ii) of this subsection (2):

(A) Creation, implementation, operation, and management of a marijuana education and public health program that contains the following:

(I) A marijuana use public health hotline that provides referrals to substance abuse treatment providers, utilizes evidence-based or research-based public health approaches to minimizing the harms associated with marijuana use, and does not solely advocate an abstinence-only approach;

(II) A grants program for local health departments or other local community agencies that supports development and implementation of coordinated intervention strategies for the prevention and reduction of marijuana use by youth; and

(III) Media-based education campaigns across television, internet, radio, print, and out-of-home advertising, separately targeting youth and adults, that provide medically and scientifically accurate information about the health and safety risks posed by marijuana use;

(B) The Washington poison control center; and

(C) During the 2015-2017 fiscal biennium, the funds appropriated under this subsection (2)(b) may be used for prevention activities that target youth and populations with a high incidence of tobacco use.

(ii) For the fiscal year beginning July 1, 2016, the legislature must appropriate a minimum of seven million five hundred thousand dollars and for each subsequent fiscal year thereafter, the legislature must appropriate a minimum of nine million seven hundred fifty thousand dollars under this subsection (2)(b);

(c)(i) Up to six-tenths of one percent to the University of Washington and four-tenths of one percent to Washington State University for research on the short and long-term effects of marijuana use, to include but not be limited to formal and informal methods for estimating and measuring intoxication and impairment, and for the dissemination of such research.

(ii) For the fiscal year beginning July 1, 2016, the legislature must appropriate a minimum of two hundred seven thousand dollars and for each subsequent fiscal year, except for the 2017-2019 fiscal biennium, the legislature must appropriate a minimum of one million twenty-one thousand dollars to the University of Washington. For the fiscal year beginning July 1, 2016, the legislature must appropriate a minimum of one hundred thirty-eight thousand dollars and for each subsequent fiscal year thereafter, except for the 2017-2019

fiscal biennium, a minimum of six hundred eighty-one thousand dollars to Washington State University under this subsection (2)(c). It is the intent of the legislature that this policy will be continued in the 2019-2021 fiscal biennium;

(d) Fifty percent to the state basic health plan trust account to be administered by the Washington basic health plan administrator and used as provided under chapter 70.47 RCW;

(e) Five percent to the Washington state health care authority to be expended exclusively through contracts with community health centers to provide primary health and dental care services, migrant health services, and maternity health care services as provided under RCW 41.05.220;

(f)(i) Up to three-tenths of one percent to the office of the superintendent of public instruction to fund grants to building bridges programs under chapter 28A.175 RCW.

(ii) For the fiscal year beginning July 1, 2016, and each subsequent fiscal year, the legislature must appropriate a minimum of five hundred eleven thousand dollars to the office of the superintendent of public instruction under this subsection (2)(f); and

(g) At the end of each fiscal year, the treasurer must transfer any amounts in the dedicated marijuana account that are not appropriated pursuant to subsection (1) of this section and this subsection (2) into the general fund, except as provided in (g)(i) of this subsection (2).

(i) Beginning in fiscal year 2018, if marijuana excise tax collections deposited into the general fund in the prior fiscal year exceed twenty-five million dollars, then each fiscal year the legislature must appropriate an amount equal to thirty percent of all marijuana excise taxes deposited into the general fund the prior fiscal year to the treasurer for distribution to counties, cities, and towns as follows:

(A) Thirty percent must be distributed to counties, cities, and towns where licensed marijuana retailers are physically located. Each jurisdiction must receive a share of the revenue distribution under this subsection (2)(g)(i)(A) based on the proportional share of the total revenues generated in the individual jurisdiction from the taxes collected under RCW 69.50.535, from licensed marijuana retailers physically located in each jurisdiction. For purposes of this subsection (2)(g)(i)(A), one hundred percent of the proportional amount attributed to a retailer physically located in a city or town must be distributed to the city or town.

(B) Seventy percent must be distributed to counties, cities, and towns ratably on a per capita basis. Counties must receive sixty percent of the distribution, which must be disbursed based on each county's total proportional population. Funds may only be distributed to jurisdictions that do not prohibit the siting of any state licensed marijuana producer, processor, or retailer.

(ii) Distribution amounts allocated to each county, city, and town must be distributed in four installments by the last day of each fiscal quarter.

(iii) By September 15th of each year, the state liquor and cannabis board must provide the state treasurer the annual distribution amount, if any, for each county and city as determined in (g)(i) of this subsection (2).

(iv) The total share of marijuana excise tax revenues distributed to counties and cities in (g)(i) of this subsection (2) may not exceed (~~fifteen~~) six million dollars in fiscal years 2018 and 2019 and twenty million dollars per fiscal year

thereafter. However, if the February 2018 forecast of state revenues for the general fund in the 2017-2019 fiscal biennium exceeds the amount estimated in the June 2017 revenue forecast by over eighteen million dollars after adjusting for changes directly related to legislation adopted in the 2017 legislative session, the total share of marijuana excise tax revenue distributed to counties and cities in (g)(i) of this subsection (2) may not exceed fifteen million dollars in fiscal years 2018 and 2019. It is the intent of the legislature that the policy for the maximum distributions in the subsequent fiscal biennia will be no more than \$6 million per fiscal year.

For the purposes of this section, "marijuana products" means "useable marijuana," "marijuana concentrates," and "marijuana-infused products" as those terms are defined in RCW 69.50.101.

Sec. 980. RCW 70.105D.070 and 2016 sp.s. c 36 s 943 are each amended to read as follows:

(1) The state toxics control account and the local toxics control account are hereby created in the state treasury.

(2)(a) Moneys collected under RCW 82.21.030 must be deposited as follows: Fifty-six percent to the state toxics control account under subsection (3) of this section and forty-four percent to the local toxics control account under subsection (4) of this section. When the cumulative amount of deposits made to the state and local toxics control accounts under this section reaches the limit during a fiscal year as established in (b) of this subsection, the remainder of the moneys collected under RCW 82.21.030 during that fiscal year must be deposited into the environmental legacy stewardship account created in RCW 70.105D.170.

(b) The limit on distributions of moneys collected under RCW 82.21.030 to the state and local toxics control accounts for the fiscal year beginning July 1, 2013, is one hundred forty million dollars.

(c) In addition to the funds required under (a) of this subsection, the following moneys must be deposited into the state toxics control account: (i) The costs of remedial actions recovered under this chapter or chapter 70.105A RCW; (ii) penalties collected or recovered under this chapter; and (iii) any other money appropriated or transferred to the account by the legislature.

(3) Moneys in the state toxics control account must be used only to carry out the purposes of this chapter, including but not limited to the following activities:

(a) The state's responsibility for hazardous waste planning, management, regulation, enforcement, technical assistance, and public education required under chapter 70.105 RCW;

(b) The state's responsibility for solid waste planning, management, regulation, enforcement, technical assistance, and public education required under chapter 70.95 RCW;

(c) The hazardous waste clean-up program required under this chapter;

(d) State matching funds required under federal cleanup law;

(e) Financial assistance for local programs in accordance with chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

(f) State government programs for the safe reduction, recycling, or disposal of paint and hazardous wastes from households, small businesses, and agriculture;

(g) Oil and hazardous materials spill prevention, preparedness, training, and response activities;

(h) Water and environmental health protection and monitoring programs;

(i) Programs authorized under chapter 70.146 RCW;

(j) A public participation program;

(k) Public funding to assist potentially liable persons to pay for the costs of remedial action in compliance with clean-up standards under RCW 70.105D.030(2)(e) but only when the amount and terms of such funding are established under a settlement agreement under RCW 70.105D.040(4) and when the director has found that the funding will achieve both: (i) A substantially more expeditious or enhanced cleanup than would otherwise occur; and (ii) the prevention or mitigation of unfair economic hardship;

(l) Development and demonstration of alternative management technologies designed to carry out the hazardous waste management priorities of RCW 70.105.150;

(m) State agriculture and health programs for the safe use, reduction, recycling, or disposal of pesticides;

(n) Storm water pollution control projects and activities that protect or preserve existing remedial actions or prevent hazardous clean-up sites;

(o) Funding requirements to maintain receipt of federal funds under the federal solid waste disposal act (42 U.S.C. Sec. 6901 et seq.);

(p) Air quality programs and actions for reducing public exposure to toxic air pollution;

(q) Public funding to assist prospective purchasers to pay for the costs of remedial action in compliance with clean-up standards under RCW 70.105D.030(2)(e) if:

(i) The facility is located within a redevelopment opportunity zone designated under RCW 70.105D.150;

(ii) The amount and terms of the funding are established under a settlement agreement under RCW 70.105D.040(5); and

(iii) The director has found the funding meets any additional criteria established in rule by the department, will achieve a substantially more expeditious or enhanced cleanup than would otherwise occur, and will provide a public benefit in addition to cleanup commensurate with the scope of the public funding;

(r) Petroleum-based plastic or expanded polystyrene foam debris cleanup activities in fresh or marine waters;

(s) Appropriations to the local toxics control account or the environmental legacy stewardship account created in RCW 70.105D.170, if the legislature determines that priorities for spending exceed available funds in those accounts;

(t) During the (~~2013-2015 and~~) 2015-2017 and 2017-2019 fiscal biennia, the department of ecology's water quality, shorelands, environmental assessment, administration, and air quality programs;

(u) During the 2013-2015 fiscal biennium, actions at the state conservation commission to improve water quality for shellfish;

(v) During the 2013-2015 and 2015-2017 fiscal biennia, actions at the University of Washington for reducing ocean acidification;

(w) During the 2015-2017 and 2017-2019 fiscal (~~biennium~~) biennia, for the University of Washington Tacoma soil remediation project;

(x) For the 2013-2015 fiscal biennium, moneys in the state toxics control account may be spent on projects in section 3160, chapter 19, Laws of 2013 2nd sp. sess. and for transfer to the local toxics control account;

(y) For the 2013-2015 fiscal biennium, moneys in the state toxics control account may be transferred to the radioactive mixed waste account; and

(z) For the 2015-2017 and 2017-2019 fiscal (~~(biennium)~~) biennia, forest practices regulation at the department of natural resources.

(4)(a) The department shall use moneys deposited in the local toxics control account for grants or loans to local governments for the following purposes in descending order of priority:

(i) Extended grant agreements entered into under (e)(i) of this subsection;

(ii) Remedial actions, including planning for adaptive reuse of properties as provided for under (e)(iv) of this subsection. The department must prioritize funding of remedial actions at:

(A) Facilities on the department's hazardous sites list with a high hazard ranking for which there is an approved remedial action work plan or an equivalent document under federal cleanup law;

(B) Brownfield properties within a redevelopment opportunity zone if the local government is a prospective purchaser of the property and there is a department-approved remedial action work plan or equivalent document under the federal cleanup law;

(iii) Storm water pollution source projects that: (A) Work in conjunction with a remedial action; (B) protect completed remedial actions against recontamination; or (C) prevent hazardous clean-up sites;

(iv) Hazardous waste plans and programs under chapter 70.105 RCW;

(v) Solid waste plans and programs under chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

(vi) Petroleum-based plastic or expanded polystyrene foam debris cleanup activities in fresh or marine waters; and

(vii) Appropriations to the state toxics control account or the environmental legacy stewardship account created in RCW 70.105D.170, if the legislature determines that priorities for spending exceed available funds in those accounts.

(b) Funds for plans and programs must be allocated consistent with the priorities and matching requirements established in chapters 70.105, 70.95C, 70.95I, and 70.95 RCW.

(c) During the 2013-2015 fiscal biennium, the local toxics control account may also be used for local government storm water planning and implementation activities.

(d) During the 2013-2015 fiscal biennium, the legislature may transfer from the local toxics control account to the state general fund, such amounts as reflect the excess fund balance in the account.

(e) To expedite cleanups throughout the state, the department may use the following strategies when providing grants to local governments under this subsection:

(i) Enter into an extended grant agreement with a local government conducting remedial actions at a facility where those actions extend over multiple biennia and the total eligible cost of those actions exceeds twenty million dollars. The agreement is subject to the following limitations:

(A) The initial duration of such an agreement may not exceed ten years. The department may extend the duration of such an agreement upon finding substantial progress has been made on remedial actions at the facility;

(B) Extended grant agreements may not exceed fifty percent of the total eligible remedial action costs at the facility; and

(C) The department may not allocate future funding to an extended grant agreement unless the local government has demonstrated to the department that funds awarded under the agreement during the previous biennium have been substantially expended or contracts have been entered into to substantially expend the funds;

(ii) Enter into a grant agreement with a local government conducting a remedial action that provides for periodic reimbursement of remedial action costs as they are incurred as established in the agreement;

(iii) Enter into a grant agreement with a local government prior to it acquiring a property or obtaining necessary access to conduct remedial actions, provided the agreement is conditioned upon the local government acquiring the property or obtaining the access in accordance with a schedule specified in the agreement;

(iv) Provide integrated planning grants to local governments to fund studies necessary to facilitate remedial actions at brownfield properties and adaptive reuse of properties following remediation. Eligible activities include, but are not limited to: Environmental site assessments; remedial investigations; health assessments; feasibility studies; site planning; community involvement; land use and regulatory analyses; building and infrastructure assessments; economic and fiscal analyses; and any environmental analyses under chapter 43.21C RCW;

(v) Provide grants to local governments for remedial actions related to area-wide groundwater contamination. To receive the funding, the local government does not need to be a potentially liable person or be required to seek reimbursement of grant funds from a potentially liable person;

(vi) The director may alter grant matching requirements to create incentives for local governments to expedite cleanups when one of the following conditions exists:

(A) Funding would prevent or mitigate unfair economic hardship imposed by the clean-up liability;

(B) Funding would create new substantial economic development, public recreational opportunities, or habitat restoration opportunities that would not otherwise occur; or

(C) Funding would create an opportunity for acquisition and redevelopment of brownfield property under RCW 70.105D.040(5) that would not otherwise occur;

(vii) When pending grant applications under (e)(iv) and (v) of this subsection (4) exceed the amount of funds available, designated redevelopment opportunity zones must receive priority for distribution of available funds.

(f) To expedite multiparty clean-up efforts, the department may purchase remedial action cost-cap insurance. For the 2013-2015 fiscal biennium, moneys in the local toxics control account may be spent on projects in sections 3024, 3035, 3036, and 3059, chapter 19, Laws of 2013 2nd sp. sess.

(5) Except for unanticipated receipts under RCW 43.79.260 through 43.79.282, moneys in the state and local toxics control accounts may be spent only after appropriation by statute.

(6) No moneys deposited into either the state or local toxics control account may be used for: Natural disasters where there is no hazardous substance contamination; high performance buildings; solid waste incinerator facility feasibility studies, construction, maintenance, or operation; or after January 1, 2010, for projects designed to address the restoration of Puget Sound, funded in a competitive grant process, that are in conflict with the action agenda developed by the Puget Sound partnership under RCW 90.71.310. However, this subsection does not prevent an appropriation from the state toxics control account to the department of revenue to enforce compliance with the hazardous substance tax imposed in chapter 82.21 RCW.

(7) Except during the 2011-2013 and the 2015-2017 fiscal biennia, one percent of the moneys collected under RCW 82.21.030 shall be allocated only for public participation grants to persons who may be adversely affected by a release or threatened release of a hazardous substance and to not-for-profit public interest organizations. The primary purpose of these grants is to facilitate the participation by persons and organizations in the investigation and remedying of releases or threatened releases of hazardous substances and to implement the state's solid and hazardous waste management priorities. No grant may exceed sixty thousand dollars. Grants may be renewed annually. Moneys appropriated for public participation that are not expended at the close of any biennium revert to the state toxics control account.

(8) The department shall adopt rules for grant or loan issuance and performance. To accelerate both remedial action and economic recovery, the department may expedite the adoption of rules necessary to implement chapter 1, Laws of 2013 2nd sp. sess. using the expedited procedures in RCW 34.05.353. The department shall initiate the award of financial assistance by August 1, 2013. To ensure the adoption of rules will not delay financial assistance, the department may administer the award of financial assistance through interpretive guidance pending the adoption of rules through July 1, 2014.

(9) Except as provided under subsection (3)(k) and (q) of this section, nothing in chapter 1, Laws of 2013 2nd sp. sess. affects the ability of a potentially liable person to receive public funding.

(10) During the 2015-2017 fiscal biennium the local toxics control account may also be used for the centennial clean water program and for the storm water financial assistance program administered by the department of ecology.

(11) During the 2017-2019 biennium the state toxics control account, the local toxics control account, and the environmental legacy stewardship account may be used for interchangeable purposes and funds may be transferred between accounts to accomplish those purposes.

Sec. 981. RCW 71.24.580 and 2016 sp.s. c 29 s 511 are each amended to read as follows:

(1) The criminal justice treatment account is created in the state treasury. Moneys in the account may be expended solely for: (a) Substance use disorder treatment and treatment support services for offenders with a substance use disorder that, if not treated, would result in addiction, against whom charges are filed by a prosecuting attorney in Washington state; (b) the provision of

substance use disorder treatment services and treatment support services for nonviolent offenders within a drug court program; and (c) the administrative and overhead costs associated with the operation of a drug court. During the 2015-2017 fiscal biennium, the legislature may transfer from the criminal justice treatment account to the state general fund amounts as reflect the state savings associated with the implementation of the medicaid expansion of the federal affordable care act and the excess fund balance of the account. During the 2017-2019 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the criminal justice treatment account to the state general fund. It is the intent of the legislature to continue, in future biennia, the policy of transferring to the state general fund such amounts as reflect the excess fund balance of the account. Moneys in the account may be spent only after appropriation.

(2) For purposes of this section:

(a) "Treatment" means services that are critical to a participant's successful completion of his or her substance use disorder treatment program, but does not include the following services: Housing other than that provided as part of an inpatient substance use disorder treatment program, vocational training, and mental health counseling; and

(b) "Treatment support" means transportation to or from inpatient or outpatient treatment services when no viable alternative exists, and child care services that are necessary to ensure a participant's ability to attend outpatient treatment sessions.

(3) Revenues to the criminal justice treatment account consist of: (a) Funds transferred to the account pursuant to this section; and (b) any other revenues appropriated to or deposited in the account.

(4)(a) For the fiscal year beginning July 1, 2006, and each subsequent fiscal year, the amount transferred shall be increased on an annual basis by the implicit price deflator as published by the federal bureau of labor statistics.

(b) In each odd-numbered year, the legislature shall appropriate the amount transferred to the criminal justice treatment account in (a) of this subsection to the department for the purposes of subsection (5) of this section.

(5) Moneys appropriated to the department from the criminal justice treatment account shall be distributed as specified in this subsection. The department may retain up to three percent of the amount appropriated under subsection (4)(b) of this section for its administrative costs.

(a) Seventy percent of amounts appropriated to the department from the account shall be distributed to counties pursuant to the distribution formula adopted under this section. The division of alcohol and substance abuse, in consultation with the department of corrections, the Washington state association of counties, the Washington state association of drug court professionals, the superior court judges' association, the Washington association of prosecuting attorneys, representatives of the criminal defense bar, representatives of substance use disorder treatment providers, and any other person deemed by the department to be necessary, shall establish a fair and reasonable methodology for distribution to counties of moneys in the criminal justice treatment account. County or regional plans submitted for the expenditure of formula funds must be approved by the panel established in (b) of this subsection.

(b) Thirty percent of the amounts appropriated to the department from the account shall be distributed as grants for purposes of treating offenders against whom charges are filed by a county prosecuting attorney. The department shall appoint a panel of representatives from the Washington association of prosecuting attorneys, the Washington association of sheriffs and police chiefs, the superior court judges' association, the Washington state association of counties, the Washington defender's association or the Washington association of criminal defense lawyers, the department of corrections, the Washington state association of drug court professionals, substance use disorder treatment providers, and the division. The panel shall review county or regional plans for funding under (a) of this subsection and grants approved under this subsection. The panel shall attempt to ensure that treatment as funded by the grants is available to offenders statewide.

(6) The county alcohol and drug coordinator, county prosecutor, county sheriff, county superior court, a substance abuse treatment provider appointed by the county legislative authority, a member of the criminal defense bar appointed by the county legislative authority, and, in counties with a drug court, a representative of the drug court shall jointly submit a plan, approved by the county legislative authority or authorities, to the panel established in subsection (5)(b) of this section, for disposition of all the funds provided from the criminal justice treatment account within that county. The funds shall be used solely to provide approved alcohol and substance abuse treatment pursuant to RCW 71.24.560, treatment support services, and for the administrative and overhead costs associated with the operation of a drug court.

(a) No more than ten percent of the total moneys received under subsections (4) and (5) of this section by a county or group of counties participating in a regional agreement shall be spent on the administrative and overhead costs associated with the operation of a drug court.

(b) No more than ten percent of the total moneys received under subsections (4) and (5) of this section by a county or group of counties participating in a regional agreement shall be spent for treatment support services.

(7) Counties are encouraged to consider regional agreements and submit regional plans for the efficient delivery of treatment under this section.

(8) Moneys allocated under this section shall be used to supplement, not supplant, other federal, state, and local funds used for substance abuse treatment.

(9) Counties must meet the criteria established in RCW 2.30.030(3).

(10) The authority under this section to use funds from the criminal justice treatment account for the administrative and overhead costs associated with the operation of a drug court expires June 30, 2015.

Sec. 982. RCW 74.13.621 and 2015 3rd sp.s. c 4 s 970 are each amended to read as follows:

(1) Within existing resources, the department shall establish an oversight committee to monitor, guide, and report on kinship care recommendations and implementation activities. The committee shall:

(a) Draft a kinship care definition that is restricted to persons related by blood, marriage, or adoption, including marriages that have been dissolved, or for a minor defined as an "Indian child" under the federal Indian child welfare act (25 U.S.C. Sec. 1901 et seq.), the definition of "extended family member" under the federal Indian child welfare act, and a set of principles. If the

committee concludes that one or more programs or services would be more efficiently and effectively delivered under a different definition of kin, it shall state what definition is needed, and identify the program or service in the report. It shall also provide evidence of how the program or service will be more efficiently and effectively delivered under the different definition. The department shall not adopt rules or policies changing the definition of kin without authorizing legislation;

(b) Monitor and provide consultation on the implementation of recommendations contained in the 2002 kinship care report, including but not limited to the recommendations relating to legal and respite care services and resources;

(c) Partner with nonprofit organizations and private sector businesses to guide a public education awareness campaign; and

(d) Assist with developing future recommendations on kinship care issues.

(2) The department shall consult with the oversight committee on its efforts to better collaborate and coordinate services to benefit kinship care families.

(3) The oversight committee must consist of a minimum of thirty percent kinship caregivers, who shall represent a diversity of kinship families. Statewide representation with geographic, ethnic, and gender diversity is required. Other members shall include representatives of the department, representatives of relevant state agencies, representatives of the private nonprofit and business sectors, child advocates, representatives of Washington state Indian tribes as defined under the federal Indian welfare act (25 U.S.C. Sec. 1901 et seq.), and representatives of the legal or judicial field. Birth parents, foster parents, and others who have an interest in these issues may also be included.

(4) To the extent funding is available, the department may reimburse nondepartmental members of the oversight committee for costs incurred in participating in the meetings of the oversight committee.

(5) The kinship care oversight committee shall update the legislature and governor annually on committee activities, with the first update due by January 1, 2006.

(6) This section expires June 30, (~~2017~~) 2019.

Sec. 983. RCW 77.12.201 and 2016 sp.s. c 36 s 947 are each amended to read as follows:

The legislative authority of a county may elect, by giving written notice to the director and the treasurer prior to January 1st of any year, to obtain for the following year an amount in lieu of real property taxes on game lands as provided in RCW 77.12.203. Upon the election, the county shall keep a record of all fines, forfeitures, reimbursements, and costs assessed and collected, in whole or in part, under this title for violations of law or rules adopted pursuant to this title, with the exception of the (~~2011-2013, 2013-2015[,] and~~) 2015-2017 and 2017-2019 fiscal biennia, and shall monthly remit an amount equal to the amount collected to the state treasurer for deposit in the state general fund. The election shall continue until the department is notified differently prior to January 1st of any year.

Sec. 984. RCW 77.12.203 and 2015 3rd sp.s. c 4 s 971 are each amended to read as follows:

(1) Except as provided in subsection (5) of this section and notwithstanding RCW 84.36.010 or other statutes to the contrary, the director must pay by April 30th of each year on game lands, regardless of acreage, in each county, if requested by an election under RCW 77.12.201, an amount in lieu of real property taxes equal to that amount paid on similar parcels of open space land taxable under chapter 84.34 RCW or the greater of seventy cents per acre per year or the amount paid in 1984 plus an additional amount for control of noxious weeds equal to that which would be paid if such lands were privately owned. This amount may not be assessed or paid on department buildings, structures, facilities, game farms, fish hatcheries, water access sites, tidelands, or public fishing areas.

(2) "Game lands," as used in this section and RCW 77.12.201, means those tracts, regardless of acreage, owned in fee by the department and used for wildlife habitat and public recreational purposes. All lands purchased for wildlife habitat, public access, or recreation purposes with federal funds in the Snake River drainage basin are considered game lands regardless of acreage.

(3) This section does not apply to lands transferred after April 23, 1990, to the department from other state agencies.

(4) The county must distribute the amount received under this section in lieu of real property taxes to all property taxing districts except the state in appropriate tax code areas the same way it would distribute local property taxes from private property. The county must distribute the amount received under this section for weed control to the appropriate weed district.

(5) For the 2013-2015 and 2015-2017 fiscal biennia, the director must pay by April 30th of each year on game lands in each county, if requested by an election under RCW 77.12.201, an amount in lieu of real property taxes and must be distributed as follows:

County	
Adams	1,909
Asotin	36,123
Chelan	24,757
Columbia	7,795
Ferry	6,781
Garfield	4,840
Grant	37,443
Kittitas	143,974
Klickitat	21,906
Lincoln	13,535
Okanogan	151,402
Pend Oreille	3,309
Yakima	126,225

These amounts may not be assessed or paid on department buildings, structures, facilities, game farms, fish hatcheries, water access sites, tidelands, or public fishing areas.

(6) For the 2017-2019 fiscal biennium, the director must pay by April 30th of each year on game lands in each county, if requested by an election under RCW 77.12.201, an amount in lieu of real property taxes and must be distributed as follows:

<u>County</u>	
<u>Adams</u>	<u>1,235</u>
<u>Asotin</u>	<u>26,425</u>
<u>Chelan</u>	<u>39,858</u>
<u>Columbia</u>	<u>20,713</u>
<u>Ferry</u>	<u>22,798</u>
<u>Garfield</u>	<u>12,744</u>
<u>Grant</u>	<u>71,930</u>
<u>Kittitas</u>	<u>382,638</u>
<u>Klickitat</u>	<u>51,019</u>
<u>Lincoln</u>	<u>13,000</u>
<u>Okanogan</u>	<u>264,036</u>
<u>Pend Oreille</u>	<u>5,546</u>
<u>Yakima</u>	<u>186,056</u>

These amounts may not be assessed or paid on department buildings, structures, facilities, game farms, fish hatcheries, water access sites, tidelands, or public fishing areas.

Sec. 985. RCW 79.64.040 and 2015 3rd sp.s. c 4 s 972 are each amended to read as follows:

(1) The board shall determine the amount deemed necessary in order to achieve the purposes of this chapter and shall provide by rule for the deduction of this amount from the moneys received from all leases, sales, contracts, licenses, permits, easements, and rights-of-way issued by the department and affecting state lands and aquatic lands, provided that no deduction shall be made from the proceeds from agricultural college lands.

(2) Moneys received as deposits from successful bidders, advance payments, and security under RCW 79.15.100, 79.15.080, and 79.11.150 prior to December 1, 1981, which have not been subjected to deduction under this section are not subject to deduction under this section.

(3) Except as otherwise provided in subsection (5) of this section, the deductions authorized under this section shall not exceed twenty-five percent of the moneys received by the department in connection with any one transaction pertaining to state lands and aquatic lands other than second-class tide and shore lands and the beds of navigable waters, and fifty percent of the moneys received by the department pertaining to second-class tide and shore lands and the beds of navigable waters.

(4) In the event that the department sells logs using the contract harvesting process described in RCW 79.15.500 through 79.15.530, the moneys received subject to this section are the net proceeds from the contract harvesting sale.

(5) (~~During the 2013-2015 fiscal biennium, the twenty-five percent limitation on deductions set in subsection (3) of this section may be increased up to thirty percent by the board.~~) During the 2015-2017 and 2017-2019 fiscal (~~biennium~~) biennia, the board may increase the twenty-five percent limitation up to thirty-two percent.

Sec. 986. RCW 79.64.110 and 2015 3rd sp.s. c 4 s 973 are each amended to read as follows:

(1) Any moneys derived from the lease of state forestlands or from the sale of valuable materials, oils, gases, coal, minerals, or fossils from those lands, or the appraised value of these resources when transferred to a public agency under RCW 79.22.060, except as provided in RCW 79.22.060(4), must be distributed as follows:

(a) For state forestlands acquired through RCW 79.22.040 or by exchange for lands acquired through RCW 79.22.040:

(i) The expense incurred by the state for administration, reforestation, and protection, not to exceed twenty-five percent, which rate of percentage shall be determined by the board, must be returned to the forest development account created in RCW 79.64.100. During the 2015-2017 and 2017-2019 fiscal (~~biennium~~) biennia, the board may increase the twenty-five percent limitation up to twenty-seven percent.

(ii) Any balance remaining must be paid to the county in which the land is located or, for counties participating in a land pool created under RCW 79.22.140, to each participating county proportionate to its contribution of asset value to the land pool as determined by the board. Payments made under this subsection are to be paid, distributed, and prorated, except as otherwise provided in this section, to the various funds in the same manner as general taxes are paid and distributed during the year of payment.

(iii) Any balance remaining, paid to a county with a population of less than sixteen thousand, must first be applied to the reduction of any indebtedness existing in the current expense fund of the county during the year of payment.

(iv) With regard to moneys remaining under this subsection (1)(a), within seven working days of receipt of these moneys, the department shall certify to the state treasurer the amounts to be distributed to the counties. The state treasurer shall distribute funds to the counties four times per month, with no more than ten days between each payment date.

(b) For state forestlands acquired through RCW 79.22.010 or by exchange for lands acquired through RCW 79.22.010, except as provided in RCW 79.64.120:

(i) Fifty percent shall be placed in the forest development account.

(ii) Fifty percent shall be prorated and distributed to the state general fund, to be dedicated for the benefit of the public schools, to the county in which the land is located or, for counties participating in a land pool created under RCW 79.22.140, to each participating county proportionate to its contribution of asset value to the land pool as determined by the board, and according to the relative proportions of tax levies of all taxing districts in the county. The portion to be distributed to the state general fund shall be based on the regular school levy rate

under RCW 84.52.065 and the levy rate for any maintenance and operation special school levies. With regard to the portion to be distributed to the counties, the department shall certify to the state treasurer the amounts to be distributed within seven working days of receipt of the money. The state treasurer shall distribute funds to the counties four times per month, with no more than ten days between each payment date. The money distributed to the county must be paid, distributed, and prorated to the various other funds in the same manner as general taxes are paid and distributed during the year of payment.

(2) A school district may transfer amounts deposited in its debt service fund pursuant to this section into its capital projects fund as authorized in RCW 28A.320.330.

Sec. 987. RCW 79.105.150 and 2015 3rd sp.s. c 4 s 974 are each amended to read as follows:

(1) After deduction for management costs as provided in RCW 79.64.040 and payments to towns under RCW 79.115.150(2), all moneys received by the state from the sale or lease of state-owned aquatic lands and from the sale of valuable material from state-owned aquatic lands shall be deposited in the aquatic lands enhancement account which is hereby created in the state treasury. After appropriation, these funds shall be used solely for aquatic lands enhancement projects; for the purchase, improvement, or protection of aquatic lands for public purposes; for providing and improving access to the lands; and for volunteer cooperative fish and game projects. During the 2013-2015 ~~((and))~~, 2015-2017, and 2017-2019 fiscal biennia, the aquatic lands enhancement account may be used to support the shellfish program, the ballast water program, hatcheries, the Puget Sound toxic sampling program and steelhead mortality research at the department of fish and wildlife, the knotweed program at the department of agriculture, actions at the University of Washington for reducing ocean acidification, which may include the creation of a center on ocean acidification, ~~((and))~~ the Puget SoundCorps program, and support of the marine resource advisory council and the Washington coastal marine advisory council. During the 2013-2015 fiscal biennium, the legislature may transfer from the aquatic lands enhancement account to the geoduck aquaculture research account for research related to shellfish aquaculture. During the 2015-2017 fiscal biennium, the legislature may transfer moneys from the aquatic lands enhancement account to the marine resources stewardship trust account.

(2) In providing grants for aquatic lands enhancement projects, the recreation and conservation funding board shall:

(a) Require grant recipients to incorporate the environmental benefits of the project into their grant applications;

(b) Utilize the statement of environmental benefits, consideration, except as provided in RCW 79.105.610, of whether the applicant is a Puget Sound partner, as defined in RCW 90.71.010, whether a project is referenced in the action agenda developed by the Puget Sound partnership under RCW 90.71.310, and except as otherwise provided in RCW 79.105.630, and effective one calendar year following the development and statewide availability of model evergreen community management plans and ordinances under RCW 35.105.050, whether the applicant is an entity that has been recognized, and what gradation of recognition was received, in the evergreen community recognition program created in RCW 35.105.030 in its prioritization and selection process; and

(c) Develop appropriate outcome-focused performance measures to be used both for management and performance assessment of the grants.

(3) To the extent possible, the department should coordinate its performance measure system with other natural resource-related agencies as defined in RCW 43.41.270.

(4) The department shall consult with affected interest groups in implementing this section.

(5) After January 1, 2010, any project designed to address the restoration of Puget Sound may be funded under this chapter only if the project is not in conflict with the action agenda developed by the Puget Sound partnership under RCW 90.71.310.

Sec. 988. RCW 79A.80.090 and 2016 sp.s. c 36 s 948 are each amended to read as follows:

(1) The recreation access pass account is created in the state treasury. All moneys received from the sale of discover passes and day-use permits must be deposited into the account.

(2) Each fiscal biennium, the first seventy-one million dollars in revenue must be distributed to the agencies in the following manner:

(a) Eight percent to the department of fish and wildlife and deposited into the state wildlife account created in RCW 77.12.170;

(b) Eight percent to the department of natural resources and deposited into the parkland trust revolving fund created in RCW 43.30.385;

(c) Eighty-four percent to the state parks and recreation commission and deposited into the state parks renewal and stewardship account created in RCW 79A.05.215;

(d) During the 2015-2017 fiscal biennium, expenditures from the recreation access pass account may be used for Skamania county court costs (~~and~~). During the 2015-2017 and 2017-2019 fiscal biennia, expenditures from the recreation access pass account may be used for the state parks and recreation commission, in partnership with the departments of fish and wildlife and natural resources, to develop options and recommendations to improve recreational access fee systems.

(3) Each fiscal biennium, revenues in excess of seventy-one million dollars must be distributed equally among the agencies to the accounts identified in subsection (2) of this section.

Sec. 989. RCW 82.19.040 and 2015 c 15 s 5 are each amended to read as follows:

(1) To the extent applicable, all of the definitions of chapter 82.04 RCW and all of the provisions of chapter 82.32 RCW apply to the tax imposed in this chapter.

(2) Until June 30, (~~2017~~) 2019, taxes collected under this chapter shall be distributed as follows: (a) Five million dollars per fiscal year must be deposited in equal monthly amounts to the state parks renewal and stewardship account under RCW 79A.05.215; and (b) the remainder to the waste reduction, recycling, and litter control account under RCW 70.93.180.

Sec. 990. RCW 82.19.040 and 2015 c 15 s 6 are each amended to read as follows:

(1) To the extent applicable, all of the definitions of chapter 82.04 RCW and all of the provisions of chapter 82.32 RCW apply to the tax imposed in this chapter.

(2) Beginning June 30, ~~((2017))~~ 2019, taxes collected under this chapter shall be deposited in the waste reduction, recycling, and litter control account under RCW 70.93.180.

Sec. 991. RCW 83.100.230 and 2015 3rd sp.s. c 4 s 977 are each amended to read as follows:

The education legacy trust account is created in the state treasury. Money in the account may be spent only after appropriation. Expenditures from the account may be used only for support of the common schools, and for expanding access to higher education through funding for new enrollments and financial aid, and other educational improvement efforts. During the 2015-2017 ~~((biennium))~~ and 2017-2019 fiscal biennia appropriations from the account may be made for support of early learning programs. It is the intent of the legislature that this policy will be continued in subsequent fiscal biennia.

Sec. 992. 2013 2nd sp.s. c 15 s 8 (uncodified) is amended to read as follows:

Sections 5 ~~((through))~~ and 6 of this act expire June 30, 2019. Section 7 of this act expires June 30, 2017.

Sec. 993. 2015 c 15 s 8 (uncodified) is amended to read as follows:
Sections 2 and 5 of this act expire June 30, ~~((2017))~~ 2019.

Sec. 994. 2015 c 15 s 9 (uncodified) is amended to read as follows:
Sections 3 and 6 of this act take effect June 30, ~~((2017))~~ 2019.

Sec. 995. 2017 c 313 s 201 (uncodified) is amended to read as follows:

FOR THE WASHINGTON TRAFFIC SAFETY COMMISSION

Highway Safety Account—State Appropriation	\$4,266,000
Highway Safety Account—Federal Appropriation	\$22,048,000
Highway Safety Account—Private/Local Appropriation	\$118,000
School Zone Safety Account—State Appropriation	\$850,000
TOTAL APPROPRIATION	\$27,282,000

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

(1) \$100,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter 324, Laws of 2017 (Substitute Senate Bill No. 5402)~~((Laws of 2017))~~ (bicyclist safety advisory council). ~~((If chapter . . . (Substitute Senate Bill No. 5402), Laws of 2017 is not enacted by June 30, 2017, the amount provided in this subsection lapses.))~~

(2) \$1,000,000 of the highway safety account—state appropriation is provided solely for the implementation of section 13(4), chapter ~~((Senate Bill No. 5037), Laws of 2017 (DUI fourth offense). If chapter (Senate Bill No. 5037), Laws of 2017 is not enacted by June 30, 2017, the amount in this subsection lapses.))~~ 336, Laws of 2017 (Engrossed Second Substitute House Bill No. 1614)(impaired driving). The funding is provided for grants to organizations that seek to reduce driving under the influence of drugs and alcohol and for administering the program. \$108,806 of the amount provided in this subsection is for the commission to cover the costs associated with administering the grant

program. The funding provided in this subsection is contingent on the availability of funds raised by the ~~((blood alcohol content test))~~ fee, described in section 13(4), chapter 336, Laws of 2017 (Engrossed Second Substitute House Bill No. 1614)(impaired driving), sufficient to cover the costs of administering the program(~~(, as provided in section 705 of this act)~~).

Sec. 996. RCW 39.26.200 and 2015 c 44 s 1 are each amended to read as follows:

(1)(a) The director shall provide notice to the contractor of the director's intent to either fine or debar with the specific reason for either the fine or debarment. The department must establish the debarment and fining processes by rule.

(b) After reasonable notice to the contractor and reasonable opportunity for that contractor to be heard, the director has the authority to debar a contractor for cause from consideration for award of contracts. The debarment must be for a period of not more than three years.

(2) The director may either fine or debar a contractor based on a finding of one or more of the following causes:

(a) Conviction for commission of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of such contract or subcontract;

(b) Conviction or a final determination in a civil action under state or federal statutes of fraud, embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, violation of the federal false claims act, 31 U.S.C. Sec. 3729 et seq., or the state medicaid fraud false claims act, chapter 74.66 RCW, or any other offense indicating a lack of business integrity or business honesty that currently, seriously, and directly affects responsibility as a state contractor;

(c) Conviction under state or federal antitrust statutes arising out of the submission of bids or proposals;

(d) Two or more violations within the previous five years of the federal labor relations act as determined by the national labor relations board or court of competent jurisdiction;

(e) Violation of contract provisions, as set forth in this subsection, of a character that is regarded by the director to be so serious as to justify debarment action:

(i) Deliberate failure without good cause to perform in accordance with the specifications or within the time limit provided in the contract; or

(ii) A recent record of failure to perform or of unsatisfactory performance in accordance with the terms of one or more contracts, however the failure to perform or unsatisfactory performance caused by acts beyond the control of the contractor may not be considered to be a basis for debarment;

(f) Violation of ethical standards set forth in RCW 39.26.020; ~~((and))~~

(g) Any other cause the director determines to be so serious and compelling as to affect responsibility as a state contractor, including debarment by another governmental entity for any cause listed in regulations; and

(h) During the 2017-2019 fiscal biennium, the failure to comply with a provision in a state master contract or other agreement with a state agency that requires equality among its workers by ensuring similarly employed individuals are compensated as equals.

- (3) The director must issue a written decision to debar. The decision must:
- (a) State the reasons for the action taken; and
 - (b) Inform the debarred contractor of the contractor's rights to judicial or administrative review.

Sec. 997. RCW 79A.25.210 and 2007 c 241 s 54 are each amended to read as follows:

The firearms range account is hereby created in the state general fund. Moneys in the account shall be subject to legislative appropriation and shall be used for purchase and development of land, construction or improvement of range facilities, including fixed structure construction or remodeling, equipment purchase, safety or environmental improvements, noise abatement, and liability protection for public and nonprofit firearm range training and practice facilities.

Grant funds shall not be used for expendable shooting supplies, or normal operating expenses. In making grants, the board shall give priority to projects for noise abatement or safety improvement. Grant funds shall not supplant funds for other organization programs.

The funds will be available to nonprofit shooting organizations, school districts, and state, county, or local governments on a match basis. All entities receiving matching funds must be open on a regular basis and usable by law enforcement personnel or the general public who possess Washington concealed pistol licenses or Washington hunting licenses or who are enrolled in a firearm safety class.

Applicants for a grant from the firearms range account shall provide matching funds in either cash or in-kind contributions. The match must represent one dollar in value for each one dollar of the grant except that in the case of a grant for noise abatement or safety improvements the match must represent one dollar in value for each two dollars of the grant. In-kind contributions include but are not limited to labor, materials, and new property. Existing assets and existing development may not apply to the match.

Applicants other than school districts or local or state government must be registered as a nonprofit or not-for-profit organization with the Washington secretary of state. The organization's articles of incorporation must contain provisions for the organization's structure, officers, legal address, and registered agent.

Organizations requesting grants must provide the hours of range availability for public and law enforcement use. The fee structure will be submitted with the grant application.

Any nonprofit organization or agency accepting a grant under this program will be required to pay back the entire grant amount to the firearms range account if the use of the range facility is discontinued less than ten years after the grant is accepted.

Entities receiving grants must make the facilities for which grant funding is received open for hunter safety education classes and firearm safety classes on a regular basis for no fee.

Government units or school districts applying for grants must open their range facility on a regular basis for hunter safety education classes and firearm safety classes.

The board shall adopt rules to implement chapter 195, Laws of 1990, pursuant to chapter 34.05 RCW. During the 2017-2019 fiscal biennium,

expenditures from the firearms range account may be used to implement chapter 74, Laws of 2017 (SHB 1100) (concealed pistol licenses) and chapter 282, Laws of 2017 (SB 5268) (concealed pistol license notices).

NEW SECTION. Sec. 998. Section 990 (RCW 82.19.040) of this act takes effect June 30, 2019.

NEW SECTION. Sec. 999. Section 989 (RCW 82.19.040) of this act expires June 30, 2019.

**PART XI
GENERAL GOVERNMENT**

Sec. 1101. 2016 sp.s. c 36 s 112 (uncodified) is amended to read as follows:

FOR THE COURT OF APPEALS

General Fund—State Appropriation (FY 2016)	\$17,000,000
General Fund—State Appropriation (FY 2017)	(\$17,311,000)
	<u>\$17,353,000</u>
TOTAL APPROPRIATION	(\$34,311,000)
	<u>\$34,353,000</u>

Sec. 1102. 2016 sp.s. c 36 s 113 (uncodified) is amended to read as follows:

FOR THE ADMINISTRATOR FOR THE COURTS

General Fund—State Appropriation (FY 2016)	\$56,244,000
General Fund—State Appropriation (FY 2017)	(\$56,764,000)
	<u>\$56,840,000</u>
General Fund—Federal Appropriation	\$2,154,000
General Fund—Private/Local Appropriation	\$667,000
Judicial Information Systems Account—State Appropriation	\$56,772,000
Judicial Stabilization Trust Account—State Appropriation	\$6,691,000
TOTAL APPROPRIATION	(\$178,708,000)
	<u>\$179,368,000</u>

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

(1) \$878,000 of the general fund—state appropriation for fiscal year 2016, \$878,000 of the general fund—state appropriation for fiscal year 2017, and \$6,784,000 of the judicial information systems account—state appropriation are provided solely for the information network hub project.

(2) \$516,000 of the judicial information systems account—state appropriation is provided solely for replacement of computer equipment, including servers, routers, and storage system upgrades.

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

(4) \$1,849,000 of the judicial information systems account—state appropriation is provided solely for replacing computer equipment at state courts and state judicial agencies.

(5) \$1,399,000 of the general fund—state appropriation for fiscal year 2016 and \$1,399,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for school districts for petitions to juvenile court for truant students as provided in RCW 28A.225.030 and 28A.225.035. The administrator for the courts shall develop an interagency agreement with the superintendent of public instruction to allocate the funding provided in this subsection. Allocation of this money to school districts shall be based on the number of petitions filed. This funding includes amounts school districts may expend on the cost of serving petitions filed under RCW 28A.225.030 by certified mail or by personal service or for the performance of service of process for any hearing associated with RCW 28A.225.030.

(6)(a) \$7,313,000 of the general fund—state appropriation for fiscal year 2016 and \$7,313,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for distribution to county juvenile court administrators to fund the costs of processing truancy, children in need of services, and at-risk youth petitions. The administrator for the courts, in conjunction with the juvenile court administrators, shall develop an equitable funding distribution formula. The formula shall neither reward counties with higher than average per-petition processing costs nor shall it penalize counties with lower than average per-petition processing costs.

(b) Each fiscal year during the 2015-2017 fiscal biennium, each county shall report the number of petitions processed and the total actual costs of processing truancy, children in need of services, and at-risk youth petitions. Counties shall submit the reports to the administrator for the courts no later than 45 days after the end of the fiscal year. The administrator for the courts shall electronically transmit this information to the chairs and ranking minority members of the house of representatives and senate fiscal committees no later than 60 days after a fiscal year ends. These reports are deemed informational in nature and are not for the purpose of distributing funds.

(7) \$584,000 of the judicial information systems account—state appropriation is provided solely for the content management system for the appellate courts.

(8) \$200,000 of the general fund—state appropriation for fiscal year 2016 is provided solely for the office of public guardianship for the purpose of providing guardianship services to low income and indigent alleged or actual incapacitated persons who were receiving services on July 10, 2013.

(9) \$118,000 of the judicial information systems account—state appropriation for fiscal year 2016 is provided solely for implementation of chapter 287, Laws of 2015 (Engrossed House Bill No. 1943).

(10) \$75,000 of the general fund—state appropriation for fiscal year 2016 is provided solely for the planning and design of a dependency court improvement demonstration program. The plan must be developed jointly with the one family one team public private partnership, with a private cash match of \$75,000. If the cash match is not available by August 1, 2015, the administrative office of the courts will not be required to complete the planning and design of a dependency court improvement demonstration program. By January 1, 2016, the public private partnership shall provide to the appropriate committees of the legislature the program design, including ongoing administrative funding, and a statement

of the public and private funding required in order to provide demonstration grants to up to four counties.

(11) \$6,080,000 of the judicial information systems account—state appropriation for fiscal year 2016 is provided solely for continued implementation of the superior court case management system project.

(12) \$7,010,000 of the judicial information systems account—state appropriation for fiscal year 2017 is provided solely for continued implementation of the superior court case management system. The steering committee for the superior court case management system, the office of administrator of the courts, and county clerks shall work with the case management system vendor to develop cost estimates for modifications to the superior court case management system to address security and document management concerns raised by county clerks. If the cost estimates are not provided to the fiscal committees of the legislature by January 1, 2016, the amounts provided in this subsection shall lapse. Furthermore, the amounts provided in this subsection shall lapse if the superior court case management system is not live and fully functional in Franklin, Thurston, and Yakima counties by February 1, 2016.

(13) The existing steering committee for the superior court case management system shall continue oversight responsibilities throughout the various phases of the project to include, but not be limited to, vendor management, contract and deliverable management, assuring reasonable satisfaction of the business and technical needs at the local level, receipt of stakeholder feedback, and communication between the various stakeholder groups and the judicial information systems committee. Issues of significant scope, schedule or budget changes, and risk mitigation strategies must be escalated to the judicial information systems committee for consideration. In the event that a majority of the steering committee members cannot reach a decision, the issue must be escalated to the judicial information systems committee for consideration. The superior court case management system project steering committee may solicit input from user groups as deemed appropriate.

(14) The courts of limited jurisdiction case management system (CLJ-CMS) replacement project shall be guided by a project steering committee to provide project oversight throughout the various phases of the project to include, but not be limited to, vendor management, contract and deliverable management, assuring reasonable satisfaction of the business and technical needs at the local level, receipt of stakeholder feedback, and communication between the various stakeholder groups and the judicial information systems committee. The project steering committee shall be comprised of three members from the administrative office of the courts, two members from the district and municipal court judges association, three members from the district and municipal court management association, and two members from the misdemeanor corrections association. Issues of significant scope, schedule or budget changes, and risk mitigation strategies must be escalated to the judicial information systems committee for consideration. In the event that a majority of the project steering committee members cannot reach a decision, the issue must be escalated to the judicial information systems committee for consideration. The courts of limited jurisdiction case management system replacement project steering committee may solicit input from user groups as deemed appropriate.

(15) \$3,789,000 of the judicial information systems account—state appropriation is provided solely for preparation and procurement activities related to the courts of limited jurisdiction case management system (CLJ-CMS) replacement project. The appropriations are further conditioned that the CLJ-CMS replacement project be funded entirely from judicial information system account funds in future biennia. The amounts provided in this subsection for the CLJ-CMS replacement project shall not be expended prior to January 1, 2016. In addition, if the following activities are not complete by the dates provided, no further funds appropriated in this subsection shall be expended on the CLJ-CMS replacement project.

(a) Beginning April 1, 2016, and each calendar quarter thereafter, quality assurance reports for the CLJ-CMS replacement project shall be provided to the office of chief information officer for review and for posting on its information technology project dashboard.

(b) No later than July 1, 2016, the CLJ-CMS replacement project steering committee shall provide a report to the legislature on the status of the procurement process for a CLJ-CMS replacement project, including an affirmation that the project is designed to meet the business processes and requirements of all thirty-nine counties. In addition, the report shall include a statement from each court of limited jurisdiction of its intended use of the new CLJ-CMS.

(c) No later than January 1, 2017, the judicial information system committee must approve the publication of a request for proposal for the CLJ-CMS replacement project.

(d) Prior to any CLJ-CMS replacement project steering committee recommendation to the judicial information system committee of a preferred vendor and prior to the selection of an apparently successful vendor, the office of chief information officer must be allowed to review vendor submittals in response to the request for proposal. To better inform its selection, the office of chief information officer must provide to the CLJ-CMS replacement project steering committee an evaluation each vendor's proposed technology solution assessing its architecture, security, vendor experience and qualifications, project risks and risk management, and whether the technology solution represents the best value.

Sec. 1103. 2016 sp.s. c 36 s 114 (uncodified) is amended to read as follows:

FOR THE OFFICE OF PUBLIC DEFENSE

General Fund—State Appropriation (FY 2016)	\$37,558,000
General Fund—State Appropriation (FY 2017)	(\$37,809,000)
	<u>\$38,290,000</u>
Judicial Stabilization Trust Account—State	
Appropriation.	\$3,648,000
TOTAL APPROPRIATION	(\$79,015,000)
	<u>\$79,496,000</u>

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

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

(2) \$924,000 of the general fund—state appropriation for fiscal year 2016 and \$462,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for parents representation program costs related to increased parental rights termination filings from the department of social and health services permanency initiative.

(3) \$451,000 of the general fund—state appropriation for fiscal year 2016 and \$915,000 of the general fund—state appropriation for fiscal year 2017 are provided solely to increase payments for attorneys who contract with the office for indigent defense representation.

(4) \$900,000 of the general fund—state appropriation for fiscal year 2016 and \$900,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the purpose of improving the quality of trial court public defense services.

(5) \$245,000 of the general fund—state appropriation for fiscal year 2016 and \$320,000 of the general fund—state appropriation for fiscal year 2017 are provided solely to implement chapter 117, Laws of 2015 (Second Substitute Senate Bill No. 5486). Funds must be used to maintain the current programs in Grays Harbor/Pacific, King, Kitsap, Pierce, Snohomish, Spokane, and Thurston/Mason counties; expand services in three of these locations; provide for program administration; and to fund the first stage of an evaluation of the program to determine if the parents for parents program can be considered evidence-based.

Sec. 1104. 2016 sp.s. c 36 s 117 (uncodified) is amended to read as follows:

FOR THE LIEUTENANT GOVERNOR

General Fund—State Appropriation (FY 2016)	\$636,000
General Fund—State Appropriation (FY 2017)	(\$656,000)
	<u>\$721,000</u>
General Fund—Private/Local Appropriation	\$90,000
TOTAL APPROPRIATION	(\$1,382,000)
	<u>\$1,447,000</u>

Sec. 1105. 2016 sp.s. c 36 s 119 (uncodified) is amended to read as follows:

FOR THE SECRETARY OF STATE

General Fund—State Appropriation (FY 2016)	\$25,956,000
General Fund—State Appropriation (FY 2017)	(\$12,956,000)
	<u>\$13,206,000</u>
General Fund—Federal Appropriation	\$7,576,000
Public Records Efficiency, Preservation, and Access	
Account—State Appropriation	\$8,807,000
Charitable Organization Education Account—State	
Appropriation	\$671,000
Local Government Archives Account—State	
Appropriation	\$9,147,000
Election Account—Federal Appropriation	\$4,387,000
Washington State Heritage Center Account—State	
Appropriation	\$9,823,000
TOTAL APPROPRIATION	(\$79,323,000)

\$79,573,000

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

(1) \$3,301,000 of the general fund—state appropriation for fiscal year 2016 is provided solely to reimburse counties for the state's share of primary and general election costs and the costs of conducting mandatory recounts on state measures. Counties shall be reimbursed only for those odd-year election costs that the secretary of state validates as eligible for reimbursement.

(2)(a) \$2,682,000 of the general fund—state appropriation for fiscal year 2016 and \$2,761,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for contracting with a nonprofit organization to produce gavel-to-gavel television coverage of state government deliberations and other events of statewide significance during the 2015-2017 fiscal biennium. The funding level for each year of the contract shall be based on the amount provided in this subsection. The nonprofit organization shall be required to raise contributions or commitments to make contributions, in cash or in kind, in an amount equal to forty percent of the state contribution. The office of the secretary of state may make full or partial payment once all criteria in this subsection have been satisfactorily documented.

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

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

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

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

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

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

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

(4) \$11,497,000 of the general fund—state appropriation for fiscal year 2016 is provided solely for the 2016 presidential primary election.

(5) \$3,000,000 of the Washington state heritage center account—state appropriation is provided solely for state library programs. If House Bill No. 2195 (auditor's fees) is not enacted by July 10, 2015, the amounts provided in this subsection shall lapse. If the increase in auditor's fees generates less revenue than provided in this subsection, the secretary of state shall reduce expenditures

so that amounts provided in this subsection do not exceed revenue generated from the increase in auditor's fees.

(6) \$771,000 of the general fund—state appropriation for fiscal year 2016 and \$772,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the state library to purchase statewide online access to the information technology academy to allow public access to online courses and learning resources through public libraries.

Sec. 1106. 2016 sp.s. c 36 s 118 (uncodified) is amended to read as follows:

FOR THE PUBLIC DISCLOSURE COMMISSION

General Fund—State Appropriation (FY 2016)	\$2,416,000
General Fund—State Appropriation (FY 2017)	(\$2,437,000)
	<u>\$2,819,000</u>
TOTAL APPROPRIATION	(\$4,853,000)
	<u>\$5,235,000</u>

Sec. 1107. 2016 sp.s. c 36 s 120 (uncodified) is amended to read as follows:

FOR THE GOVERNOR'S OFFICE OF INDIAN AFFAIRS

General Fund—State Appropriation (FY 2016)	\$266,000
General Fund—State Appropriation (FY 2017)	(\$274,000)
	<u>\$275,000</u>
TOTAL APPROPRIATION	(\$540,000)
	<u>\$541,000</u>

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

Sec. 1108. 2016 sp.s. c 36 s 121 (uncodified) is amended to read as follows:

FOR THE COMMISSION ON ASIAN PACIFIC AMERICAN AFFAIRS

General Fund—State Appropriation (FY 2016)	\$235,000
General Fund—State Appropriation (FY 2017)	(\$231,000)
	<u>\$232,000</u>
TOTAL APPROPRIATION	(\$466,000)
	<u>\$467,000</u>

Sec. 1109. 2015 3rd sp.s. c 4 s 125 (uncodified) is amended to read as follows:

FOR THE CITIZENS' COMMISSION ON SALARIES FOR ELECTED OFFICIALS

General Fund—State Appropriation (FY 2016)	\$146,000
General Fund—State Appropriation (FY 2017)	(\$185,000)
	<u>\$186,000</u>

TOTAL APPROPRIATION ((~~\$331,000~~))
\$332,000

Sec. 1110. 2016 sp.s. c 36 s 124 (uncodified) is amended to read as follows:

FOR THE ATTORNEY GENERAL

General Fund—State Appropriation (FY 2016) \$11,420,000
 General Fund—State Appropriation (FY 2017) ((~~\$8,417,000~~))
\$8,826,000
 General Fund—Federal Appropriation \$6,930,000
 New Motor Vehicle Arbitration Account—State
 Appropriation \$1,041,000
 Legal Services Revolving Account—State
 Appropriation ((~~\$227,558,000~~))
\$230,756,000
 Tobacco Prevention and Control Account—State
 Appropriation \$273,000
 Medicaid Fraud Penalty Account—State Appropriation \$3,065,000
 Public Service Revolving Account—State
 Appropriation \$2,220,000
 Child Rescue Fund—State Appropriation \$500,000
 TOTAL APPROPRIATION ((~~\$261,424,000~~))
\$265,031,000

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

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

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

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

(4) \$2,218,000 of the public service revolving account—state appropriation is provided solely for the work of the public counsel section of the office of the attorney general.

(5) \$353,000 of the general fund—state appropriation for fiscal year 2016 and \$353,000 of the general fund—state appropriation for fiscal year 2017 are

provided solely for a grant to the Washington coalition of crime victim advocates to provide training, certification, and technical assistance for crime victim service center advocates.

(6) \$1,196,000 of the legal services revolving fund—state appropriation is provided solely for the implementation of chapter 70, Laws of 2015 (Second Substitute Senate Bill No. 5052) (cannabis patient protection).

(7) \$14,000 of the legal services revolving account—state appropriation is provided solely for implementation of chapter 240, Laws of 2015 (Substitute Senate Bill No. 5740) (extended foster care).

(8) \$182,000 of the legal services revolving account—state appropriation is provided solely for implementation of chapter 274, Laws of 2015 (Engrossed Substitute House Bill No. 1449) (oil transportation safety).

(9) \$71,000 of the legal services revolving account—state appropriation is provided solely for implementation of Engrossed Second Substitute House Bill No. 1472 (chemical action plans), Second Substitute Senate Bill No. 5056 (safer chemicals/action plans), Substitute Senate Bill No. 6131 (safer chemicals), or any of these. If none of these bills are enacted by July 10, 2015, the amount provided in this subsection shall lapse.

(10) Pursuant to chapter 247, Laws of 2015 (Second Substitute House Bill No. 1281) (sexual exploitation of a minor), the office of the attorney general may expend \$500,000 from the child rescue fund—state appropriation, or an amount not to exceed actual revenues into the account.

(11) \$37,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for implementation of Second Substitute House Bill No. 2726 (retirement communities). If the bill is not enacted by June 30, 2016, the amount provided in this subsection shall lapse.

(12) Appropriations in this section include specific funds for the implementation of Substitute Senate Bill No. 6160 (regulating motor vehicle airbags).

(13) \$55,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for implementation of Substitute Senate Bill No. 6360 (traffic fines consolidation). If the bill is not enacted by June 30, 2016, the amount provided in this subsection shall lapse.

Sec. 1111. 2016 sp.s. c 36 s 125 (uncodified) is amended to read as follows:

FOR THE CASELOAD FORECAST COUNCIL

General Fund—State Appropriation (FY 2016)	\$1,397,000
General Fund—State Appropriation (FY 2017)	(\$1,460,000)
	<u>\$1,508,000</u>
TOTAL APPROPRIATION	(\$2,857,000)
	<u>\$2,905,000</u>

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

(1) \$55,000 of the general fund—state appropriation for fiscal year 2016 and \$55,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for Substitute Senate Bill No. 5999 (caseload forecast council). ~~((If the bill is not enacted by July 10, 2015, the amounts provided in this subsection shall lapse.))~~

(2)(a) The caseload forecast council, in cooperation with the appropriate legislative committees and legislative staff, the office of financial management, the department of corrections, the department of social and health services, the administrative office of the courts, the minority and justice commission, the Washington state institute for public policy, the department of early learning, the student achievement council, the state board of education, the sentencing guidelines commission, and a person from communities at large deemed appropriate must develop recommendations for procedures and tools which will enable them to provide cost-effective racial and ethnic impact statements to legislative bills affecting criminal justice, human services, and education caseloads forecasted by the caseload forecast council. The recommendations for the racial and ethnic impact statements must be able to identify the positive and negative impacts on communities as a result of proposed or adopted legislation.

(b) The caseload forecast council shall submit a report to the governor and appropriate committees of the legislature on or before December 31, 2016, outlining recommendations for procedures and tools necessary to provide racial and ethnic impact statements to criminal justice, human services, and education caseloads, as well as outlining implementation cost estimates and potential funding sources.

(3) In addition to caseload forecasts for common schools as defined in RCW 43.88C.010(7), during the remainder of the 2015-2017 fiscal biennium the council must provide a separate forecast of enrollment for charter schools authorized by chapter 28A.710 RCW as amended by Engrossed Second Substitute Senate Bill No. 6194 (public schools other than common schools).

Sec. 1112. 2016 sp.s. c 36 s 127 (uncodified) is amended to read as follows:

FOR THE ECONOMIC AND REVENUE FORECAST COUNCIL

General Fund—State Appropriation (FY 2016)	\$805,000
General Fund—State Appropriation (FY 2017)	(\$888,000)
	<u>\$892,000</u>
Lottery Administrative Account—State Appropriation	\$50,000
TOTAL APPROPRIATION	(\$1,743,000)
	<u>\$1,747,000</u>

Sec. 1113. 2016 sp.s. c 36 s 128 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT

General Fund—State Appropriation (FY 2016)	\$19,280,000
General Fund—State Appropriation (FY 2017)	(\$19,623,000)
	<u>\$20,130,000</u>
General Fund—Federal Appropriation	\$38,822,000
General Fund—Private/Local Appropriation	\$498,000
Economic Development Strategic Reserve Account—State Appropriation	\$310,000
Personnel Service Fund—State Appropriation	\$8,696,000
Higher Education Personnel Services Account—State Appropriation	\$1,497,000
Performance Audits of Government Account—State Appropriation	\$534,000

Statewide Information Technology System Development

Revolving Account—State Appropriation	\$15,799,000
Office of Financial Management Central	
Service Account—State Appropriation	\$14,610,000
TOTAL APPROPRIATION	(\$106,237,000)
	<u>\$120,176,000</u>

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

(1) The appropriations in this section represent a transfer of expenditure authority of \$2,333,000 of the general fund—federal appropriation for fiscal year 2016 and \$1,782,000 of the general fund—federal appropriation for fiscal year 2017 to the office of financial management to implement Engrossed Substitute Senate Bill No. 5084 (all payer claims database).

(2) \$13,799,000 of the statewide information technology system development revolving account—state appropriation is provided solely for prepayment of the debt service for the time, leave, and attendance system. The enterprise time, leave, and attendance project shall be discontinued, but the office and other state agencies may utilize acquired project assets for other purposes to the extent practicable.

(3) \$50,000 of the general fund—state appropriation for fiscal year 2016 is provided solely for implementation of Engrossed Second Substitute House Bill No. 1491 (early care and education system). If the bill is not enacted by July 10, 2015, the amount provided in this subsection shall lapse.

(4) \$33,000 of the general fund—state appropriation for fiscal year 2017 is provided one time solely to implement chapter 244, Laws of 2015 (college bound scholarship).

(5) \$168,000 of the general fund—state appropriation for fiscal year 2016 and \$163,000 of the general fund—state appropriation for fiscal year 2017 are provided solely to implement chapter 245, Laws of 2015 (outdoor recreation).

(6)(a) Within funds appropriated in this section, the education data center created in RCW 43.41.400 shall complete an evaluation of the state need grant and submit a report to the appropriate committees of the legislature by December 1, 2016. To the extent it is not duplicative of other studies, the report shall evaluate educational outcomes emphasizing degree completion rates at the postsecondary levels. The report shall study certain aspects of the state need grant program, including but not limited to:

(i) State need grant recipient grade point average and its relationship to positive outcomes, including but not limited to:

(A) Variance between community and technical colleges and the four-year institutions of higher education;

(B) Variance between state need grant recipients and students on the state need grant unserved waiting list; and

(C) Differentials between quarter or semester grade point averages and cumulative grade point averages.

(ii) Possible outcomes of requiring a minimum grade point average, per semester or quarter or cumulatively, for state need grant renewal.

(b) Beginning July 1, 2016, the student achievement council and all institutions of higher education eligible to participate in the state need grant shall

ensure that data needed to analyze and evaluate the effectiveness of the state need grant program are promptly transmitted to the education data center so that it is available and easily accessible. The data to be reported must include but not be limited to:

- (i) The number of state need grant recipients;
 - (ii) The number of students on the unserved waiting list of the state need grant;
 - (iii) Persistence and completion rates of state need grant recipients and students on the state need grant unserved waiting list, disaggregated by institutions of higher education;
 - (iv) State need grant recipients and students on state need grant unserved waiting list grade point averages; and
 - (v) State need grant program costs.
- (c) The student achievement council shall submit student unit record data for the state need grant program applicants and recipients to the education data center.

(7) \$250,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for a contract with a consultant to examine the current configuration and financing of the state hospital system pursuant to Engrossed Second Substitute House Bill No. 2453 (state hospital oversight) or Substitute Senate Bill No. 6656 (state hospital practices).

~~((9))~~ (8) \$150,000 of the general fund—state appropriation for fiscal year 2016 and \$150,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the cost to support the blue ribbon commission on delivery of services to children and families established by the governor's executive order 16-03. The commission shall develop recommendations on whether to create a separate state department of children and families, including a mission and vision for the new department, new organization structures, estimated costs, transition plans, and benchmarks for assessing the improvements in outcomes for children and families expected to result from the reorganization, including the metrics to measure those short and long-term expected outcomes, and the expected impact on total administrative costs among the involved state agencies. The commission shall produce recommendations no later than November 1, 2016.

Sec. 1114. 2016 sp.s. c 36 s 130 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE LOTTERY

Lottery Administrative Account—State

Appropriation.	((\$28,797,000))
	<u>\$29,018,000</u>

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

- (1) \$690,000 of the lottery administrative account—state appropriation is provided solely for the replacement of the lottery's gaming systems vendor contract.
- (2) No portion of this appropriation may be used for acquisition of gaming system capabilities that violates state law.

(3) 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.

Sec. 1115. 2016 sp.s. c 36 s 131 (uncodified) is amended to read as follows:

FOR THE COMMISSION ON HISPANIC AFFAIRS

General Fund—State Appropriation (FY 2016)	\$260,000
General Fund—State Appropriation (FY 2017)	(\$259,000)
	<u>\$260,000</u>
TOTAL APPROPRIATION	(\$519,000)
	<u>\$520,000</u>

Sec. 1116. 2016 sp.s. c 36 s 132 (uncodified) is amended to read as follows:

FOR THE COMMISSION ON AFRICAN-AMERICAN AFFAIRS

General Fund—State Appropriation (FY 2016)	\$254,000
General Fund—State Appropriation (FY 2017)	(\$260,000)
	<u>\$261,000</u>
TOTAL APPROPRIATION	(\$514,000)
	<u>\$515,000</u>

Sec. 1117. 2016 sp.s. c 36 s 134 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF REVENUE

General Fund—State Appropriation (FY 2016)	(\$119,358,000)
	<u>\$119,348,000</u>
General Fund—State Appropriation (FY 2017)	(\$120,551,000)
	<u>\$121,623,000</u>
Financial Services Regulation Account—State Appropriation	\$10,000,000
Timber Tax Distribution Account—State Appropriation	\$6,604,000
Waste Reduction/Recycling/Litter Control—State Appropriation	\$141,000
State Toxics Control Account—State Appropriation	\$101,000
Business License Account—State Appropriation	\$24,590,000
TOTAL APPROPRIATION	(\$267,381,000)
	<u>\$282,407,000</u>

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

(1) \$5,628,000 of the general fund—state appropriation for fiscal year 2017, and \$7,890,000 of the business license account—state appropriation are provided solely for the taxpayer legacy system replacement project.

(2) \$487,000 of the general fund—state appropriation for fiscal year 2016 and \$582,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for implementation of Substitute Senate Bill No. 5186 (disabled veterans and seniors). If the bill is not enacted by July 10, 2015, the amounts provided in this subsection shall lapse.

(3) \$60,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the implementation of Substitute Senate Bill No. 6211 (nonprofit homeownership development). If the bill is not enacted by June 30, 2016, the amount in this subsection shall lapse.

~~((5))~~ (4) \$21,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the implementation of Engrossed Substitute Senate Bill No. 6328 (vapor products). If the bill is not enacted by June 30, 2016, the amount provided in this subsection shall lapse.

Sec. 1118. 2016 sp.s. c 36 s 135 (uncodified) is amended to read as follows:

FOR THE BOARD OF TAX APPEALS

General Fund—State Appropriation (FY 2016)	\$1,321,000
General Fund—State Appropriation (FY 2017)	(\$1,303,000)
	<u>\$1,360,000</u>
TOTAL APPROPRIATION	(\$2,624,000)
	<u>\$2,681,000</u>

Sec. 1119. 2016 sp.s. c 36 s 136 (uncodified) is amended to read as follows:

FOR THE OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES

OMWBE Enterprises Account—State Appropriation	(\$4,889,000)
	<u>\$4,906,000</u>

Sec. 1120. 2016 sp.s. c 36 s 137 (uncodified) is amended to read as follows:

FOR THE INSURANCE COMMISSIONER

General Fund—State Appropriation (FY 2016)	\$300,000
General Fund—State Appropriation (FY 2017)	\$227,000
General Fund—Federal Appropriation	\$4,571,000
Insurance Commissioners Regulatory Account—State Appropriation	\$55,772,000
TOTAL APPROPRIATION	\$60,870,000

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

(1) \$168,000 of the insurance commissioners regulatory account—state appropriation is provided solely for the implementation of chapter 17, Laws of 2015 (HB 1172).

(2) \$129,000 of the insurance commissioners regulatory account—state appropriation is provided solely for the implementation of chapter 63, Laws of 2015 (HB 1077).

(3) \$272,000 of the insurance commissioners regulatory account—state appropriation is provided solely for the implementation of chapter 122, Laws of 2015 (SB 5717).

(4) \$25,000 of the insurance commissioners regulatory account—state appropriation is provided solely for the implementation of chapter 19, Laws of 2015 (SSB 5023).

(5) \$283,000 of the insurance commissioners regulatory account—state appropriation is provided solely for the implementation of House Bill No. 2326

(independent review organizations). ~~((If the bill is not enacted by June 30, 2016, the amount provided in this subsection shall lapse.))~~

(6) \$143,000 of the insurance commissioners regulatory account—state appropriation is provided solely for the implementation of Senate Bill No. 5180 (life insurance reserves). ~~((If the bill is not enacted by June 30, 2016, the amount provided in this subsection shall lapse.))~~

(7) \$797,000 of the insurance commissioners regulatory account—state appropriation is provided solely for the implementation of Fifth Engrossed Substitute Senate Bill No. 5857 (pharmacy benefit managers). ~~((If the bill is not enacted by June 30, 2016, the amount provided in this subsection shall lapse.))~~

Sec. 1121. 2016 sp.s. c 36 s 139 (uncodified) is amended to read as follows:

FOR THE LIQUOR AND CANNABIS BOARD

Dedicated Marijuana Fund—State	
Appropriation (FY 2016)	\$7,736,000
Dedicated Marijuana Fund—State	
Appropriation (FY 2017)	\$8,481,000
Liquor Revolving Account—State Appropriation	\$66,830,000
General Fund—Federal Appropriation	\$2,821,000
General Fund—State Appropriation (FY 2017)	\$260,000
General Fund—Private/Local Appropriation	\$25,000
TOTAL APPROPRIATION	\$86,153,000

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

(1) \$2,183,000 of the dedicated marijuana account—state appropriation for fiscal year 2016 and \$2,818,000 of the dedicated marijuana account—state appropriation for fiscal year 2017 are provided solely for implementation of Substitute House Bill No. 2136 (marijuana market reforms) and Second Substitute Senate Bill No. 5052 (cannabis patient protection). ~~((If either bill is not enacted by July 10, 2015, the amount provided in this subsection shall lapse.))~~

(2) \$376,000 of the liquor revolving fund—state appropriation is provided solely for the implementation of Substitute Senate Bill No. 5280 (beer and cider sales). ~~((If the bill is not enacted by July 10, 2015, the amount provided in this subsection shall lapse.))~~

(3) \$2,641,000 of the liquor revolving account—state appropriation is provided solely for additional cigarette and tobacco enforcement. The liquor control board must provide additional cigarette and tobacco enforcement officers and pursue strategies to reduce the amount of smuggled, contraband, and otherwise untaxed cigarette and tobacco products in the state. The liquor control board must report the amount of untaxed cigarette and tobacco taxes recovered in comparison to past years to the appropriate committees of the legislature by January 1, 2016, and January 1, 2017.

(4) \$366,000 of the liquor revolving account—state appropriation is provided solely for the implementation of Substitute House Bill No. 2831 (small business liquor sales). ~~((If the bill is not enacted by June 30, 2016, the amount provided in this subsection shall lapse.))~~

(5) The appropriations in this section include sufficient funding for the implementation of Engrossed Substitute Senate Bill No. 6470 (wineries).

(6) \$260,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the implementation of Engrossed Substitute Senate Bill No. ~~((6238))~~ 6328 (vapor products). ~~((If the bill is not enacted by June 30, 2016, the amount provided in this subsection shall lapse.))~~

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

Sec. 1122. 2016 sp.s. c 36 s 141 (uncodified) is amended to read as follows:

FOR THE MILITARY DEPARTMENT

General Fund—State Appropriation (FY 2016)	\$3,386,000
General Fund—State Appropriation (FY 2017)	\$3,654,000
General Fund—Federal Appropriation.	\$136,380,000
Enhanced 911 Account—State Appropriation	\$56,594,000
Disaster Response Account—State Appropriation.	(\$41,383,000)
	<u>\$40,131,000</u>
Disaster Response Account—Federal Appropriation.	(\$107,317,000)
	<u>\$110,862,000</u>
Military Department Rent and Lease Account—State	
Appropriation.	\$615,000
Worker and Community Right-to-Know Account—State	
Appropriation.	\$2,888,000
Oil Spill Prevention Account—State Appropriation	\$1,000,000
TOTAL APPROPRIATION	(\$353,217,000)
	<u>\$355,510,000</u>

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

(1) The military department shall submit a report to the office of financial management and the legislative fiscal committees on October 1st and February 1st of each year detailing information on the disaster response account, including: (a) The amount and type of deposits into the account; (b) the current available fund balance as of the reporting date; and (c) the projected fund balance at the end of the 2015-2017 biennium based on current revenue and expenditure patterns.

(2) \$60,000,000 of the general fund—federal appropriation is provided solely for homeland security, subject to the following conditions: Any communications equipment purchased by local jurisdictions or state agencies shall be consistent with standards set by the Washington state interoperability executive committee.

(3) \$1,000,000 of the oil spill prevention account—state appropriation is provided solely for implementation of chapter 274, Laws of 2015 (Engrossed Substitute House Bill No. 1449) (oil transportation safety).

(4) \$100,000 of the general fund—state appropriation for fiscal year 2016 and \$100,000 of the general fund—state appropriation for fiscal year 2017 are

provided solely for the conditional scholarship program pursuant to chapter 28B.103 RCW.

(5) \$5,000,000 of the enhanced 911 account—state appropriation is provided solely for financial assistance to counties to replace analog 911 telephone and network equipment with next generation 911 capable technology.

(6) \$1,850,000 of the disaster response account—state appropriation is provided solely to Okanogan and Ferry counties to address deficiencies within their communications infrastructure for 911 dispatch. Funds will be used to replace failing radio dispatching hardware within 911 dispatch centers; build interoperable communications between each county's dispatch center such that each can serve as a back-up to the other; and build upon the existing wireless microwave network for 911 calls, dispatch centers, and first responder radio operations. Prior to releasing any state funds, the department will consult with the counties to determine if federal funds are available for any proposed expenditure and assist the counties with any application for such funds.

(7) \$130,000 of the enhanced 911 account—state appropriation is provided solely for the department to conduct a pilot program within King county to implement a mobile phone application that notifies persons trained in cardiopulmonary resuscitation of persons nearby who are having a cardiac emergency. The department may partner with the county, a city, a fire district, or a search and rescue organization for purposes of implementing the application and software-as-a-service in an existing computer-aided dispatch system. The department will report the results of the pilot program to the legislature by December 1, 2016.

(8) \$5,679,000 of the enhanced 911 account—state appropriation is provided solely for transitioning to an internet protocol based next generation 911 network and increased network costs during the transition and hardware required for the new system. The department's activities and procurement is a major information technology project subject to oversight and review by the office of the chief information officer.

(9) \$392,000 of the disaster response account—state appropriation is provided solely for fire suppression training and equipment to national guard soldiers and airmen.

Sec. 1123. 2016 sp.s. c 36 s 143 (uncodified) is amended to read as follows:

FOR THE BOARD OF ACCOUNTANCY

Certified Public Accountants' Account—State

Appropriation.....	((\$6,117,000))
	<u>\$6,125,000</u>

The appropriation in this section is subject to the following conditions and limitations: \$3,300,000 of the certified public accountants' account—state appropriation is provided solely for deposit into the certified public accounting transfer account to fund Washington-based colleges and universities for students pursuing degrees in accounting or taxation as provided in chapter 215, Laws of 2015 (Substitute Senate Bill No. 5534).

Sec. 1124. 2016 sp.s. c 36 s 147 (uncodified) is amended to read as follows:

FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS

Volunteer Firefighters' and Reserve Officers'

Administrative Account—State Appropriation((~~\$1,011,000~~))
\$1,014,000

Sec. 1125. 2016 sp.s. c 36 s 148 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION

General Fund—State Appropriation (FY 2016) \$1,369,000
General Fund—State Appropriation (FY 2017)((~~\$1,395,000~~))
\$1,409,000
General Fund—Federal Appropriation \$2,122,000
General Fund—Private/Local Appropriation \$14,000
TOTAL APPROPRIATION((~~\$4,900,000~~))
\$4,914,000

The appropriations in this section are subject to the following conditions and limitations: \$121,000 of the general fund—state appropriation for fiscal year 2016 and \$121,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the Washington main street program.

Sec. 1126. 2016 sp.s. c 36 s 149 (uncodified) is amended to read as follows:

FOR THE CONSOLIDATED TECHNOLOGY SERVICES AGENCY

General Fund—State Appropriation (FY 2016) \$1,000,000
General Fund—State Appropriation (FY 2017)((~~\$428,000~~))
\$778,000

Consolidated Technology Services Revolving

Account—State Appropriation \$7,366,000
TOTAL APPROPRIATION((~~\$8,794,000~~))
\$9,144,000

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

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

(2) \$550,000 of the general fund—state appropriation for fiscal year 2016 is provided solely for the office of the chief information officer to develop a statewide strategic business and technology architecture plan for time capture, payroll and payment processes, and eligibility and authorization processes for the department of early learning. In collaboration with the department of early learning the plan will identify and recommend whether existing systems, or planned systems, can and should be used to meet the department of early learning's business needs. A child care attendance and billing solution must be designed or modified to align with the statewide enterprise strategy once the

strategic architecture is established. The plan shall be completed and delivered to the appropriate committees of the legislature by December 1, 2015.

(3) \$450,000 of the general fund—state appropriation for fiscal year 2016 and \$428,000 of the general fund—state appropriation for fiscal year 2017 are provided solely to the office of the chief information officer for statewide technical oversight of information technology projects or investments and proposed projects or investments impacting time capture, payroll and payment processes and systems, and eligibility, case management and authorization systems within the department of social and health services, the department of health, the department of early learning, and the health care authority. As part of the technical oversight, the office of the chief information officer shall identify where existing or proposed technology investments should be consolidated, reused, or otherwise leveraged to meet multiagency needs or increase interoperability, increase alignment with statewide policies, standards, strategies, architectures, and reduce redundant investments over time.

(4) \$7,366,000 of the consolidated technology services revolving account—state appropriation is provided solely for implementation of Second Substitute House Bill No. 1391 or Second Substitute Senate Bill No. 5315 (aligning information technology functions). If neither bill is enacted by July 10, 2015, the amount provided in this subsection shall lapse.

PART XII HUMAN SERVICES

Sec. 1201. 2016 sp.s. c 36 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 federal government, historical utilization, economic data, and clinical input constitute reliable data upon which to determine the payment rates.

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

(5) Information technology projects or investments and proposed projects or investments impacting time capture, payroll and payment processes and systems, eligibility, case management, and authorization systems within the department of social and health services are subject to technical oversight by the office of the chief information officer.

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

(b) To facilitate a single point of entry across public and medical assistance programs, and to maximize the use of federal funding, the health care authority, the department of social and health services, and the health benefit exchange will coordinate efforts to expand HealthPlanfinder access to public assistance and medical eligibility staff. No later than October 1, 2015, the department shall complete medicaid applications in the HealthPlanfinder for households receiving or applying for public assistance benefits.

(c) The department, in coordination with the health care authority, shall pursue a federal waiver to use supplemental nutrition assistance program eligibility, aged, blind, or disabled program eligibility, or temporary assistance for needy families eligibility, to enroll eligible persons into medicaid.

(7) In accordance with RCW 71.24.380, the health care authority and the department are authorized to purchase medical and behavioral health services through integrated contracts upon request of all of the county authorities in a regional service area to become an early adopter of fully integrated purchasing of medical and behavioral health services. The department may combine and transfer such amounts appropriated under sections 204, 208, and 213 of this act as may be necessary to fund early adopter contracts. The amount of medicaid funding transferred from each program may not exceed the average per capita cost assumed in this act for individuals covered by that program, actuarially adjusted for the health condition of persons enrolled, times the number of clients enrolled. The amount of non-medicaid funding transferred from sections 204

and 208 may not exceed the amount that would have been contracted with a behavioral health organization if the county authorities had not requested to become an early adopter of fully integrated purchasing. These limits do not apply to the amounts provided in section 204(1)(s) of this act. If any funding that this act provides solely for a specific purpose is transferred under this subsection, that funding must be used consistently with the provisions and conditions for which it was provided.

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

(9)(a) 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. However, after May 1, ~~((2016))~~ 2017, unless prohibited by this act, the department may transfer up to \$40,000,000 in general fund—state appropriations for fiscal year ~~((2016))~~ 2017 among programs after approval by the director of financial management solely for costs incurred at the state psychiatric hospitals.

(b) Except for within its mental health programs, after May 1, 2017, the department may transfer appropriations as necessary between budget categories or subprograms within individual department programs as needed to fund actual expenditures through the end of fiscal year 2017.

(c) Within the mental health programs, the department may transfer appropriations as necessary between budget categories or subprograms and provisos.

(d) The department shall not transfer appropriations, and the director of financial management shall not approve the transfer, unless the transfer is consistent with the objective of conserving, to the maximum extent possible, the expenditure of state moneys. The director of financial management shall notify the appropriate fiscal committees of the senate and house of representatives in writing seven days prior to approving any allotment modifications or transfers under this subsection. The written notification shall include a narrative explanation and justification of the changes, along with expenditures and allotments by budget unit and appropriation, both before and after any allotment modifications or transfers.

(10) To facilitate the authority provided in subsection (7) and (8) of this section, and to ensure a new accounting structure is in place as of July 1, 2017, the department is authorized to create a new program for accounting purposes only that combines the mental health program and alcohol and substance abuse program allotments and expenditures.

Sec. 1202. 2016 sp.s. c 36 s 202 (uncodified) is amended to read as follows:

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

General Fund—State Appropriation (FY 2016) \$324,746,000

General Fund—State Appropriation (FY 2017)	((<u>\$337,124,000</u>))
	<u>\$347,453,000</u>
General Fund—Federal Appropriation	((<u>\$511,676,000</u>))
	<u>\$517,808,000</u>
General Fund—Private/Local Appropriation	((<u>\$1,354,000</u>))
	<u>\$1,854,000</u>
Domestic Violence Prevention Account—State Appropriation	\$1,908,000
Child and Family Reinvestment Account—State Appropriation	\$6,529,000
TOTAL APPROPRIATION	(((<u>\$1,183,337,000</u>)))
	<u>\$1,200,298,000</u>

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

(1) Amounts appropriated in this section include funding for the department to establish basic foster care rates consistent with the settlement agreement in *FPAWS v. Quigley*.

(2) \$668,000 of the general fund—state appropriation for fiscal year 2016 and \$668,000 of the general fund—state appropriation for fiscal year 2017 are provided solely to contract for the operation of one pediatric interim care center. The center shall provide residential care for up to thirteen children through two years of age. Seventy-five percent of the children served by the center must be in need of special care as a result of substance abuse by their mothers. The center shall also provide on-site training to biological, adoptive, or foster parents. The center shall provide at least three months of consultation and support to the parents accepting placement of children from the center. The center may recruit new and current foster and adoptive parents for infants served by the center. The department shall not require case management as a condition of the contract.

(3) \$253,000 of the general fund—state appropriation for fiscal year 2016 and \$253,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the costs of the eight existing hub home foster families that provide a foster care delivery model that includes a licensed hub home. Use of the hub home model is intended to support foster parent retention, improve child outcomes, and encourage the least restrictive community placements for children in out-of-home care.

(4) \$579,000 of the general fund—state appropriation for fiscal year 2016, \$579,000 of the general fund—state appropriation for fiscal year 2017, and \$109,000 of the general fund—federal appropriation are provided solely for a receiving care center east of the Cascade mountains.

(5) \$990,000 of the general fund—state appropriation for fiscal year 2016 and \$990,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for services provided through children's advocacy centers.

(6) \$1,250,000 of the general fund—state appropriation for fiscal year 2016 and \$1,351,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for implementation of performance-based contracts for family support and related services pursuant to RCW 74.13B.020.

(7) \$4,865,000 of the general fund—state appropriation for fiscal year 2016, \$3,564,000 of the general fund—state appropriation for fiscal year 2017,

\$6,529,000 of the child and family reinvestment account—state appropriation, and \$15,958,000 of the general fund—federal appropriation, are provided solely for family assessment response.

(8) \$94,000 of the general fund—state appropriation for fiscal year 2016 and \$94,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for a contract with a child advocacy center in Spokane to provide continuum of care services for children who have experienced abuse or neglect and their families.

(9) \$668,000 of the domestic violence prevention account—state appropriation is provided solely for implementation of chapter 275, Laws of 2015 (SSB 5631) (domestic violence victims).

(10) \$1,996,000 of the general fund—state appropriation for fiscal year 2016, \$3,434,000 of the general fund—state appropriation for 2017, and \$844,000 of the general fund—federal appropriation are provided solely for the children's administration to:

(a) Reduce the caseload ratios of social workers serving children in foster care to promote decreased lengths of stay and to make progress towards achievement of the Braam settlement caseload outcome;

(b) Support the closure of child protective services investigations within ninety days of intake, where appropriate; and

(c) Progress towards statewide expansion and support of the child protective services family assessment response pathway.

The children's administration must, in the manner it determines appropriate, balance expenditure of amounts provided in this subsection in a way that makes substantial investments in each of the three purposes in (a) through (c) of this subsection. Of the amounts provided in this subsection, no more than \$1,600,000 may be used for the purpose of (b) of this subsection.

(11) \$819,000 of the general fund—state appropriation for fiscal year 2017 and \$373,000 of the general fund—federal appropriation are provided solely for implementation of chapter 240, Laws of 2015 (SSB 5740) (extended foster care).

(12) \$784,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for early achievers tiered reimbursement for family home and center child care providers consistent with Engrossed Second Substitute House Bill No. 1491 (early care & education system).

(13)(a) \$539,000 of the general fund—state appropriation for fiscal year 2016, \$540,000 of the general fund—state appropriation for fiscal year 2017, \$656,000 of the general fund private/local appropriation, and \$253,000 of the general fund—federal appropriation are provided solely for a contract with an educational advocacy provider with expertise in foster care educational outreach. The amounts in this subsection are provided solely for contracted education coordinators to assist foster children in succeeding in K-12 and higher education systems and to assure a focus on education during the department's transition to performance-based contracts. Funding must be prioritized to regions with high numbers of foster care youth, or regions where backlogs of youth that have formerly requested educational outreach services exist. The children's administration is encouraged to use private matching funds to maintain educational advocacy services.

(b) Beginning in fiscal year 2017, the children's administration shall contract with the office of the superintendent of public instruction, which in turn

shall contract with a nongovernmental entity or entities to provide educational advocacy services pursuant to Fourth Substitute House Bill No. 1999 (foster youth edu. outcomes). ~~((If the bill is not enacted by June 30, 2016, language in this subsection shall lapse.))~~

(14) The children's administration shall adopt policies to reduce the percentage of parents requiring supervised visitation, including clarification of the threshold for transition from supervised to unsupervised visitation prior to reunification. The children's administration shall submit the revised visitation policy to the appropriate policy and fiscal committees of the legislature by December 1, 2015.

(15) \$446,000 of the general fund—state appropriation for fiscal year 2016 is provided solely for a contract with a nongovernmental entity or entities for the demonstration site to improve the educational outcomes of students who are dependent pursuant to chapter 13.34 RCW that was established pursuant to the 2013-2015 omnibus appropriations act, section 202(10), chapter 4, Laws of 2013, 2nd sp. sess.

(a) The demonstration site in this subsection must facilitate the educational progress and graduation of dependent youth by providing individualized education services and monitoring and supporting dependent youths' remediation needs, special education needs, and completion of education milestones. The contract must be performance-based with a stated goal of improving the graduation rates of foster youth by two percent per year over five school year periods. The baseline for measurement for the existing site was established in the 2013-14 school year and remains applicable through the 2017-18 school year.

(b) The demonstration site must develop and provide services aimed at improving the educational outcomes of foster youth. These services must include:

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

(ii) Consultation with children's administration case workers to develop educational plans for and with participating youth;

(iii) Monitoring educational progress of participating youth;

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

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

(c) The contractor must report demonstration site outcomes to the department of social and health services and the office of the superintendent of public instruction by September 30, 2015, for the 2014-15 school year and by September 30, 2016, for the 2015-16 school year.

(d) The children's administration shall proactively refer all eligible students thirteen years or older within the demonstration site area to the contractor for educational services.

(e) The contractor shall report to the legislature by September 30, 2015, for the 2014-15 school year and by September 30, 2016, for the 2015-16 school year on the number of eligible youth referred by the children's administration, the number of youth served, and the effectiveness of the demonstration site in increasing graduation rates for dependent youth.

(16) The children's administration, office of the superintendent of public instruction, and student achievement council shall collaborate with the office of the attorney general, other governmental agencies, advocacy organizations, and others as needed to report to the legislature by December 1, 2015, on strategies to permit supplemental education transition planning for dependent youth to be administered by the student achievement council and the demonstration sites to be administered by the office of the superintendent of public instruction no later than June 30, 2016. The report shall assess the feasibility of transitioning the programs and recommend strategies to resolve data and information sharing barriers through legislative policy and professional practice.

(17) \$334,000 of the general fund—state appropriation for fiscal year 2016, \$548,000 of the general fund—state appropriation for fiscal year 2017, and \$249,000 of the general fund—federal appropriation are provided solely for extended foster care services for eligible youth engaged in employment for eighty hours or more per month, pursuant to chapter 122, Laws of 2014.

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

(19) \$841,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for a base rate increase and an increase in tiered reimbursement rates, levels three through five, for licensed family child care providers. This funding is for the supplemental agreement to the 2015-2017 collective bargaining agreement covering family child care providers as set forth in section 905 of this act.

(20)(a) The children's administration shall develop a plan, in consultation with providers, to improve placement stability and promote a continuum of care for children and youth who have experienced abuse and neglect and require long-term placement with behavioral supports. The plan shall include the following in regards to these children and youth:

(i) Analysis of the cost-effectiveness and outcomes of existing placement options;

(ii) Development of common and consistent assessment criteria for determining the necessary level of care;

(iii) Delineation of a continuity of care continuum;

(iv) Identification of gaps in services with recommended strategies and costs for addressing those gaps, and;

(v) Development of models for stabilizing funding, including forecasting models, for all components of the service continuum.

(b) The children's administration shall submit the plan to the appropriate legislative committees by December 1, 2016.

(21) \$10,653,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the purpose of settling all claims and meeting the terms of the settlement agreement in the lawsuit *Perez v. Department of Social and Health Services*, United States District Court Western District of Washington at Tacoma, Cause No. 3:08-cv-05479-BHS, covering the payment of overtime for eligible class members and related employer taxes, retirement contributions, and other mandatory withholdings. Of the amount appropriated in this subsection, \$9,750,000 is to pay to eligible class members back wages and statutory damages. The expenditure of this appropriation is contingent on the

release of all claims in the case, and the total settlement costs paid to class members shall not exceed the designated amount provided in this subsection.

Sec. 1203. 2016 sp.s. c 36 s 203 (uncodified) is amended to read as follows:

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

General Fund—State Appropriation (FY 2016)	\$92,347,000
General Fund—State Appropriation (FY 2017)	(\$90,892,000)
	<u>\$92,319,000</u>
General Fund—Federal Appropriation	\$3,464,000
General Fund—Private/Local Appropriation	\$1,985,000
Washington Auto Theft Prevention Authority Account—	
State Appropriation	\$196,000
Juvenile Accountability Incentive Account—Federal	
Appropriation	(\$2,801,000)
	<u>\$1,400,000</u>
TOTAL APPROPRIATION	(\$191,685,000)
	<u>\$191,711,000</u>

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

(1) \$331,000 of the general fund—state appropriation for fiscal year 2016 and \$331,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for deposit in the county criminal justice assistance account for costs to the criminal justice system associated with the implementation of chapter 338, Laws of 1997 (juvenile code revisions). The amounts provided in this subsection are intended to provide funding for county adult court costs associated with the implementation of chapter 338, Laws of 1997 and shall be distributed in accordance with RCW 82.14.310.

(2) \$6,198,000 of the general fund—state appropriation for fiscal year 2016 and \$6,198,000 of the general fund—state appropriation for fiscal year 2017 are provided solely to implement community juvenile accountability grants pursuant to chapter 338, Laws of 1997 (juvenile code revisions). Funds provided in this subsection may be used solely for community juvenile accountability grants, administration of the grants, and evaluations of programs funded by the grants.

(3) \$1,130,000 of the general fund—state appropriation for fiscal year 2016 is provided solely to implement alcohol and substance abuse treatment programs for locally committed offenders. Funding for this purpose in fiscal year 2017 is provided through a memorandum of understanding with the department of social and health services alcohol and substance abuse program. The juvenile rehabilitation administration shall award these moneys on a competitive basis to counties that submitted a plan for the provision of services approved by the division of alcohol and substance abuse. The juvenile rehabilitation administration shall develop criteria for evaluation of plans submitted and a timeline for awarding funding and shall assist counties in creating and submitting plans for evaluation.

(4) \$3,123,000 of the general fund—state appropriation for fiscal year 2016 and \$2,841,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for grants to county juvenile courts for the following juvenile

justice programs identified by the Washington state institute for public policy (institute) in its report: "Inventory of Evidence-based, Research-based, and Promising Practices for Prevention and Intervention Services for Children and Juveniles in the Child Welfare, Juvenile Justice, and Mental Health Systems." Additional funding for this purpose in fiscal year 2017 is provided through a memorandum of understanding with the department of social and health services alcohol and substance abuse program. County juvenile courts shall apply to the juvenile rehabilitation administration for funding for program-specific participation and the administration shall provide grants to the courts consistent with the per-participant treatment costs identified by the institute.

(5) \$1,537,000 of the general fund—state appropriation for fiscal year 2016 and \$1,537,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for expansion of the following juvenile justice treatments and therapies in juvenile rehabilitation administration programs identified by the Washington state institute for public policy in its report: "Inventory of Evidence-based, Research-based, and Promising Practices for Prevention and Intervention Services for Children and Juveniles in the Child Welfare, Juvenile Justice, and Mental Health Systems." The administration may concentrate delivery of these treatments and therapies at a limited number of programs to deliver the treatments in a cost-effective manner.

(6)(a) The juvenile rehabilitation administration shall administer a block grant to county juvenile courts for the purpose of serving youth adjudicated in the county juvenile justice system. Funds dedicated to the block grant include: Consolidated juvenile service (CJS) funds, community juvenile accountability act (CJAA) grants, chemical dependency/mental health disposition alternative (CDDA), and suspended disposition alternative (SDA). The juvenile rehabilitation administration shall follow the following formula and will prioritize evidence-based programs and disposition alternatives and take into account juvenile courts program-eligible youth in conjunction with the number of youth served in each approved evidence-based program or disposition alternative: (i) Thirty-seven and one-half percent for the at-risk population of youth ten to seventeen years old; (ii) fifteen percent for moderate and high-risk youth; (iii) twenty-five percent for evidence-based program participation; (iv) seventeen and one-half percent for minority populations; (v) three percent for the chemical dependency disposition alternative; and (vi) two percent for the mental health and sentencing dispositional alternatives. Funding for the special sex offender disposition alternative (SSODA) shall not be included in the block grant, but allocated on the average daily population in juvenile courts. Funding for the evidence-based expansion grants shall be excluded from the block grant formula. Funds may be used for promising practices when approved by the juvenile rehabilitation administration and juvenile courts, through the community juvenile accountability act committee, based on the criteria established in consultation with Washington state institute for public policy and the juvenile courts.

(b) The juvenile rehabilitation administration and the juvenile courts shall establish a block grant funding formula oversight committee with equal representation from the juvenile rehabilitation administration and the juvenile courts. The purpose of this committee is to assess the ongoing implementation of the block grant funding formula, utilizing data-driven decision making and the

most current available information. The committee will be cochaired by the juvenile rehabilitation administration and the juvenile courts, who will also have the ability to change members of the committee as needed to achieve its purpose. Initial members will include one juvenile court representative from the finance committee, the community juvenile accountability act committee, the risk assessment quality assurance committee, the executive board of the Washington association of juvenile court administrators, the Washington state center for court research, and a representative of the superior court judges association; two representatives from the juvenile rehabilitation administration headquarters program oversight staff, two representatives of the juvenile rehabilitation administration regional office staff, one representative of the juvenile rehabilitation administration fiscal staff and a juvenile rehabilitation administration division director. The committee may make changes to the formula categories other than the evidence-based program and disposition alternative categories if it is determined the changes will increase statewide service delivery or effectiveness of evidence-based program or disposition alternative resulting in increased cost benefit savings to the state. Long-term cost benefit must be considered. Percentage changes may occur in the evidence-based program or disposition alternative categories of the formula should it be determined the changes will increase evidence-based program or disposition alternative delivery and increase the cost benefit to the state. These outcomes will also be considered in determining when evidence-based expansion or special sex offender disposition alternative funds should be included in the block grant or left separate.

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

(7) The juvenile courts and administrative office of the courts shall collect and distribute information related to program outcome and provide access to these data systems to the juvenile rehabilitation administration and Washington state institute for public policy. The agreements between administrative office of the courts, the juvenile courts, and the juvenile rehabilitation administration shall be executed to ensure that the juvenile rehabilitation administration receives the data that the juvenile rehabilitation administration identifies as needed to comply with this subsection. This includes, but is not limited to, information by program at the statewide aggregate level, individual court level, and individual client level for the purpose of the juvenile rehabilitation administration providing quality assurance and oversight for the locally committed youth block grant and associated funds and at times as specified by the juvenile rehabilitation administration as necessary to carry out these functions. The data shall be provided in a manner that reflects the collaborative work the juvenile rehabilitation administration and juvenile courts have developed regarding program outcomes that reinforce the greatest cost benefit to the state in the implementation of evidence-based practices and disposition alternatives.

(8) \$445,000 of the general fund—state appropriation for fiscal year 2016 and \$445,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for funding of the teamchild project.

(9) \$178,000 of the general fund—state appropriation for fiscal year 2016 and \$178,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the juvenile detention alternatives initiative.

(10) \$500,000 of the general fund—state appropriation for fiscal year 2016 and \$500,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for a grant program focused on criminal street gang prevention and intervention. The juvenile rehabilitation administration may award grants under this subsection. The juvenile rehabilitation administration shall give priority to applicants who have demonstrated the greatest problems with criminal street gangs. Applicants composed of, at a minimum, one or more local governmental entities and one or more nonprofit, nongovernmental organizations that have a documented history of creating and administering effective criminal street gang prevention and intervention programs may apply for funding under this subsection. Each entity receiving funds must report to the juvenile rehabilitation administration on the number and types of youth served, the services provided, and the impact of those services on the youth and the community.

(11) The juvenile rehabilitation institutions may use funds appropriated in this subsection to purchase goods and supplies through hospital group purchasing organizations when it is cost-effective to do so.

(12) \$250,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for implementation of Engrossed Substitute House Bill No. 2746 (juvenile offender treatment). ~~((If the bill is not enacted by June 30, 2016, the amount provided in this subsection shall lapse.))~~

Sec. 1204. 2016 sp.s. c 36 s 204 (uncodified) is amended to read as follows:

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

(1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

General Fund—State Appropriation (FY 2016)	\$310,977,000
General Fund—State Appropriation (FY 2017)	(\$355,262,000)
	<u>\$343,067,000</u>
General Fund—Federal Appropriation	(\$1,011,270,000)
	<u>\$986,307,000</u>
General Fund—Private/Local Appropriation	\$17,864,000
Dedicated Marijuana Account—State Appropriation (FY 2016)	\$2,778,000
Dedicated Marijuana Account—State Appropriation (FY 2017)	\$3,684,000
TOTAL APPROPRIATION	(\$1,701,835,000)
	<u>\$1,664,677,000</u>

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

(a) For the purposes of this subsection, the term "regional support networks," includes, effective April 1, 2016, behavioral health organizations

which assume the duties of regional support networks pursuant to chapter 225, Laws of 2014 (2SSB 6312).

(b) \$12,204,000 of the general fund—state appropriation for fiscal year 2016, (~~(\$13,761,000)~~) \$8,921,000 of the general fund—state appropriation for fiscal year 2017, and (~~(\$17,918,000)~~) \$15,312,000 of the general fund—federal appropriation are provided solely to reimburse regional support networks for increased utilization costs, as compared to utilization costs in fiscal year 2014, that are incurred in order to meet statutory obligations to provide individualized mental health treatment in appropriate settings to individuals who are detained or committed under the involuntary treatment act. Prior to distributing funds to a regional support network requesting reimbursement for costs relative to increased utilization, the department must receive adequate documentation of such increased utilization and costs. Regional support networks receiving funds for community hospitals or evaluation and treatment center beds under (p) of this subsection are only eligible for reimbursement that exceeds the total of their utilization costs in fiscal year 2014 and the costs of services provided with additional funds received under (p) of this subsection.

(c) \$2,452,000 of the general fund—state appropriation for fiscal year 2016, \$2,264,000 of the general fund—state appropriation for fiscal year 2017, and \$2,653,000 of the general fund—federal appropriation are provided solely for implementation of chapter 258, Laws of 2015 (E2SSB 5269) (involuntary treatment act). Regional support networks must use these amounts for involuntary treatment costs associated with implementation of this bill.

(d) \$3,776,000 of the general fund—state appropriation for fiscal year 2016, \$5,780,000 of the general fund—state appropriation for fiscal year 2017, and \$6,054,000 of the general fund—federal appropriation are provided solely for implementation of chapter 250, Laws of 2015 (E2SHB 1450) (involuntary outpatient treatment). Regional support networks must use these amounts for increases in community mental health treatment associated with implementation of this bill.

(e) \$81,180,000 of the general fund—state appropriation for fiscal year 2016 and \$81,180,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for persons and services not covered by the medicaid program. To the extent possible, levels of regional support network spending shall be maintained in the following priority order: Crisis and commitment services; community inpatient services; and residential care services, including personal care and emergency housing assistance. These amounts includes a reduction of \$4,715,000 for fiscal year 2016 and \$4,715,000 for fiscal year 2017 associated with a funding shift that allows for increased federal participation for community inpatient stays that were previously ineligible for federal matching funds. This reduction will be distributed to regional support networks based on the same proportions that were added to regional support network capitation ranges specific to the waiver that allowed for federal funds to be used for community inpatient stays that were previously ineligible for federal matching funds. The department must allow regional support networks to use medicaid capitation payments to provide services to medicaid enrollees that are in addition to those covered under the state plan in accordance with the conditions established under federal regulations governing medicaid managed care

contracts and subject to federal approval by the center for medicaid and medicare services.

(f) \$6,590,000 of the general fund—state appropriation for fiscal year 2016, \$6,590,000 of the general fund—state appropriation for fiscal year 2017, and \$7,620,000 of the general fund—federal appropriation are provided solely for the department and regional support networks to continue to contract for implementation of high-intensity programs for assertive community treatment (PACT) teams. In determining the proportion of medicaid and nonmedicaid funding provided to regional support networks with PACT teams, the department shall consider the differences between regional support networks in the percentages of services and other costs associated with the teams that are not reimbursable under medicaid. The department may allow regional support networks which have nonmedicaid reimbursable costs that are higher than the nonmedicaid allocation they receive under this section to supplement these funds with local dollars or funds received under section 204(1)(e) of this act. The department and regional support networks shall maintain consistency with all essential elements of the PACT evidence-based practice model in programs funded under this section.

(g) The number of nonforensic beds allocated for use by regional support networks at eastern state hospital shall be 192 per day. The number of nonforensic beds allocated for use by regional support networks at western state hospital shall be 587 per day in fiscal year 2016. Pursuant to Engrossed Second Substitute House Bill No. 2453 (state hospital oversight) or Substitute Senate Bill No. 6656 (state hospital practices), the department must transition and divert enough patients with long term care needs from western state hospital by January 1, 2017, to reduce the capacity needed for this population by 30 beds and the department must reduce the number of nonforensic beds allocated for use by regional support networks at western state hospital to 557. The department may contract through a regional support network for up to 30 local community hospital beds to provide treatment to individuals on a 90 day involuntary commitment order and must lower that regional support network's allocation of beds by the number of contracted beds.

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

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

(j) \$750,000 of the general fund—state appropriation for fiscal year 2016 and \$750,000 of the general fund—state appropriation for fiscal year 2017 are provided solely to continue performance-based incentive contracts to provide appropriate community support services for individuals with severe mental illness who were discharged from the state hospitals as part of the expanding community services initiative. These funds will be used to enhance community residential and support services provided by regional support networks through other state and federal funding.

(k) \$1,125,000 of the general fund—state appropriation for fiscal year 2016 and \$1,125,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the Spokane regional support network to implement services to reduce utilization and the census at eastern state hospital. Such services shall include:

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

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

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

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

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

(l) \$1,204,000 of the general fund—state appropriation for fiscal year 2016 and \$1,204,000 of the general fund—state appropriation for fiscal year 2017 are provided solely to reimburse Pierce and Spokane counties for the cost of conducting 180-day commitment hearings at the state psychiatric hospitals.

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

(n) \$2,291,000 of the general fund—state appropriation for fiscal year 2016 and \$2,291,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for mental health services for mentally ill offenders while confined in a county or city jail and for facilitating access to programs that offer mental health services upon release from confinement.

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

(p) \$9,184,000 of the general fund—state appropriation for fiscal year 2016, \$11,405,000 of the general fund—state appropriation for fiscal year 2017, and \$17,680,000 of the general fund—federal appropriation are provided solely for enhancement of community mental health services. The department must contract these funds for the operation of community programs in which the department determines there is a need for capacity that allows individuals to be diverted or transitioned from the state hospitals including but not limited to: (i) Community hospital or free standing evaluation and treatment services providing short-term detention and commitment services under the involuntary

treatment act to be located in the geographic areas of the King regional support network, the Spokane regional support network outside of Spokane county, and the Thurston Mason regional support network; (ii) one new full program of an assertive community treatment team in the King regional support network and two new half programs of assertive community treatment teams in the Spokane regional support network and the Pierce regional support network; and (iii) three new recovery support services programs in the Grays Harbor regional support network, the greater Columbia regional support network, and the north sound regional support network. In contracting for community evaluation and treatment services, the department may not use these resources in facilities that meet the criteria to be classified under federal law as institutions for mental diseases. If the department is unable to come to a contract agreement with a designated regional support network for any of the services identified above, it may consider contracting for that service in another regional support network that has the need for such service.

(q) The appropriations in this section include a reduction of \$16,462,000 in general fund—state and \$16,468,000 of general fund—federal expenditure authority. This reduction must be achieved by reducing regional support network medicaid rates for disabled adults, nondisabled adults, disabled children, and nondisabled children. No regional support network rate may be lowered below the low end of the rate range that is certified as actuarially sound. The department must work to develop updated minimum and maximum reserve levels that reflect the changes in the number of medicaid eligible individuals since reserve levels were originally set as well as the integration of substance use disorder services into managed care contracts funded within the amounts appropriated in this section. The department must submit a report to the office of financial management and the appropriate fiscal committees of the legislature by December 1, 2015, that includes the revised minimum and maximum reserve levels for medicaid and nonmedicaid behavioral health organization contracts.

(r) \$300,000 of the general fund—state appropriation for fiscal year 2016, \$1,394,000 of the general fund—state appropriation for fiscal year 2017, and \$2,020,000 of the general fund—federal appropriation are provided solely for implementation of chapter 7, Laws of 2015 1st sp. sess. (2E2SSB 5177) (timeliness of competency evaluation and restoration services). Regional support networks must use the amounts for outpatient mental health treatment costs associated with implementation of the bill.

(s) \$1,500,000 of the general fund—state appropriation for fiscal year 2017 is provided solely to support the southwest Washington region in transitioning to become an early adopter for full integration of physical and behavioral health care. These amounts must be used to provide a reserve for nonmedicaid services in the region and to stabilize the new crisis services system. The department and the health care authority must develop a memorandum of understanding on the use of these funds.

(t) By April 1, 2016, the department must establish minimum and maximum funding levels for all reserves allowed under behavioral health organization contracts and insert contract language that clearly states the requirements and limitations. The department must monitor and ensure that behavioral health organization reserves do not exceed maximum levels. The department must monitor behavioral health organization revenue and expenditure reports and

must require a behavioral health organization to submit a corrective action plan on how it will spend its excess reserves within a reasonable period of time, when its reported reserves exceed maximum levels established under the contract. The department must review and approve such plans and monitor to ensure compliance. If the department determines that a behavioral health organization has failed to provide an adequate excess reserve corrective action plan or is not complying with an approved plan, the department must reduce payments to the behavioral health organization in accordance with remedial actions provisions included in the contract. These reductions in payments must continue until the department determines that the behavioral health organization has come into substantial compliance with an approved excess reserve corrective action plan.

(u) \$2,000,000 of the general fund—state appropriation for fiscal year 2017 and \$762,000 of the general fund—federal appropriation for fiscal year 2017 are provided solely for four housing support and step down services teams.

(v) \$1,760,000 of the general fund—federal appropriation is provided solely for a pilot project to put peer bridging staff into each regional support network as part of the state psychiatric liaison teams to promote continuity of service as individuals return to their communities. The department must collect and make available data on the impact of peer staff on state hospital discharges and community placements.

(w) \$417,000 of the general fund—state appropriation for fiscal year 2017 and \$179,000 of the general fund—federal appropriation are provided solely for implementation of Second Substitute House Bill No. 1448 (suicide threat response). ~~((If the bill is not enacted by June 30, 2016, the amounts provided in this subsection shall lapse.))~~

(2) INSTITUTIONAL SERVICES

General Fund—State Appropriation (FY 2016)	\$178,731,000
General Fund—State Appropriation (FY 2017)	(\$196,851,000)
	<u>\$241,822,000</u>
General Fund—Federal Appropriation	(\$165,365,000)
	<u>\$167,693,000</u>
General Fund—Private/Local Appropriation	(\$49,742,000)
	<u>\$51,180,000</u>
Governor's Behavioral Health Innovation Fund—State Appropriation	\$6,777,000
TOTAL APPROPRIATION	(\$597,466,000)
	<u>\$646,203,000</u>

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

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

(b) \$231,000 of the general fund—state appropriation for fiscal year 2016 and \$231,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for a community partnership between western state hospital and the city of Lakewood to support community policing efforts in the Lakewood community surrounding western state hospital. The amounts provided in this subsection (2)(b) are for the salaries, benefits, supplies, and equipment for one

full-time investigator, one full-time police officer, and one full-time community service officer at the city of Lakewood.

(c) \$45,000 of the general fund—state appropriation for fiscal year 2016 and \$45,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for payment to the city of Lakewood for police services provided by the city at western state hospital and adjacent areas.

(d) \$9,571,000 of the general fund—state appropriation for fiscal year 2016 and \$17,287,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for implementation of efforts to improve the timeliness of competency restoration services pursuant to chapter 5, Laws of 2015 (SSB 5889) (timeliness of competency treatment and evaluation services). This funding must be used to increase the number of forensic beds at western state hospital to three hundred thirty and the number of forensic beds at eastern state hospital to one hundred twenty-five by June 30, 2017. Pursuant to chapter 7, Laws of 2015 1st sp. sess. (2E2SSB 5177) (timeliness of competency treatment and evaluation services), the department may contract some of these amounts for services at alternative locations if the secretary determines that there is a need.

(e) \$2,349,000 of the general fund—state appropriation for fiscal year 2016 and \$2,318,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for implementation of efforts to improve the timeliness of competency evaluation services for individuals who are in local jails pursuant to chapter 5, Laws of 2015 (SSB 5889) (timeliness of competency treatment and evaluation services). This funding must be used solely to increase the number of staff providing competency evaluation services.

(f) \$135,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the department to hire an on-site safety compliance officer, stationed at Western State Hospital, to provide oversight and accountability of the hospital's response to safety concerns regarding the hospital's work environment.

(g) \$600,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the department to contract with the University of Washington department of psychiatry and behavioral sciences. The University of Washington shall conduct an analysis and develop a plan to create a high quality forensic teaching unit in collaboration with Western State Hospital. The plan shall include an appraisal of risks, barriers, and benefits to implementation as well as an implementation timeline. The University of Washington shall report to the department, the office of financial management, and relevant policy and fiscal committees of the legislature on findings and recommendations by November 1, 2017.

(h) \$6,777,000 of the governor's behavioral health innovation fund appropriation is provided solely to improve the quality of care, patient and staff safety, and the efficiency of operations at the state hospitals pursuant to Engrossed Second Substitute House Bill No. 2453 (state hospital oversight) or Substitute Senate Bill No. 6656 (state hospital practices). In accordance with Engrossed Second Substitute House Bill No. 2453 or Substitute Senate Bill No. 6656, the department must apply to and receive approval from the office of financial management prior to expending appropriations from this account. If neither bill is enacted by June 30, 2016, the amounts provided in this subsection shall lapse. It is the intent of the legislature that the ongoing costs of services that

are implemented through these amounts be considered as maintenance level in the fiscal year 2017-2019 operating budget.

(i) \$510,000 of the general fund—state appropriation for fiscal year 2016 and \$6,256,000 of the general fund—state appropriation for fiscal year 2017 are provided solely to increase the number of funded registered nurses at western state hospital by 51 positions by July 1, 2016. If the department is unable to fill these positions by July 1, 2016, the department may develop an alternative plan for spending the amount proportional to the positions that are not filled. This plan must be submitted to the office of financial management following the same process established in Engrossed Second Substitute House Bill No. 2453 (state hospital oversight) or Substitute Senate Bill No. 6656 (state hospital practices) for applying for funds in the Governor's behavioral health innovation fund. The office of financial management may, after receiving input from the select committee created in Engrossed Second Substitute House Bill No. 2453 or Substitute Senate Bill No. 6656, approve that an amount proportional to the positions that are not filled be spent on the department's alternative plan.

(j) \$791,000 of the general fund—state appropriation for fiscal year 2016, \$1,456,000 of the general fund—state appropriation for fiscal year 2017, and \$199,000 of the general fund—federal appropriation are provided solely for the unilateral implementation of targeted job classification compensation increases as set forth in section 903 of this act, effective December 1, 2015, at eastern and western state hospitals. The legislature recognizes that the compensation increases were necessitated by an emergency and an imminent jeopardy determination by the centers for medicare and medicaid services that relates to the safety and health of clients and employees.

(k) \$611,000 of the general fund—state appropriation for fiscal year 2016, \$2,264,000 of the general fund—state appropriation for fiscal year 2017, and \$250,000 of the general fund—federal appropriation are provided solely for the implementation of a memorandum of understanding between the governor and the service employees international union healthcare 1199nw amending the collective bargaining agreement under chapter 41.80 RCW for the 2015-2017 fiscal biennium as set forth in section 902 of this act, effective December 1, 2015, at eastern and western state hospitals and the child study treatment center. The legislature recognizes that the memorandum of understanding was necessitated by an emergency and an imminent jeopardy determination by the center for medicare and medicaid services that relates to the safety and health of clients and employees.

(l) (~~(\$3,789,000)~~) \$2,425,000 of the general fund—state appropriation for fiscal year 2017 is provided solely to improve western state hospital patient and employee safety by opening a civil ward in order to reduce the patients per ward.

(m) \$224,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the department to hire two staff for western state hospital dedicated to discharge planning and coordination efforts between other parts of the department and with the regional support networks to more efficiently and properly discharge patients determined ready to go back to their communities.

(n) \$1,900,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the fifteen percent assignment pay increase for psychiatrist classifications at eastern and western state hospital granted during fiscal year 2015.

(o) \$891,000 of the general fund—state appropriation for fiscal year 2016, \$1,600,000 of the general fund—state appropriation for fiscal year 2017, and \$211,000 of the general fund—federal appropriation are provided solely for implementation of a new memorandum of understanding between the state and the union of physicians of Washington to increase compensation for physician and psychiatrist classifications under chapter 41.80 RCW for the 2015-2017 fiscal biennium pursuant to section 901 of this act. The memorandum of understanding reached between the state and the union of physicians of Washington effective December 1, 2015, is not approved. The amounts provided in this subsection are contingent on the state and the union of physicians of Washington reaching an agreement by June 30, 2016, that allows psychiatric advanced registered nurse practitioners and physician assistants to perform work and tasks that are currently or have been historically performed by physicians and psychiatrists at the state hospitals.

(p) \$19,000 of the general fund—state appropriation for fiscal year 2017 and \$1,000 of the general fund—federal appropriation are provided solely for nonrepresented state employees in targeted state employee job classifications as set forth in section 906 of this act.

(3) SPECIAL PROJECTS

General Fund—State Appropriation (FY 2016)	\$477,000
General Fund—State Appropriation (FY 2017)	\$490,000
General Fund—Federal Appropriation	(\$7,391,000)
	<u>\$8,274,000</u>
TOTAL APPROPRIATION	(\$8,358,000)
	<u>\$9,241,000</u>

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

(a) \$446,000 of the general fund—state appropriation for fiscal year 2016, \$446,000 of the general fund—state appropriation for fiscal year 2017, and \$178,000 of the general fund—federal appropriation are provided solely for the University of Washington's evidence-based practice institute which supports the identification, evaluation, and implementation of evidence-based or promising practices. The institute must work with the department to develop a plan to seek private, federal, or other grant funding in order to reduce the need for state general funds.

(b) No more than \$883,000 of the general fund—federal appropriation may be expended for supportive housing and supportive employment services described in initiative 3 of the medicaid transformation demonstration waiver currently being sought under healthier Washington. The authority shall not increase general fund—state expenditures on this initiative. The authority shall report to the fiscal committees of the legislature all expenditures under this subsection and shall provide such fiscal data in the manner, form, and time requested by the legislative fiscal committees.

(4) PROGRAM SUPPORT

General Fund—State Appropriation (FY 2016)	\$9,779,000
General Fund—State Appropriation (FY 2017)	(\$9,120,000)
	<u>\$9,874,000</u>

General Fund—Federal Appropriation	(\$12,025,000)
	<u>\$12,396,000</u>
General Fund—Private/Local Appropriation	\$502,000
TOTAL APPROPRIATION	(\$31,426,000)
	<u>\$32,551,000</u>

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

(a) In accordance with RCW 43.20B.110, 43.135.055, and 71.24.035, the department is authorized to adopt license and certification fees in fiscal years 2016 and 2017 to support the costs of the regulatory program. The department's fee schedule shall have differential rates for providers with proof of accreditation from organizations that the department has determined to have substantially equivalent standards to those of the department, including but not limited to the joint commission on accreditation of health care organizations, the commission on accreditation of rehabilitation facilities, and the council on accreditation. To reflect the reduced costs associated with regulation of accredited programs, the department's fees for organizations with such proof of accreditation must reflect the lower costs of licensing for these programs than for other organizations which are not accredited.

(b) In developing the new medicaid managed care rates under which the public mental health managed care system will operate, the department must seek to estimate the reasonable and necessary cost of efficiently and effectively providing a comparable set of medically necessary mental health benefits to persons of different acuity levels regardless of where in the state they live. The department must report to the office of financial management and to the relevant fiscal and policy committees of the legislature on its proposed new mental health managed care rate-setting approach by August 1, 2015, and again at least sixty days prior to implementation of new capitation rates.

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

(d) Pursuant to Engrossed Second Substitute House Bill No. 2453 (state hospital oversight) or Substitute Senate Bill No. 6656 (state hospital practices), \$260,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the department to contract with an external consultant to examine the clinical role of staffing at the state hospitals. The consultant shall report to the department, the office of financial management, and relevant legislative policy and fiscal committees on the consultant's findings and recommendations in accordance with the timelines established in Engrossed Second Substitute House Bill No. 2453 or Substitute Senate Bill No. 6656.

Sec. 1205. 2016 sp.s. c 36 s 205 (uncodified) is amended to read as follows:

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

(1) COMMUNITY SERVICES

General Fund—State Appropriation (FY 2016)	\$515,567,000
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General Fund—State Appropriation (FY 2017)	(\$575,185,000)
	<u>\$562,770,000</u>
General Fund—Federal Appropriation	(\$1,098,035,000)
	<u>\$1,085,125,000</u>
General Fund—Private/Local Appropriation	\$534,000
TOTAL APPROPRIATION	(\$2,189,321,000)
	<u>\$2,163,996,000</u>

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

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

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

(i) The current annual renewal license fee for adult family homes shall be \$225 per bed beginning in fiscal year 2016 and \$225 per bed beginning in fiscal year 2017. A processing fee of \$2,750 shall be charged to each adult family home when the home is initially licensed. This fee is nonrefundable.

(ii) The current annual renewal license fee for assisted living facilities shall be \$106 per bed beginning in fiscal year 2016 and \$106 per bed beginning in fiscal year 2017.

(iii) The current annual renewal license fee for nursing facilities shall be \$359 per bed beginning in fiscal year 2016 and \$359 per bed beginning in fiscal year 2017.

(c) \$8,571,000 of the general fund—state appropriation for fiscal year 2016, \$18,181,000 of the general fund—state appropriation for fiscal year 2017, and \$33,427,000 of the general fund—federal appropriation are provided solely for the implementation of the agreement reached between the governor and the service employees international union healthcare 775nw under the provisions of chapters 74.39A and 41.56 RCW for the 2015-2017 fiscal biennium.

(d) The department shall reimburse with the exceptional care rate adult family homes that provided care solely to clients with HIV/AIDS on or before January 1, 2000, and continue to provide care solely to clients with HIV/AIDS. The department shall not reduce the exceptional care rate from the rate paid on October 1, 2013.

(e) \$774,000 of the general fund—state appropriation for fiscal year 2016, \$1,547,000 of the general fund—state appropriation for fiscal year 2017, and \$7,185,000 of the general fund—federal appropriation are provided solely for a payment system that satisfies medicaid requirements regarding time reporting for W-2 providers. The amounts provided in this subsection are conditioned on the department satisfying the requirements of the project management oversight standards and policies established by the office of the chief information officer.

(f) \$1,184,000 of the general fund—state appropriation for fiscal year 2016, \$2,483,000 of the general fund—state appropriation for fiscal year 2017, and \$4,638,000 of the general fund—federal appropriation are provided solely for the homecare agency parity impacts of the agreement between the governor and the service employees international union healthcare 775nw.

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

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

(i) The department of social and health services shall increase the benchmark rates for community residential service businesses providing supported living, group home, and licensed staff residential services for people with developmental disabilities by sixty cents starting July 1, 2015, and by an additional sixty cents starting July 1, 2016.

(j) The department of social and health services shall standardize the administrative rate for community residential service businesses providing supported living, group home, and licensed staff residential services for people with developmental disabilities starting July 1, 2015.

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

(l) Within the amounts provided in this subsection, the developmental disabilities administration must prepare a report that describes options for modifying the current system of pre-vocational services for individuals with developmental disabilities. The developmental disabilities administration must not transition clients receiving pre-vocational services into integrated settings until the conclusion of the 2016 legislative session, unless there is a group supported employment, individual employment, or community access opportunity that is supported by the client and his or her legal representative. If a client transitions out of a congregate setting prior to December 1, 2016, then for each client, during the period before and after leaving the congregate setting, the report must describe the hours of service, hours worked, hourly wage, monthly earnings, authorized waiver services, and per capita expenditures. The report must be submitted to the appropriate fiscal and policy committees of the legislature by January 1, 2016. At a minimum, the report must describe the following options:

(i) Modify the current system to ensure compliance with rules established by the centers for medicare and medicaid services;

(ii) Continue the current system without federal matching funds; and

(iii) Transition clients out of congregate settings and into integrated settings. Under this option, the report must describe an anticipated phase-out schedule

and medicaid waiver services that could be authorized to mitigate the impact for transitioning clients.

(m) The department shall establish new rules and standards to ensure that adult family homes are monitored and licensed to meet the needs of young adults with a developmental disability. These adult family homes may require a package of services including specialized care assessment and planning, personal care, specialized environmental features, and accommodations.

(n) \$650,000 of the general fund—state appropriation for fiscal year 2016, \$650,000 of the general fund—state appropriation for fiscal year 2017, and \$800,000 of the general fund—federal appropriation are provided solely for the development and implementation of eight enhanced respite beds across the state for children. These services are intended to provide families and caregivers with a break in caregiving, the opportunity for behavioral stabilization of the child, and the ability to partner with the state in the development of an individualized service plan that allows the child to remain in his or her family home. The department must provide the legislature with a respite utilization report by January 2, 2016, and each year thereafter that provides information about the number of children who have used enhanced respite in the preceding year, as well as the location and number of days per month that each respite bed was occupied.

(o) \$550,000 of the general fund—state appropriation for fiscal year 2016, \$550,000 of the general fund—state appropriation for fiscal year 2017, and \$700,000 of the general fund—federal appropriation are provided solely for the development and implementation of eight community respite beds across the state for adults. These services are intended to provide families and caregivers with a break in caregiving and the opportunity for stabilization of the individual in a community-based setting as an alternative to using a residential habilitation center to provide planned or emergent respite. The department must provide the legislature with a respite utilization report by January 2, 2016, and each year thereafter that provides information about the number of individuals who have used community respite in the preceding year, as well as the location and number of days per month that each respite bed was occupied.

(p) \$46,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the implementation of either Substitute Senate Bill No. 6329 (parent-to-parent) or House Bill No. 2394 (parent-to-parent program). ~~((If neither bill is enacted by June 30, 2016, the amount provided in this subsection shall lapse.))~~

(q) \$901,000 of the general fund—state appropriation for fiscal year 2017 and \$601,000 of the general fund—federal appropriation are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 6564 (providing protections for persons with developmental disabilities). ~~((If this bill is not enacted by June 30, 2016, the amounts provided in this subsection shall lapse.))~~

(2) INSTITUTIONAL SERVICES

General Fund—State Appropriation (FY 2016)	\$94,973,000
General Fund—State Appropriation (FY 2017)	(\$98,257,000)
	<u>\$97,713,000</u>
General Fund—Federal Appropriation	(\$180,543,000)

	<u>\$180,170,000</u>
General Fund—Private/Local Appropriation	\$23,041,000
TOTAL APPROPRIATION	(\$396,814,000)
	<u>\$395,897,000</u>

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

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

(b) \$721,000 of the general fund—state appropriation for fiscal year 2016 and \$721,000 of the general fund—state appropriation for fiscal year 2017 are for the department to fulfill its contracts with the school districts under chapter 28A.190 RCW to provide transportation, building space, and other support services as are reasonably necessary to support the educational programs of students living in residential habilitation centers.

(c) \$558,000 of the general fund—state appropriation for fiscal year 2016, \$558,000 of the general fund—state appropriation for fiscal year 2017, and \$1,074,000 of the general fund—federal appropriation are for specialized services required by the centers for medicare and medicaid services as a result of preadmission screening and resident review assessments.

(d) \$2,978,000 of the general fund—state appropriation for fiscal year 2016, \$2,978,000 of the general fund—state appropriation for fiscal year 2017, and \$5,956,000 of the general fund—federal appropriation are for additional staff to ensure compliance with centers for medicare and medicaid services requirements for habilitation, nursing care, staff safety, and client safety at the residential habilitation centers.

(e) The residential habilitation centers may use funds appropriated in this subsection to purchase goods and supplies through hospital group purchasing organizations when it is cost-effective to do so.

(f) \$100,000 of the general fund—state appropriation for fiscal year 2016, \$100,000 of the general fund—state appropriation for fiscal year 2017, and \$200,000 of the general fund—federal appropriation are provided solely for respite services in an existing eight-bed cottage at Yakima valley school for individuals who are developmentally disabled and in need of crisis stabilization support.

(g) \$834,000 of the general fund—state appropriation for fiscal year 2017 and \$833,000 of the general fund—federal appropriation are provided solely for an additional eight planned respite beds at Yakima valley school.

(3) PROGRAM SUPPORT

General Fund—State Appropriation (FY 2016)	\$2,604,000
General Fund—State Appropriation (FY 2017)	(\$2,422,000)
	<u>\$2,348,000</u>
General Fund—Federal Appropriation	(\$3,164,000)
	<u>\$3,148,000</u>
TOTAL APPROPRIATION	(\$8,190,000)
	<u>\$8,100,000</u>

(4) SPECIAL PROJECTS

General Fund—State Appropriation (FY 2016)	.....	\$92,000
General Fund—State Appropriation (FY 2017)	.....	(\$55,000)
		<u>\$201,000</u>
General Fund—Federal Appropriation	.....	(\$1,103,000)
		<u>\$1,250,000</u>
TOTAL APPROPRIATION	.....	(\$1,250,000)
		<u>\$1,543,000</u>

Sec. 1206. 2016 sp.s. c 36 s 206 (uncodified) is amended to read as follows:

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

General Fund—State Appropriation (FY 2016)	.....	\$909,817,000
General Fund—State Appropriation (FY 2017)	.....	(\$1,030,159,000)
		<u>\$986,200,000</u>
General Fund—Federal Appropriation	.....	(\$2,385,151,000)
		<u>\$2,344,719,000</u>
General Fund—Private/Local Appropriation	.....	\$33,797,000
Traumatic Brain Injury Account—State Appropriation	.....	\$3,968,000
Skilled Nursing Facility Safety Net Trust Account—		
State Appropriation	.....	\$133,360,000
TOTAL APPROPRIATION	.....	(\$4,497,252,000)
		<u>\$4,411,861,000</u>

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

(1) For purposes of implementing chapter 74.46 RCW, the weighted average nursing facility payment rate shall not exceed \$178.87 for fiscal year 2016 and shall not exceed (~~(\$197.33)~~) \$196.41 for fiscal year 2017. There will be no adjustments for economic trends and conditions in fiscal years 2016 and 2017. The economic trends and conditions factor or factors defined in the biennial appropriations act shall not be compounded with the economic trends and conditions factor or factors defined in any other biennial appropriations acts before applying it to the component rate allocations established in accordance with chapter 74.46 RCW. When no economic trends and conditions factor for either fiscal year is defined in a biennial appropriations act, no economic trends and conditions factor or factors defined in any earlier biennial appropriations act shall be applied solely or compounded to the component rate allocations established in accordance with chapter 74.46 RCW.

(a) For fiscal year 2016 within the funds provided, the department shall continue to provide an add-on per medicaid resident day per facility not to exceed \$1.57. The add-on shall be used to increase wages, benefits, and/or staffing levels for certified nurse aides; or to increase wages and/or benefits for dietary aides, housekeepers, laundry aides, or any other category of worker whose statewide average dollars-per-hour wage was less than \$15 in calendar year 2008, according to cost report data. The add-on may also be used to address resulting wage compression for related job classes immediately affected by wage increases to low-wage workers. For fiscal year 2016 within funds provided, the department shall provide an additional add-on per medicaid resident day per

facility not to exceed the industry weighted average rate of \$2.44. The add-on shall be used to increase wages, benefits, and/or staffing levels for certified nurse aides; or to increase wages and/or benefits for dietary aides, housekeepers, laundry aides, or any other category of worker whose statewide average dollars-per-hour wage was less than \$17 in calendar year 2012, according to cost report data. The department shall continue reporting requirements and a settlement process to ensure that the funds are spent according to this subsection.

(b) The department shall do a comparative analysis of the facility-based payment rates calculated on July 1, 2015, using the payment methodology defined in chapter 74.46 RCW and as funded in the omnibus appropriations act, excluding the low wage worker add-on found in (a) of this subsection, the rate add-ons for direct care, support services, and therapy care found in (g) of this subsection, the comparative add-on, acuity add-on, and safety net reimbursement, to the facility-based payment rates in effect June 30, 2010. For fiscal year 2016, if the facility-based payment rate calculated on July 1, 2015, is smaller than the facility-based payment rate on June 30, 2010, then the difference shall be provided to the individual nursing facilities as an add-on payment per medicaid resident day.

(c) During the comparative analysis performed in subsection (b) of this section, for fiscal year 2016, if it is found that the direct care rate for any facility calculated using the payment methodology defined in chapter 74.46 RCW and as funded in the omnibus appropriations act, excluding the low wage worker add-on found in (a) of this subsection, the rate add-ons for direct care, support services, and therapy care found in (g) of this subsection, the comparative add-on, acuity add-on, and safety net reimbursement, is greater than the direct care rate in effect on June 30, 2010, then the facility shall receive a ten percent direct care rate add-on to compensate that facility for taking on more acute clients than they have in the past.

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

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

(f) If the waiver requested from the federal centers for medicare and medicaid services in relation to the safety net assessment is for any reason disapproved, (b), (c), (d), (g), and the fiscal year 2016 additional add-on in (a) of this subsection do not apply.

(g) For fiscal year 2016, the department shall provide the following rate add-ons per medicaid resident day:

- (i) A direct care rate add-on of \$3.63 per medicaid resident day;
- (ii) A support services rate add-on of \$1.12 per medicaid resident day; and
- (iii) A therapy care rate add-on of \$0.05 per patient day.

This subsection (1)(g) is subject to the reconciliation and settlement process provided in RCW 74.46.022(6).

(h) Beginning July 1, 2016, a nursing home provider's direct care rate shall be set so that it does not exceed one hundred and eighteen percent of its base

year's direct care allowable costs except if the provider is below the minimum staffing standard established in RCW 74.42.360(2).

(2) In accordance with chapter 74.46 RCW, the department shall issue no additional certificates of capital authorization for fiscal year 2016 and no new certificates of capital authorization for fiscal year 2017 and shall grant no rate add-ons to payment rates for capital improvements not requiring a certificate of need and a certificate of capital authorization for fiscal years 2016 and 2017.

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

(a) The current annual renewal license fee for adult family homes shall be \$225 per bed beginning in fiscal year 2016 and \$225 per bed beginning in fiscal year 2017. A processing fee of \$2,750 shall be charged to each adult family home when the home is initially licensed. This fee is nonrefundable.

(b) \$193,000 of the general fund—state appropriation for fiscal year 2017 is provided solely to the department to implement a new processing fee of \$700 when adult family home providers file a change of ownership application.

(c) The current annual renewal license fee for assisted living facilities shall be \$106 per bed beginning in fiscal year 2016 and \$106 per bed beginning in fiscal year 2017.

(d) The current annual renewal license fee for nursing facilities shall be \$359 per bed beginning in fiscal year 2016 and \$359 per bed beginning in fiscal year 2017.

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

(5) \$3,095,000 of the general fund—state appropriation for fiscal year 2017 and \$3,095,000 of the general fund—federal appropriation are provided within existing appropriations solely to exempt the five highest acuity resource utilization group categories (beginning with PC2 through PE2) from the adjustment to case mix index per RCW 74.46.485. Nursing homes shall be required to notify the department's identified home and community services division contact within 30 days of a medicaid resident being identified in one of the five lowest resource utilization group categories (beginning with PA1 through PC1). The department shall complete an assessment of those residents who desire to transition into a community setting. The department shall identify within 30 days whether an alternate setting of the client's choosing is available to meet the resident's needs. Nursing homes shall work collaboratively with the department to transition into the community at least ninety-six residents, assessed in the five lowest acuity resource utilization group categories (PA1 through PC1). For the first two quarters of fiscal year 2017, the downward adjustment shall be no greater than thirteen percent. If, after the first two quarters of fiscal year 2017, the department determines the nursing homes are not making sufficient progress towards moving ninety-six residents from the five lowest resource utilization group categories (PA1 through PC1) into the

community, the department is authorized to increase the downward adjustment to no greater than twenty percent for the lowest four resource utilization group categories (PA1 through PB2).

(6) \$19,747,000 of the general fund—state appropriation for fiscal year 2016, \$41,807,000 of the general fund—state appropriation for fiscal year 2017, and \$76,770,000 of the general fund—federal appropriation are provided solely for the implementation of the agreement reached between the governor and the service employees international union healthcare 775nw under the provisions of chapters 74.39A and 41.56 RCW for the 2015-2017 fiscal biennium.

(7) \$1,840,000 of the general fund—state appropriation for fiscal year 2016 and \$1,877,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for operation of the volunteer services program. Funding shall be prioritized towards serving populations traditionally served by long-term care services to include senior citizens and persons with disabilities.

(8) \$2,447,000 of the general fund—state appropriation for fiscal year 2016, \$4,894,000 of the general fund—state appropriation for fiscal year 2017, and \$22,725,000 of the general fund—federal appropriation are provided solely for a payment system that satisfies medicaid requirements regarding time reporting for W-2 providers. The amounts provided in this subsection are conditioned on the department satisfying the requirements of the project management oversight standards and policies established by the office of the chief information officer.

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

(10) \$7,552,000 of the general fund—state appropriation for fiscal year 2016, \$15,974,000 of the general fund—state appropriation for fiscal year 2017, and \$29,742,000 of the general fund—federal appropriation are provided solely for the homecare agency parity impacts of the agreement between the governor and the service employees international union healthcare 775nw.

(11) Within the amounts appropriated in this section of the general fund—state appropriation for fiscal years 2016 and 2017, the department shall assist the legislature to continue the work of the joint legislative executive committee on planning for aging and disability issues that is established by this subsection.

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

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

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

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

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

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

(vi) The insurance commissioner or his or her designee, who shall serve as an ex officio member; and

(vii) Other agency directors or designees as necessary.

(b) The committee must make recommendations and continue to identify key strategic actions to prepare for the aging of the population in Washington,

including state budget and policy options, by conducting at least, but not limited to, the following tasks:

(i) Identify strategies to better serve the health care needs of an aging population and people with disabilities to promote healthy living and palliative care planning;

(ii) Identify policy options to create financing mechanisms for long-term service and supports that allow individuals and families to meet their needs for service;

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

(iv) Identify implementation strategies for the Bree collaborative palliative care and related guidelines;

(v) Review the regulation of continuing care retirement communities and ways to protect those who reside in them, including the consideration of effective disclosures to residents;

(vi) Identify the needs of older people and people with disabilities for high quality public and private guardianship services and information about assisted decision-making options;

(vii) Identify options for promoting client safety through residential care services and consider methods of protecting older people and people with disabilities from physical abuse and financial exploitation; and

(viii) Identify other policy options and recommendations to help communities adapt to the aging demographic in planning for housing, land use, and transportation.

(c) Staff support for the committee shall be provided by the office of program research, senate committee services, the office of financial management, and the department of social and health services.

(d) Within existing appropriations, the cost of meetings must be paid jointly by the senate, house of representatives, and the office of financial management. Joint committee expenditures are subject to approval by the senate facilities and operations committee and the house of representatives executive rules committee, or their successor committees. The joint committee members may be reimbursed for travel expenses as authorized under RCW 43.03.050 and 43.03.060, and chapter 44.04 RCW as appropriate. Advisory committee members may not receive compensation or reimbursement for travel and expenses.

(e) At least one committee meeting must be devoted to a discussion of strategies to improve the quality of care, client safety and well-being, and staff safety within all community and institutional settings. During the meeting, committee members must receive a comprehensive review of findings since fiscal year 2010 by the centers for medicare and medicaid services, and residential care services, in community settings, nursing homes, and each of the residential habilitation centers, with an emphasis on medical errors, inconsistencies between service plans and services provided, the use of restraints, and existence of hazardous environmental conditions.

(f) The committee shall issue an addendum report to the legislature by December 10, 2015, and issue final recommendations to the governor and

relevant standing committees of the legislature by December 10, 2016. The addendum report to the legislature must include the following:

(i) A description of the oversight role for residential care services, the long-term care ombuds, the centers for medicare and medicaid services, and disability rights Washington;

(ii) From the provider perspective, and the perspective of a state agency, an overview of the process for reviewing and responding to findings by residential care services and the centers for medicare and medicaid services;

(iii) A description of the process for notifying the office of the governor and the legislature when problems with quality of care, client safety and well-being, or staff safety arise within community or institutional settings;

(iv) A compilation of findings since fiscal year 2010 by the centers for medicare and medicaid services, and residential care services, at the residential habilitation centers, nursing facilities, supported living, assisted living, group homes, companion homes, adult family homes, and all other community based providers;

(v) An annotated and detailed list of all responses to findings by the centers for medicare and medicaid services, and residential care services, specific to audits of the nursing facility at lakeland village since fiscal year 2010;

(vi) Review the regulation of continuing care retirement communities and ways to protect those who reside in them, including the consideration of effective disclosures to residents;

(vii) Identify the needs of older people and people with disabilities for high quality public and private guardianship services and information about assisted decision-making options;

(viii) Identify options for promoting client safety through residential care services and consider methods of protecting older people and people with disabilities from physical abuse and financial exploitation; and

(ix) A description of the method in place to ascertain the outcome of responses to findings.

(12) \$5,094,000 of the general fund—state appropriation for fiscal year 2016 and \$5,094,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for services and support to individuals who are deaf, hard of hearing, or deaf-blind.

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

(14) The department shall reimburse with the exceptional care rate adult family homes that provided care solely to clients with HIV/AIDS on or before January 1, 2000, and continue to provide care solely to clients with HIV/AIDS. The department shall not reduce the exceptional care rate from the rate paid on October 1, 2013.

(15)(a) \$100,000 of the general fund—state appropriation for fiscal year 2016, \$100,000 of the general fund—private/local appropriation, and \$200,000 of the general fund—federal appropriation are provided solely for the department of social and health services to contract for an independent feasibility study and actuarial modeling of public and private options for leveraging private resources to help individuals prepare for long-term services and supports needs. The study must model two options: (i) A public long-term care benefit for workers, funded through a payroll deduction that would provide a time-limited long-term care insurance benefit; and (ii) a public-private reinsurance or risk-sharing model, with the purpose of providing a stable and ongoing source of reimbursement to insurers for a portion of their catastrophic long-term services and supports losses in order to provide additional insurance capacity for the state.

(b) The report must include input from the joint committee on aging and disability and other interested stakeholders. The report must also include an analysis of each option based on: (i) The expected costs and benefits for participants; (ii) the total anticipated number of participants; (iii) the projected savings to the state medicaid program, if any; and (iv) legal and financial risks to the state.

(c) The department must provide status updates to the joint legislative executive committee on aging and disability. The feasibility study and actuarial analysis shall be completed and submitted to the department of social and health services by December 20, 2016. The department shall submit a report, including the director's findings and recommendations based on the feasibility study and actuarial analysis, to the governor and the legislature by January 1, 2017.

(16) \$6,195,000 of the general fund—state appropriation for fiscal year 2016, \$13,195,000 of the general fund—state appropriation for fiscal year 2017, and \$20,288,000 of the general fund—federal appropriation are provided solely to implement House Bill No. 1274 (nursing home payment rates).

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

(18) \$58,000 of the general fund—state appropriation for fiscal year 2016, \$58,000 of the general fund—state appropriation for fiscal year 2017, and \$114,000 of the general fund—federal appropriation are provided solely to implement Substitute Senate Bill No. 5877 (due process for adult family homes).

(19) \$468,000 of the general fund—state appropriation for fiscal year 2017 is provided solely to expand the kinship navigator program to the Colville Indian reservation, Yakama Nation, and other tribal areas currently without kinship navigator services.

(20) \$37,000 of the general fund—state appropriation for fiscal year 2017 is provided solely to implement Second Substitute House Bill No. 2726 (retirement communities). ~~((If the bill is not enacted by June 30, 2016, the amount provided in this subsection shall lapse.))~~

(21) The department shall provide the legislature an analysis of expenditures for medicaid clients served in adult family homes and assisted living facilities by acuity level. The analysis shall include all services provided to medicaid clients in each care setting, including all services covered by the

daily rate, and services provided in addition to the daily rate. The department shall submit the report to the legislature by November 15, 2016.

(22) \$308,000 of the general fund—state appropriation for fiscal year 2017 and \$77,000 of the general fund—federal appropriation are provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 6564 (providing protections for persons with developmental disabilities). ~~((If this bill is not enacted by June 30, 2016, the amounts provided in this subsection shall lapse.))~~

(23) \$537,000 of the general fund—state appropriation for fiscal year 2017 and \$538,000 of the general fund—federal appropriation are provided solely for implementation of Substitute Senate Bill No. 6656 (state hospital practices) ~~((or Engrossed Second Substitute House Bill No. 2453 (state hospital oversight)))~~. The department shall contract with a nursing home facility with an enhanced staffing model able to care for patients coming out of western state hospital. The department must identify and must discharge at least thirty patients from a geriatric ward at western state hospital to alternative settings by January 1, 2017, by utilizing enhanced services facilities and enhanced community services plus nursing home beds. ~~((If neither bill is enacted by June 30, 2016, the amounts provided in this subsection shall lapse.))~~

(24) No more than \$1,221,000 of the general fund—federal appropriation may be expended for supportive housing and employment services described in initiative 3 of the medicaid transformation demonstration waiver currently being sought under healthier Washington.

(25) No more than \$3,680,000 of the general fund—federal appropriation may be expended for tailored support for older adults and medical alternative care described in initiative 2 of the medicaid transformation demonstration waiver currently being sought under healthier Washington.

Sec. 1207. 2016 sp.s. c 36 s 207 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—
ECONOMIC SERVICES PROGRAM**

General Fund—State Appropriation (FY 2016)	\$396,066,000
General Fund—State Appropriation (FY 2017)	(\$418,020,000)
	<u>\$391,314,000</u>
General Fund—Federal Appropriation	(\$1,301,431,000)
	<u>\$1,310,773,000</u>
General Fund—Private/Local Appropriation	\$1,950,000
Administrative Contingency Account—State Appropriation	\$17,000,000
TOTAL APPROPRIATION	(\$2,134,467,000)
	<u>\$2,117,103,000</u>

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

(1)(a) \$152,953,000 of the general fund—state appropriation for fiscal year 2016, ~~(\$171,299,000)~~ \$149,163,000 of the general fund—state appropriation for fiscal year 2017, ~~(\$779,366,000)~~ \$781,778,000 of the general fund—federal appropriation, and \$17,000,000 of the administrative contingency account—state appropriation are provided solely for all components of the WorkFirst program. Within the amounts provided for the WorkFirst program, the

department may provide assistance using state-only funds for families eligible for temporary assistance for needy families. The department must create a WorkFirst budget structure that allows for transparent tracking of budget units and subunits of expenditures where these units and subunits are mutually exclusive from other department budget units. The budget structure must include budget units for the following: Cash assistance, child care, WorkFirst activities, and administration of the program. Within these budget units, the department must develop program index codes for specific activities and develop allotments and track expenditures using these codes. The department shall report to the office of financial management and the relevant fiscal and policy committees of the legislature prior to adopting the new structure and no later than December 2015.

(b) (~~(\$316,460,000)~~) \$302,276,000 of the amounts in (a) of this subsection are provided solely for assistance to clients, including grants, diversion cash assistance, and additional diversion emergency assistance including but not limited to assistance authorized under RCW 74.08A.210. The department may use state funds to provide support to working families that are eligible for temporary assistance for needy families but otherwise not receiving cash assistance.

(c) (~~(\$163,200,000)~~) \$162,276,000 of the amounts in (a) of this subsection are provided solely for WorkFirst job search, education and training activities, barrier removal services, limited English proficiency services, and tribal assistance under RCW 74.08A.040. The department must allocate this funding based on client outcomes and cost effectiveness measures.

(d) (~~(\$477,029,000)~~) \$462,401,000 of the amounts in (a) of this subsection are provided solely for the working connections child care program under RCW 43.215.135. Of the amounts provided in this subsection (1)(d), \$22,040,000 of the appropriation for fiscal year 2017 is provided solely for implementation of chapter 7, Laws of 2015 3rd sp. sess. (early care and education system). Of the amounts provided in this subsection (1)(d), \$8,048,000 of the appropriation for fiscal year 2017 is provided solely for a base rate increase. This funding is for the supplemental agreement to the 2015-2017 collective bargaining agreement covering family child care providers as set forth in section 905 of this act. The amounts provided in this subsection (d) are provided conditioned on the department of social and health services and the department of early learning taking additional actions to identify and reduce the backlog of overpayment cases related to public assistance programs, including the working connections child care program. The departments shall collaborate and create a plan to triage overpayment cases in a manner that identifies and prioritizes cases with large overpayments and likelihood of fraudulent activity. The departments shall provide a quarterly report to the appropriate policy and fiscal committees of the legislature detailing the specific actions taken as a result of this subsection (d).

(e) (~~(\$163,928,000)~~) \$173,940,000 of the amounts in (a) of this subsection are provided solely for WorkFirst and working connections child care administration and overhead. Of amounts provided in this subsection (1)(e), \$41,000 of the appropriation for fiscal year 2016 is provided solely for implementation of chapter 7, Laws of 2015 3rd sp. sess. (early care and education system).

(f) The amounts in (b) through ~~((d))~~ (e) of this subsection shall be expended for the programs and in the amounts specified. However, the department may transfer up to 10 percent of funding between (b) through ~~((d))~~ (e) of this subsection. The department shall provide notification prior to any transfer to the office of financial management and to the appropriate legislative committees and the legislative-executive WorkFirst oversight task force. The approval of the director of financial management is required prior to any transfer under this subsection.

(g) Beginning July 1, 2016, and each calendar quarter thereafter, the department shall provide a maintenance of effort and participation rate tracking report for temporary assistance for needy families to the office of financial management, the appropriate policy and fiscal committees of the legislature, and the legislative-executive WorkFirst oversight task force. The report must detail the following information for temporary assistance for needy families:

(i) An overview of federal rules related to maintenance of effort, excess maintenance of effort, participation rates for temporary assistance for needy families, and the child care development fund as it pertains to maintenance of effort and participation rates;

(ii) Countable maintenance of effort and excess maintenance of effort, by source, provided for the previous federal fiscal year;

(iii) Countable maintenance of effort and excess maintenance of effort, by source, for the current fiscal year, including changes in countable maintenance of effort from the previous year;

(iv) The status of reportable federal participation rate requirements, including any impact of excess maintenance of effort on participation targets;

(v) Potential new sources of maintenance of effort and progress to obtain additional maintenance of effort; and

(vi) A two-year projection for meeting federal block grant and contingency fund maintenance of effort, participation targets, and future reportable federal participation rate requirements.

(h) In the 2017-2019 fiscal biennium, it is the intent of the legislature to provide appropriations from the state general fund for the purposes of (b) through (e) of this subsection if the department does not receive additional federal temporary assistance for needy families contingency funds in each fiscal year as assumed in the budget outlook.

(2) \$1,657,000 of the general fund—state appropriation for fiscal year 2016 and \$1,657,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for naturalization services.

(3) \$2,366,000 of the general fund—state appropriation for fiscal year 2016 is provided solely for employment services for refugees and immigrants, of which \$1,774,000 is provided solely for the department to pass through to statewide refugee and immigrant assistance organizations for limited English proficiency pathway services; and \$2,366,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for employment services for refugees and immigrants, of which \$1,774,000 is provided solely for the department to pass through to statewide refugee and immigrant assistance organizations for limited English proficiency pathway services.

(4) On December 1, 2015, and annually thereafter, the department must report to the legislature on all sources of funding available for both refugee and

immigrant services and naturalization services during the current fiscal year and the amounts expended to date by service type and funding source. The report must also include the number of clients served and outcome data for the clients.

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

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

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

(8) \$300,000 of the general fund—federal appropriation is provided solely for implementation of Second Substitute House Bill No. 2877 (SNAP benefit distribution dates), provided that the department confirms receipt of SNAP Bonus payments sufficient for the cost of implementing the bill. ~~((If the bill is not enacted by June 30, 2016, the amount provided in this subsection shall lapse.))~~

Sec. 1208. 2016 sp.s. c 36 s 208 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—ALCOHOL AND SUBSTANCE ABUSE PROGRAM

General Fund—State Appropriation (FY 2016)	\$64,261,000
General Fund—State Appropriation (FY 2017)	(\$66,185,000)
	<u>\$60,811,000</u>
General Fund—Federal Appropriation	(\$519,951,000)
	<u>\$523,815,000</u>
General Fund—Private/Local Appropriation	\$20,211,000
Criminal Justice Treatment Account—State	
Appropriation	\$12,478,000
Problem Gambling Account—State Appropriation	\$1,453,000
Dedicated Marijuana Account—State Appropriation	
(FY 2016)	\$10,736,000
Dedicated Marijuana Account—State Appropriation	
(FY 2017)	\$24,802,000
TOTAL APPROPRIATION	(\$720,077,000)
	<u>\$718,567,000</u>

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

(1) Within the amounts appropriated in this section, the department may contract with the University of Washington and community-based providers for the provision of the parent-child assistance program or other specialized

chemical dependency case management providers for pregnant, post-partum, and parenting women. For all contractors: (a) Service and other outcome data must be provided to the department by request; and (b) indirect charges for administering the program shall not exceed ten percent of the total contract amount.

(2) In accordance with RCW 70.96A.090 and 43.135.055, the department is authorized to adopt fees for the review and approval of treatment programs in fiscal years 2016 and 2017 as necessary to support the costs of the regulatory program. The department's fee schedule shall have differential rates for providers with proof of accreditation from organizations that the department has determined to have substantially equivalent standards to those of the department, including but not limited to the joint commission on accreditation of health care organizations, the commission on accreditation of rehabilitation facilities, and the council on accreditation. To reflect the reduced costs associated with regulation of accredited programs, the department's fees for organizations with such proof of accreditation must reflect the lower cost of licensing for these programs than for other organizations which are not accredited.

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

(4) \$421,000 of the general fund—state appropriation for fiscal year 2016, \$873,000 of the general fund—state appropriation for fiscal year 2017, and \$1,787,000 of the general fund—federal appropriation are provided solely for implementation of chapter 50, Laws of 2015 (E2SHB 1450) (involuntary outpatient treatment). The department must use these amounts for increases in alcohol and substance abuse treatment associated with implementation of the bill.

(5) \$200,000 of the dedicated marijuana account—state appropriation for fiscal year 2016 and \$200,000 of the dedicated marijuana account—state appropriation for fiscal year 2017 are provided solely for a contract with the Washington state institute for public policy to conduct cost-benefit evaluations of the implementation of chapter 3, Laws of 2013 (Initiative Measure No. 502).

(6) \$500,000 of the dedicated marijuana account—state appropriation for fiscal year 2016 and \$500,000 of the dedicated marijuana account—state appropriation for fiscal year 2017 are provided solely to design and administer the Washington state healthy youth survey and the Washington state young adult behavioral health survey.

(7) \$395,000 of the dedicated marijuana account—state appropriation for fiscal year 2016 and \$396,000 of the dedicated marijuana account—state appropriation for fiscal year 2017 are provided solely for increasing services to pregnant and parenting women provided through the parent child assistance program.

(8) \$250,000 of the dedicated marijuana account—state appropriation for fiscal year 2016 and \$250,000 of the dedicated marijuana account—state appropriation for fiscal year 2017 are provided solely for a grant to the office of superintendent of public instruction to provide life skills training to children and youth in schools that are in high needs communities.

(9) \$386,000 of the dedicated marijuana account—state appropriation for fiscal year 2016 and \$386,000 of the dedicated marijuana account—state appropriation for fiscal year 2017 are provided solely to increase prevention and treatment services provided by tribes to children and youth.

(10) \$683,000 of the dedicated marijuana account—state appropriation for fiscal year 2016, \$2,684,000 of the dedicated marijuana account—state appropriation for fiscal year 2017, and \$1,900,000 of the general fund—federal appropriation are provided solely to increase residential treatment services for children and youth.

(11) \$250,000 of the dedicated marijuana account—state appropriation for fiscal year 2016 and \$250,000 of the dedicated marijuana account—state appropriation for fiscal year 2017 are provided solely for training and technical assistance for the implementation of evidence based, research based, and promising programs which prevent or reduce substance use disorders.

(12) \$1,000,000 of the dedicated marijuana account—state appropriation for fiscal year 2016 and \$2,434,000 of the dedicated marijuana account—state appropriation for fiscal year 2017 are provided solely for expenditure into the home visiting services account.

(13) \$3,278,000 of the dedicated marijuana account—state appropriation for fiscal year 2017 is provided solely for a memorandum of understanding with the department of social and health services juvenile rehabilitation administration to provide substance abuse treatment programs for juvenile offenders. Of the amounts provided in this subsection:

(a) \$1,130,000 of the dedicated marijuana account—state appropriation for fiscal year 2017 is provided solely for alcohol and substance abuse treatment programs for locally-committed offenders. The juvenile rehabilitation administration shall award these funds as described in section 203(3) of this act.

(b) \$282,000 of the dedicated marijuana account—state appropriation for fiscal year 2017 is provided solely for the expansion of evidence-based treatments and therapies as described in section 203(4) of this act.

(14) \$2,500,000 of the dedicated marijuana account—state appropriation for fiscal year 2016 and \$2,500,000 of the dedicated marijuana account—state appropriation for fiscal year 2017 are provided solely for grants to community-based programs that provide prevention services or activities to youth, including programs for school-based resource officers. These funds must be utilized in accordance with RCW 69.50.540.

(15) Within the amounts provided in this section, regional support networks must provide outpatient chemical dependency treatment for offenders enrolled in the medicaid program who are supervised by the department of corrections pursuant to a term of community supervision beginning in April 2016. Effective April 1, 2016, contracts with regional support networks must require that regional support networks include in their provider network specialized expertise in the provision of manualized, evidence-based chemical dependency treatment services for offenders. The department of corrections and the department of social and health services must develop a memorandum of understanding for department of corrections offenders on active supervision who are medicaid eligible and meet medical necessity for outpatient substance use disorder treatment. The agreement will ensure that treatment services provided are coordinated, do not result in duplication of services, and maintain access and

quality of care for the individuals being served. The department of social and health services must provide all necessary data, access, and reports to the department of corrections for all department of corrections offenders that receive medicaid paid services.

(16) During the 2015-2017 fiscal biennium, any amounts provided in this section that are used for case management services for pregnant and parenting women must be contracted directly between the department and providers rather than through contracts with behavioral health organizations. By December 1, 2016, the department must provide a report to the office of financial management and the appropriate committees of the legislature on the readiness for behavioral health organizations to assume the contracts for case management services for pregnant and parenting women.

(17) \$100,000 of the general fund—state appropriation for fiscal year 2016 and \$100,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for parenting education services focused on pregnant and parenting women.

(18) Within existing appropriations, the department shall prioritize the prevention and treatment of intravenous opiate-based drug use.

(19) \$250,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for a contract with the Washington State University for the research and development of a marijuana breathalyzer.

(20) \$438,000 of the general fund—state appropriation for fiscal year 2017 and \$185,000 of the general fund—federal appropriation are provided solely for implementation of Third Substitute House Bill No. 1713 (mental health, chemical dependency). ~~((If the bill is not enacted by June 30, 2016, the amounts provided in this subsection shall lapse.))~~

(21) Within the amounts appropriated in this section, the department of social and health services and the health care authority must provide quarterly reports to the chairs of the house of representatives health care and wellness committee, the house of representatives early learning and human services committee, the senate health care committee, and the senate human services, mental health, and housing committee on the integration of mental health and chemical dependency treatment purchasing through behavioral health organizations and the southwest Washington early adopter model. These reports must include, but are not limited to, an update on reimbursement rates and contracts for providing residential chemical dependency treatment; the numbers of referrals and length of stay for patients referred to chemical dependency treatment; the timing of authorization and payment to providers; the compatibility of patient electronic medical record data between behavioral health organizations, managed care organizations in the southwest Washington regional service area, and providers; and the status of contracted providers. Behavioral health organizations and managed care organizations in the southwest Washington regional service area must be required to immediately report when notified that a provider is in jeopardy of closure. The department and the health care authority must immediately assess whether and take actions to ensure that the behavioral health organization or managed care plans impacted by the provider closure have an adequate transition plan to maintain an adequate network and provide access to medically necessary treatment services for enrollees. These reports shall begin April 1, 2016, and end on October 31, 2016.

(22) Within existing appropriations for fiscal year 2017, the department shall conduct a two-part study of substance use provider capacity and substance use provider outcomes in the state. The provider capacity report must provide information about publicly funded providers, including their number, geographical location, populations served, and treatment methodologies employed. The provider outcome report must examine variation in client outcome for these providers using statistical models to mitigate the impact of case mix. Where possible, outcomes must be aligned with specifications developed as directed by Second Substitute Senate Bill No. 5732, (chapter 338, Laws of 2013) and Engrossed Substitute House Bill No. 1519 (chapter 320, Laws of 2013). The two reports shall be submitted to the governor and appropriate committees of the legislature by June 1, 2017.

(23) \$500,000 of the criminal justice treatment account—state appropriation is provided solely to increase funding for substance abuse treatment and support services for offenders and to support drug courts.

Sec. 1209. 2016 sp.s. c 36 s 209 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—
VOCATIONAL REHABILITATION PROGRAM**

General Fund—State Appropriation (FY 2016)	\$12,866,000
General Fund—State Appropriation (FY 2017)	(\$13,353,000)
	<u>\$13,414,000</u>
General Fund—Federal Appropriation	(\$98,491,000)
	<u>\$109,988,000</u>
TOTAL APPROPRIATION	(\$124,710,000)
	<u>\$136,268,000</u>

The appropriations in this section are subject to the following conditions and limitations: \$11,510,000 of the general fund—federal appropriation is provided solely for the department to spend existing federal grant dollars to meet new program demands pursuant to the WorkForce innovation and opportunity act.

Sec. 1210. 2016 sp.s. c 36 s 210 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—
SPECIAL COMMITMENT PROGRAM**

General Fund—State Appropriation (FY 2016)	\$39,490,000
General Fund—State Appropriation (FY 2017)	(\$40,823,000)
	<u>\$42,488,000</u>
TOTAL APPROPRIATION	(\$80,313,000)
	<u>\$81,978,000</u>

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

(1) \$78,000 of the general fund—state appropriation for fiscal year 2016 and \$78,000 of the general fund—state appropriation for fiscal year 2017 are provided solely to implement House Bill No. 1059 (sexually violent predators).

(2) The department shall review its current food services for the special commitment center for opportunities to consolidate and centralize, emphasizing

opportunities for increased efficiency. The department shall consider consolidating and centralizing the department's institutional food service by examining: (a) Consistent daily meals across institutions; (b) off-site meal preparation and cook-chill meals; and (c) increased use of the department of correction's correctional industries institutional food service. Any food service improvements must account for special diets and consistency with established dietary intakes of the food and nutrition board of the national research council.

(3) Within the amounts provided in this section, the special commitment center must explore entering into an interagency agreement with the University of Washington. The interagency agreement would allow the department to receive drug pricing under 340B of the public health services act for drug purchases associated with treating patients with hepatitis C or other diseases, whereby the university is acting as the covered entity or safety-net provider. In cooperation with the University of Washington, the special commitment center must provide an estimate of the fiscal impact of a successful agreement of this nature, to be included in the report provided to the legislature under section 606 of this act.

(4) The special commitment center may use funds appropriated in this subsection to purchase goods and supplies through hospital group purchasing organizations when it is cost-effective to do so.

(5) \$15,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the implementation of a memorandum of understanding between the governor and the service employees international union healthcare 1199nw amending the collective bargaining under chapter 41.80 RCW for the 2015-2017 fiscal biennium as set forth in section 902 of this act. The legislature recognizes that the memorandum of understanding was necessitated by an emergency and an imminent jeopardy determination by the center for medicare and medicaid services that relates to the safety and health of clients and employees.

Sec. 1211. 2016 sp.s. c 36 s 211 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—
ADMINISTRATION AND SUPPORTING SERVICES PROGRAM**

General Fund—State Appropriation (FY 2016)	\$34,207,000
General Fund—State Appropriation (FY 2017)	(\$34,533,000)
	<u>\$34,943,000</u>
General Fund—Federal Appropriation	(\$41,153,000)
	<u>\$41,312,000</u>
General Fund—Private/Local Appropriation	\$654,000
TOTAL APPROPRIATION	(\$110,547,000)
	<u>\$111,116,000</u>

The appropriations in this section are subject to the following conditions and limitations: \$300,000 of the general fund—state appropriation for fiscal year 2016 and \$300,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for a Washington state mentoring organization to continue its public-private partnerships to provide technical assistance and training to mentoring programs that serve at-risk youth.

Sec. 1212. 2016 sp.s. c 36 s 212 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—
PAYMENTS TO OTHER AGENCIES PROGRAM**

General Fund—State Appropriation (FY 2016)	\$72,717,000
General Fund—State Appropriation (FY 2017)	(\$76,957,000)
	<u>\$77,640,000</u>
General Fund—Federal Appropriation	(\$58,973,000)
	<u>\$59,216,000</u>
TOTAL APPROPRIATION	(\$208,647,000)
	<u>\$209,573,000</u>

The appropriations in this section are subject to the following conditions and limitations: \$8,000 of the general fund—state appropriation for fiscal year 2017 is provided solely to implement chapter 240, Laws of 2015 (extended foster care).

*Sec. 1213. 2016 sp.s. c 36 s 213 (uncodified) is amended to read as follows:

FOR THE STATE HEALTH CARE AUTHORITY

During the 2015-2017 fiscal biennium, the health care authority shall provide support and data as required by the office of the state actuary in providing the legislature with health care actuarial analysis, including providing any information in the possession of the health care authority or available to the health care authority through contracts with providers, plans, insurers, consultants, or any other entities contracting with the health care authority.

Information technology projects or investments and proposed projects or investments impacting time capture, payroll and payment processes and systems, eligibility, case management, and authorization systems within the health care authority are subject to technical oversight by the office of the chief information officer.

The health care authority shall not initiate any services that require expenditure of state general fund moneys unless expressly authorized in this act or other law. The health care authority 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 health care authority 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.

The appropriations to the health care authority in this act shall be expended for the programs and in the amounts specified in this act. To the extent that appropriations in this section are insufficient to fund actual expenditures in excess of caseload forecasts and utilization assumptions, the authority, after May 1, ~~((2016))~~ 2017, may transfer general fund—state appropriations for fiscal year

((2016)) 2017 that are provided solely for a specified purpose. The authority shall not transfer funds, and the director of financial management shall not approve the transfer, unless the transfer is consistent with the objective of conserving, to the maximum extent possible, the expenditure of state funds. The director of financial management shall notify the appropriate fiscal committees of the senate and house of representatives in writing seven days prior to approving any allotment modifications or transfers under this subsection. The written notification shall include a narrative explanation and justification of the changes, along with expenditures and allotments by budget unit and appropriation, both before and after any allotment modifications or transfers.

(1) MEDICAL ASSISTANCE

General Fund—State Appropriation (FY 2016)	\$1,950,827,000
General Fund—State Appropriation (FY 2017).	((\$2,054,119,000)
	<u>\$1,991,767,000</u>
General Fund—Federal Appropriation	((\$11,217,550,000)
	<u>\$11,148,042,000</u>
General Fund—Private/Local Appropriation	((\$70,787,000)
	<u>\$82,590,000</u>
Emergency Medical Services and Trauma Care Systems	
Trust Account—State Appropriation	\$15,086,000
Hospital Safety Net Assessment Account—State	
Appropriation.	((\$689,942,000)
	<u>\$686,952,000</u>
Medicaid Fraud Penalty Account—State Appropriation	\$18,491,000
Medical Aid Account—State Appropriation	\$528,000
Dedicated Marijuana Account—State Appropriation	
(FY 2016).	\$7,791,000
Dedicated Marijuana Account—State Appropriation	
(FY 2017).	((\$12,979,000)
	<u>\$14,572,000</u>
State Health Care Authority Administration Account—State	
Appropriation.	((\$106,000)
	<u>\$68,000</u>
TOTAL APPROPRIATION	((\$16,038,206,000)
	<u>\$15,916,714,000</u>

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

(a) \$35,794,000 of the general fund—state appropriation for fiscal year 2016 is provided solely for medicaid services based on the February caseload and medicaid forecasts contingent upon: (i) Transfer of the medicaid forecast function to the office of financial management, by July 1, 2016; (ii) the authority executing necessary, timely data sharing agreements with the office of the state actuary; (iii) the authority providing support and data as required by the office of the state actuary necessary in providing the legislature with health care actuarial analysis, including providing any information in the possession of the health care authority or available to the health care authority through contracts with providers, plans, insurers, consultants, or any other entities contracting with the health care authority; (iv) transfer of the administration of the managed care

actuarial rate setting contract from the authority to the office of financial management; and (v) the authority consulting with the medical assistance forecast work group prior to accepting the actuarial contractor's managed care rate recommendations.

(b) (~~(\$121,599,000)~~) \$134,286,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for holding medicaid managed care capitation rates flat at calendar year (~~(2016)~~) 2017 levels in state fiscal year and calendar year 2017. To achieve this target, the authority shall engage with a group composed of the office of financial management, the medicaid forecast work group, and the managed care plans on a range of strategies developed both by the authority and the group. The authority shall obtain actuarial analysis, support, and recommendations during this process, and the state actuary shall obtain independent actuarial analysis. By August 1, 2016, the authority shall present the progress made on the initiative to the joint select committee on health care, identifying any possible changes in statute needed to achieve the goal and the possible impacts on clients. The authority shall complete the plan and report to the appropriate committees of the legislature by October 1, 2016.

(c) \$1,894,672,000 of the general fund—state appropriation for fiscal year 2016 and (~~(\$1,915,233,000)~~) \$1,845,026,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for medicaid services and the medicaid program. However, the authority shall not accept or expend any federal funds received under a medicaid transformation demonstration waiver currently being sought under healthier Washington, except as described in (d) through (~~((g))~~) (e) of this subsection, until specifically approved and appropriated by the legislature.

(d) No more than (~~(\$127,336,000)~~) \$121,050,000 of the general fund—federal appropriation and \$12,226,000 of the general fund—local appropriation may be expended for transformation through accountable communities of health described in initiative 1 of the medicaid transformation demonstration waiver currently being sought under healthier Washington, including preventing youth drug use. The authority shall not increase general fund—state expenditures on this initiative. The authority shall report to the fiscal committees of the legislature all expenditures under this subsection and shall provide such fiscal data in the manner, form, and time requested by the legislative fiscal committees.

~~(e) ((No more than \$5,223,000 of the general fund—federal appropriation may be expended for tailored support for older adults and medicaid alternative care described in initiative 2 of the medicaid transformation demonstration waiver currently being sought under healthier Washington. The authority shall not increase general fund—state expenditures on this initiative. The authority shall report to the fiscal committees of the legislature all expenditures under this subsection and shall provide such fiscal data in the manner, form, and time requested by the legislative fiscal committees.~~

~~(f))~~ No more than (~~(\$9,425,000)~~) \$5,392,000 of the general fund—federal appropriation may be expended for supportive housing and supportive employment services described in initiative 3(~~((a))~~) of the medicaid transformation demonstration waiver currently being sought under healthier Washington. The authority shall not increase general fund—state expenditures on this initiative. The authority shall report to the fiscal committees of the

legislature all expenditures under this subsection and shall provide such fiscal data in the manner, form, and time requested by the legislative fiscal committees.

~~((g))~~ No more than \$5,567,000 of the general fund—federal appropriation may be expended for supportive employment services described in initiative 3(b) of the medicaid transformation demonstration waiver currently being sought under healthier Washington. The authority shall not increase general fund—state expenditures on this initiative. The authority shall report to the fiscal committees of the legislature all expenditures under this subsection and shall provide such fiscal data in the manner, form, and time requested by the legislative fiscal committees.

~~(h))~~ (f) Sufficient amounts are appropriated in this subsection to implement the medicaid expansion as defined in the social security act, section 1902(a)(10)(A)(i)(VIII).

~~((+))~~ (g) The legislature finds that medicaid payment rates, as calculated by the health care authority 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 the cost reports, payment data from the federal government, historical utilization, economic data, and clinical input constitute reliable data upon which to determine the payment rates.

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

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

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

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

~~((+))~~ (l) \$4,261,000 of the general fund—state appropriation for fiscal year 2016, \$4,261,000 of the general fund—state appropriation for fiscal year 2017, and \$8,522,000 of the general fund—federal appropriation are provided solely for low-income disproportionate share hospital payments.

~~((+))~~ (m) Within the amounts appropriated in this section, the health care authority shall provide disproportionate share hospital payments to hospitals that provide services to children in the children's health program who are not eligible for services under Title XIX or XXI of the federal social security act due to their citizenship status.

~~((+))~~ (n) \$6,000,000 of the general fund—federal appropriation is provided solely for supplemental payments to nursing homes operated by public

hospital districts. The public hospital district shall be responsible for providing the required nonfederal match for the supplemental payment, and the payments shall not exceed the maximum allowable under federal rules. It is the legislature's intent that the payments shall be supplemental to and shall not in any way offset or reduce the payments calculated and provided in accordance with part E of chapter 74.46 RCW. It is the legislature's further intent that costs otherwise allowable for rate-setting and settlement against payments under chapter 74.46 RCW shall not be disallowed solely because such costs have been paid by revenues retained by the nursing home from these supplemental payments. The supplemental payments are subject to retrospective interim and final cost settlements based on the nursing homes' as-filed and final medicare cost reports. The timing of the interim and final cost settlements shall be at the health care authority's discretion. During either the interim cost settlement or the final cost settlement, the health care authority shall recoup from the public hospital districts the supplemental payments that exceed the medicaid cost limit and/or the medicare upper payment limit. The health care authority shall apply federal rules for identifying the eligible incurred medicaid costs and the medicare upper payment limit.

~~((+))~~ (o) The health care authority shall continue the inpatient hospital certified public expenditures program for the 2015-2017 fiscal biennium. The program shall apply to all public hospitals, including those owned or operated by the state, except those classified as critical access hospitals or state psychiatric institutions. The health care authority shall submit reports to the governor and legislature by November 1, 2015, and by November 1, 2016, that evaluate whether savings continue to exceed costs for this program. If the certified public expenditures (CPE) program in its current form is no longer cost-effective to maintain, the health care authority shall submit a report to the governor and legislature detailing cost-effective alternative uses of local, state, and federal resources as a replacement for this program. During fiscal year 2016 and fiscal year 2017, hospitals in the program shall be paid and shall retain one hundred percent of the federal portion of the allowable hospital cost for each medicaid inpatient fee-for-service claim payable by medical assistance and one hundred percent of the federal portion of the maximum disproportionate share hospital payment allowable under federal regulations. Inpatient medicaid payments shall be established using an allowable methodology that approximates the cost of claims submitted by the hospitals. Payments made to each hospital in the program in each fiscal year of the biennium shall be compared to a baseline amount. The baseline amount will be determined by the total of (a) the inpatient claim payment amounts that would have been paid during the fiscal year had the hospital not been in the CPE program based on the reimbursement rates developed, implemented, and consistent with policies approved in the 2015-2017 biennial operating appropriations act and in effect on July 1, 2015, (b) one-half of the indigent assistance disproportionate share hospital payment amounts paid to and retained by each hospital during fiscal year 2005, and (c) all of the other disproportionate share hospital payment amounts paid to and retained by each hospital during fiscal year 2005 to the extent the same disproportionate share hospital programs exist in the 2015-2017 fiscal biennium. If payments during the fiscal year exceed the hospital's baseline amount, no additional payments will be made to the hospital except the federal portion of allowable

disproportionate share hospital payments for which the hospital can certify allowable match. If payments during the fiscal year are less than the baseline amount, the hospital will be paid a state grant equal to the difference between payments during the fiscal year and the applicable baseline amount. Payment of the state grant shall be made in the applicable fiscal year and distributed in monthly payments. The grants will be recalculated and redistributed as the baseline is updated during the fiscal year. The grant payments are subject to an interim settlement within eleven months after the end of the fiscal year. A final settlement shall be performed. To the extent that either settlement determines that a hospital has received funds in excess of what it would have received as described in this subsection, the hospital must repay the excess amounts to the state when requested. \$14,014,000 of the general fund—state appropriation for fiscal year 2016 and ~~(\$9,700,000)~~ \$4,901,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for state grants for the participating hospitals.

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

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

~~((+))~~ (r) Within the amounts appropriated in this section, the authority shall identify strategies to improve patient adherence to treatment plans for diabetes and implement these strategies as a pilot through one health home program to be identified by the authority. The authority shall report to the governor and legislature in December 2015 on patient outcomes and cost savings derived from new adherence strategies in the health home model and make recommendations for improving the strategies.

~~((+))~~ (s) Managed care contracts must incorporate accountability measures that monitor patient health and improved health outcomes, and shall include an expectation that each patient receive a wellness examination that documents the baseline health status and allows for monitoring of health improvements and outcome measures.

~~((+))~~ (t) \$88,000 of the medicaid fraud penalty account—state appropriation and \$567,000 of the general fund—federal appropriation are provided solely to implement the conversion to the tenth version of the world health organization's international classification of diseases.

~~((+))~~ (u) Sufficient amounts are appropriated in this section for the authority to provide an adult dental benefit.

~~((x))~~ (v) The health care authority shall coordinate with the department of social and health services to provide referrals to the Washington health benefit exchange for clients that will be ineligible for medicaid.

~~((y))~~ (w) To facilitate a single point of entry across public and medical assistance programs, and to maximize the use of federal funding, the health care authority, the department of social and health services, and the health benefit exchange will coordinate efforts to expand HealthPlanfinder access to public assistance and medical eligibility staff. No later than October 1, 2015, the health care authority shall complete medicaid applications in the HealthPlanfinder for households receiving or applying for medical assistance benefits.

~~((z))~~ (x) \$90,000 of the general fund—state appropriation for fiscal year 2016, \$90,000 of the general fund—state appropriation for fiscal year 2017, and \$180,000 of the general fund—federal appropriation are provided solely to continue operation by a nonprofit organization of a toll-free hotline that assists families to learn about and enroll in the apple health for kids program.

~~((aa))~~ (y) The appropriations in this section reflect savings and efficiencies by transferring children receiving medical care provided through fee-for-service to medical care provided through managed care.

~~((bb))~~ (z) Within the amounts appropriated in this section, the authority shall reimburse for primary care services provided by naturopathic physicians.

~~((cc))~~ (aa) Within the amounts appropriated in this section, the authority shall continue to provide coverage for pregnant teens that qualify under existing pregnancy medical programs, but whose eligibility for pregnancy related services would otherwise end due to the application of the new modified adjusted gross income eligibility standard.

~~((dd))~~ (bb) Sufficient amounts are appropriated in this section to remove the mental health visit limit and to provide the shingles vaccine and screening, brief intervention, and referral to treatment benefits that are available in the medicaid alternative benefit plan in the classic medicaid benefit plan.

~~((ee))~~ (cc) \$227,000 of the general fund—state appropriation for fiscal year 2016, \$461,000 of the general fund—state appropriation for fiscal year 2017, and \$734,000 of the general fund—federal appropriation are provided solely to implement Substitute Senate Bill No. 5317 (enhanced autism screening - bright futures).

~~((ff))~~ (dd) \$4,278,000 of the general fund—private/local appropriation and \$9,835,000 of the general fund—federal appropriation are provided solely to implement House Bill No. 2007 (emergency medical transportation).

~~((gg))~~ (ee) Within amounts appropriated in this section, the health care authority shall conduct a review of its adult dental program in cooperation with and utilizing resources from Washington dental services foundation. The authority shall develop a plan to implement an expanded oral health care program for adults with diabetes and pregnant women. A report summarizing the authority's implementation plan and an estimation of cost savings must be submitted to the governor and the appropriate committees of the legislature by December 1, 2015.

~~((hh))~~ (ff) No more than \$452,000 of the general fund—state appropriation for fiscal year 2016 and no more than \$723,000 of the general fund—state appropriation for fiscal year 2017 may be expended for reimbursement for nonhospital based rural health clinics auditing costs to complete annual payment

reconciliations for calendar years 2011-2013 as required under 42 U.S.C. Sec. 1396a (bb)(5)(A). The department shall use the agreed-upon procedures to complete the reconciliations. Nonhospital-based clinics shall be reimbursed for the cost of auditing using the agreed-upon procedures for payment reconciliation for this time period only.

~~((ii))~~ ~~(gg)~~ The appropriations in this section represent a transfer of expenditure authority of \$2,333,000 of the general fund—federal appropriation for fiscal year 2016 and \$1,782,000 of the general fund—federal appropriation for fiscal year 2017 to the office of financial management to implement Engrossed Substitute Senate Bill No. 5084 (all payer claims database).

~~((jj))~~ ~~(hh)~~ Pursuant to RCW 41.06.142(3), the authority shall implement a pilot program within existing resources to understand the nature and depth of potential fraud, waste, and abuse and the creation of operational efficiencies within the provider and beneficiary system. The pilot program shall examine streamlining provider enrollment and compliance within the current affordable care act screening requirements and include a post-enrollment review of those currently enrolled in medicaid to determine if there have been changes in demographics, including but not limited to becoming deceased, incarcerated, or residing out of state. The pilot program shall be conducted by the authority in partnership with a third-party vendor that uses national public records data as well as provider-specific data. The authority shall prepare a report to the governor and legislative fiscal committees by December 15, 2015.

~~((kk))~~ ~~(ii)~~ Within amounts appropriated in this section, the health care authority shall conduct a review of its federally qualified health center encounter rates and rural health center encounter rates in comparison to current uniform medical plan rates for the same or similar services. The authority shall consult with the centers for medicare and medicaid services to determine whether federally qualified encounter rates may be adjusted to uniform medical plan rates as a reasonable proxy to cost. The authority must submit a report to the governor and the appropriate committees of the legislature that includes which encounter rates exceed uniform medical rates, the amount by which the rates are exceeded, and the annual cost of paying above uniform medical rates. The report shall also include the steps the authority has taken with the centers for medicare and medicaid services to ensure that rates bear a reasonable relationship to costs incurred by efficiently and economically operated facilities, including whether uniform medical plan or commercial rates may be considered a reasonable proxy to cost. The report must be submitted by January 1, 2016. By September 15, 2016, the authority is directed to directly consult with the centers for medicaid and medicare services to determine whether federally qualified encounter rates may be adjusted to uniform medical plan rates as a reasonable proxy to cost and resubmit the report to include the results of this consultation.

~~((H))~~ ~~(ji)~~ \$1,035,000 of the general fund—state appropriation for fiscal year 2016, \$965,000 of the general fund—state appropriation for fiscal year 2017, and \$1,846,000 of the general fund—federal appropriation are provided solely for customer service staff to reduce call wait times and improve the number of calls answered by the authority.

~~((mm))~~ ~~(kk)~~ \$386,000 of the general fund—state appropriation for fiscal year 2016, \$361,000 of the general fund—state appropriation for fiscal year 2017, and \$2,018,000 of the general fund—federal appropriation are provided

solely for additional staff to support timely resolution of eligibility-related issues for medicaid clients.

~~((mm))~~ (ll)(i) \$123,000 of the general fund—state appropriation for fiscal year 2016, ~~(\$118,000)~~ \$85,000 of the general fund—state appropriation for fiscal year 2017, ~~(\$48,000)~~ \$41,000 of the state health care authority administrative account—state appropriation, and ~~(\$312,000)~~ \$270,000 of the general fund—federal appropriation are provided solely to establish the bleeding disorder collaborative for care.

(ii) The collaborative must consist of three representatives from the authority, three representatives from the largest organization in Washington representing patients with bleeding disorders, two representatives from state designated bleeding disorder centers of excellence, and two representatives of federally funded hemophilia treatment centers based in Washington. The collaborative may invite the participation of other persons with expertise that may assist the collaborative in its responsibilities. The collaborative shall adopt a transparent process that allows for public comment prior to the final adoption of any evidence-based practice.

(iii) The collaborative shall:

(A) Identify and develop evidence-based practices to improve care to patients with bleeding disorders with specific attention to health care cost reduction. To the extent that evidence-based practices are unavailable, the collaborative shall research and create the practices or compile the necessary information. In the event that research on evidence is incomplete, the collaborative may consider research-based practices or emerging best practices;

(B) Make recommendations regarding the dissemination of the evidence-based practices to relevant health care professionals and support service providers and propose options for incorporating evidence-based practices into their treatment regimens; and

(C) Assist the authority in the development of a cost-benefit analysis regarding the use of evidence-based practices for specific populations in state-purchased health care programs.

(iv) The authority shall report to the governor and the legislature by September 1, 2016, regarding the evidence-based practices that have been developed, the clinical and fiscal implications of their implementation, and a strategy for disseminating the practices and incorporating their use among health care professionals in various state-financed health care programs.

~~((oo))~~ (mm) The authority shall use revenue appropriated from the dedicated marijuana fund for contracts with community health centers under RCW 69.50.540 in lieu of general fund—state payments to community health centers for services provided to medical assistance clients, and it is the intent of the legislature that this policy will be continued in subsequent fiscal biennia.

~~((pp))~~ (nn) In collaboration with the state hospital association, the authority shall develop and implement a process to review hospital cost report information for new, in-state hospital psychiatric inpatient services that have not had provider specific costs and determine the hospital-specific per diem rate as currently defined for existing providers of psychiatric inpatient services. As a result of this action, the authority shall not incur expenditures in the current biennium. The authority shall report to the office of financial management and

appropriate committees of the legislature the following information no later than October 1, 2017:

- (i) The number of potential new psychiatric beds;
- (ii) The number of potential new psychiatric beds that were previously designated as acute beds;
- (iii) The total estimated costs for all new potential psychiatric beds;
- (iv) The potential savings or expenditures derived from change in bed type usage; and
- (v) The state fiscal years in which potential costs and savings are likely to incur.

~~((qq))~~ (oo) To further the goals of better care, better health outcomes, and reduced per capita costs of health care, the authority shall review its reimbursement methods and rates for births performed at birth centers. The authority shall report to the governor and appropriate committees of the legislature by October 15, 2016, with recommendations for adjusting reimbursement methods and levels, improving access to care, improving the cesarean section rate, and savings options for utilizing birth centers as an alternative to hospitals.

~~((rr))~~ (pp) The authority shall submit reports to the governor and the legislature by September 15, 2016, and by September 15, 2017, that delineate the number of individuals in medicaid managed care, by carrier, age, gender, and eligibility category, receiving preventative services and vaccinations. The reports should include baseline and benchmark information from the previous two fiscal years and should be inclusive of, but not limited to, services recommended under the United States preventative services task force, advisory committee on immunization practices, early and periodic screening, diagnostic, and treatment (EPSDT) guidelines, and other relevant preventative and vaccination medicaid guidelines and requirements.

~~((ss))~~ (qq) Within amounts appropriated in this section, the authority shall implement Substitute Senate Bill No. 6430 (continuity of care) to update the ProviderOne and HealthPlanFinder systems to allow suspension rather than termination of medical assistance benefits for persons who are incarcerated or committed to a state hospital subject to the same conditions, limitations, and review provided in section 705 (3) through (6), chapter 4, Laws of 2015 3rd sp. sess. (Engrossed Substitute Senate Bill No. 6052).

~~((tt))~~ (rr) Within amounts appropriated within this section, the authority is directed to increase reimbursement rates for licensed practical nurses and registered nurses providing skilled nursing services in a home setting by \$10.00 per hour. This increase shall be offset by decreases in inpatient hospitalization. The authority is directed to work in collaboration with the home health association and the Washington state hospital association to develop a plan to show how improved access to home health nursing reduces potentially preventable readmissions, increases access to care, reduces hospital length of stay, and prevents overall hospital admissions for clients receiving private-duty nursing, medically intensive care, or home health benefits. The authority shall submit a report to the governor and appropriate committees of the legislature by December 15, 2016, with details of this plan.

~~((uu))~~ (ss) The appropriations in this section include specific funds for the purpose of implementing Engrossed Second Substitute House Bill No. 2439 (youth mental health).

~~((vv))~~ (tt) Within the amounts appropriated in this section, the health care authority in cooperation with the Washington dental services foundation, the Washington state dental association, and other interested stakeholders shall develop a plan to increase access to care by expanding the medicaid dental network through contracting out the administration of the medicaid dental program. This plan shall include but not be limited to engaging dental expertise in the administration, improving the provider and patient experience, aligning the benefit package with evidence-based care, and beginning to test innovative models of delivery consistent with the goals of the healthier Washington initiative. The authority shall also review options to include contracting with one or more medicaid managed care plans or a third-party administrator. The report summarizing the authority's implementation plan and an estimate of the cost to execute this plan must be submitted to the governor and the appropriate committees of the legislature by December 1, 2016. The plan shall not be implemented until specifically authorized by the legislature.

~~((ww))~~ (uu) \$608,000 of the general fund—state appropriation for fiscal year 2017 is provided solely to implement the provider access line (PAL) plus pilot program. For purposes of the PAL plus pilot program, the authority shall work in collaboration with faculty from the University of Washington working on the integration of mental health and medical care.

(i) The PAL plus service is targeted to help children and families with medicaid coverage who have mental health concerns not already being served by the regional support network system or other local specialty care providers, and who instead receive treatment from their primary care providers. Services must be offered by regionally based and multipractice shared mental health service providers who deliver in person and over the telephone the following services upon primary care request:

(A) Evaluation and diagnostic support;

(B) Individual patient care progress tracking;

(C) Behavior management coaching; and

(D) Other evidence supported psychosocial care supports which are delivered as an early and easily accessed intervention for families.

(ii) The PAL team of child psychiatrists and psychologists shall provide mental health service providers with training and support, weekly care plan reviews and support on their caseloads, and direct patient evaluations for selected enhanced assessments, and must utilize a shared electronic reporting and tracking system to ensure that children not improving are identified as such and helped to receive additional services. The PAL team shall promote the appropriate use of cognitive behavioral therapies and other treatments which are empirically supported or evidence-based and encourage providers to use psychotropic medications as a last resort.

(iii) The authority shall monitor PAL plus service outcomes, including, but not limited to:

(A) Characteristics of the population being served;

(B) Process measures of service utilization;

(C) Behavioral health symptom rating scale outcomes of individuals and aggregate rating scale outcomes of populations of children served;

(D) Claims data comparison of implementation versus non-implementation regions;

(E) Service referral patterns to local specialty mental health care providers; and

(F) Family and provider feedback.

(iv) By December 31, 2017, the authority shall make a preliminary evaluation of the viability of a statewide PAL plus service program and report to the appropriate committees of the legislature, with a final evaluation report due by December 31, 2018. The final report must include recommendations on sustainability and leveraging funds through behavioral health and managed care organizations.

(2) PUBLIC EMPLOYEES BENEFITS BOARD AND EMPLOYEE BENEFITS PROGRAMS

State Health Care Authority Administration Account—

State Appropriation	((\$38,732,000))
	<u>\$35,671,000</u>

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

(a) \$162,000 of the state health care authority administration account—state appropriation is for the health care authority to work with participating employers to minimize employer penalties that may be incurred by employers not providing health benefit coverage for part-time employees that are defined as full-time employees under the employer shared responsibility provisions of the federal affordable care act.

(b)(i) The state employer contribution for state employee insurance benefits is reduced for fiscal year 2017 from \$894 per month to \$888 per month. Reductions are achieved while maintaining fully funded reserves through the use of accumulated surplus funds due to reduced claims costs, and reduced litigation costs due to the settlement of the litigation in the four *Moore, et al. v. Health Care Authority* and the state of Washington cases. The authority is required to review the effectiveness of the wellness program known as smarthealth, and report to the appropriate committees of the legislature on the effectiveness of the wellness program on a quarterly basis beginning no later than June 30, 2016. The effectiveness report shall include information on the contractors' communication strategies, rates of employee engagement, and the identification and quarterly measurement of employee wellness outcome criteria, such as the rates of sick leave use and of improvements in chronic medical conditions among wellness plan participants. Prior to procuring contracts for health insurance and services for the 2017 calendar year, the authority shall also present the findings on the effectiveness of the wellness plan, including per plan member and per wellness plan-participant costs of the wellness program at a public meeting of the public employees' benefits board.

(ii) The authority and the public employees' benefits board shall consult with the Washington state institute for public policy on the cost-effectiveness of the wellness plan and any changes to the plan that can be made to increase the health care efficiency of the wellness plan.

(iii) The authority and the public employees' benefits board shall ensure that procurement for employee health benefits during the 2017-2019 fiscal biennium is consistent with the funding limitations provided in sections 908 through 910 of this act.

(3) HEALTH BENEFIT EXCHANGE

General Fund—State Appropriation (FY 2016)	\$5,942,000
General Fund—State Appropriation (FY 2017)	\$5,184,000
General Fund—Federal Appropriation	(\$49,410,000)
	<u>\$47,986,000</u>
Health Benefit Exchange Account—State Appropriation	(\$50,503,000)
	<u>\$52,736,000</u>
TOTAL APPROPRIATION	(\$111,039,000)
	<u>\$111,848,000</u>

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

(a) The receipt and use of medicaid funds provided to the health benefit exchange from the health care authority are subject to compliance with state and federal regulations and policies governing the Washington apple health programs, including timely and proper application, eligibility, and enrollment procedures.

(b) \$4,755,000 of the health benefit exchange account—state appropriation and \$5,069,000 of the general fund—federal appropriation are provided solely for the customer service call center.

(c) \$577,000 of the general fund—state appropriation for fiscal year 2016, \$810,000 of the general fund—state appropriation for fiscal year 2017, \$3,606,000 of the health benefit exchange account—state appropriation, and \$1,389,000 of the general fund—federal appropriation are provided solely for in-person assisters and outreach to help individuals and families complete applications for health coverage.

(d) \$1,417,000 of the health benefit exchange account—state appropriation and \$8,218,000 of the general fund—federal appropriation are provided solely to fund the design, development, implementation, operation, and maintenance of the health benefit exchange's information technology systems.

(e) The authority shall require the exchange to submit to the authority and the appropriate committees of the legislature by September 30, 2015, and September 30, 2016, a detailed report including:

(i) Salaries of all current employees of the exchange, including starting salary, any increases received, and the basis for any increases; and

(ii) Salary, overtime, and compensation policies for staff of the exchange.

(f) The authority shall require the exchange to submit to the authority and the appropriate committees of the legislature on a monthly basis:

(i) A report of all expenses; and

(ii) Beginning and ending fund balances, by fund source; and

(iii) Any contracts or contract amendments signed by the exchange; and

(iv) An accounting of staff required to operate the exchange broken out by full time equivalent positions, contracted employees, temporary staff, and any other relevant designation that indicates the staffing level of the exchange.

(g)(i) By July 31, 2016, the authority shall make a payment of half the general fund—state appropriation for fiscal year 2017 and half the health benefit exchange account—state appropriation to the health benefit exchange. By January 31, 2017, the authority shall make a payment of the remaining half of the general fund—state appropriation for fiscal year 2017 and the remaining half of the health benefit exchange account—state appropriation to the health benefit exchange.

(ii) The exchange shall monitor actual to projected revenues and make necessary adjustments in expenditures or carrier assessments to ensure expenditures do not exceed actual revenues.

(iii) Payments made from general fund—state appropriation and health benefit exchange account—state appropriation shall be available for expenditure for no longer than the period of the appropriation from which it was made. When the actual cost of materials and services have been fully determined, and in no event later than the lapsing of the appropriation, any unexpended balance of the payment shall be returned to the authority for credit to the fund or account from which it was made, and under no condition shall expenditures exceed actual revenue.

(iv) As the state designated medicaid agency, the authority is responsible for maximizing the recovery of federal medicaid dollars and the timely application and follow-up for obtaining federal approval of advanced planning documents (APD). The authority shall work with the exchange to submit an APD that maximizes the recovery of medicaid costs incurred by the exchange, including indirect administrative and operational costs, no later than sixty days after the enactment of the omnibus appropriations act each year.

(h) \$70,000 of the general fund—state appropriation for fiscal year 2016, \$38,000 of the general fund—state appropriation for fiscal year 2017, \$204,000 of the health benefit exchange account—state appropriation, and \$110,000 of the general fund—federal appropriation are provided solely for improvements to the health benefit exchange financial system.

**Sec 1213 was partially vetoed. See message at end of chapter.*

Sec. 1214. 2016 sp.s. c 36 s 214 (uncodified) is amended to read as follows:

FOR THE HUMAN RIGHTS COMMISSION

General Fund—State Appropriation (FY 2016)	\$2,091,000
General Fund—State Appropriation (FY 2017)	(\$2,092,000)
	<u>\$2,279,000</u>
General Fund—Federal Appropriation	\$2,307,000
TOTAL APPROPRIATION	(\$6,490,000)
	<u>\$6,677,000</u>

Sec. 1215. 2016 sp.s. c 36 s 216 (uncodified) is amended to read as follows:

FOR THE CRIMINAL JUSTICE TRAINING COMMISSION

General Fund—State Appropriation (FY 2016)	\$18,996,000
General Fund—State Appropriation (FY 2017)	(\$17,543,000)
	<u>\$19,467,000</u>
General Fund—Private/Local Appropriation	(\$4,745,000)
	<u>\$5,715,000</u>
Death Investigations Account—State Appropriation	\$148,000

24/7 Sobriety Account—State Appropriation	\$30,000
Municipal Criminal Justice Assistance Account—	
State Appropriation	\$460,000
Washington Auto Theft Prevention Authority Account—	
State Appropriation	(\$7,668,000)
	<u>\$7,632,000</u>
TOTAL APPROPRIATION	(\$49,590,000)
	<u>\$52,448,000</u>

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

(1) \$5,000,000 of the general fund—state appropriation for fiscal year 2016 and \$5,000,000 of the general fund—state appropriation for fiscal year 2017, are provided to the Washington association of sheriffs and police chiefs solely to verify the address and residency of registered sex offenders and kidnapping offenders under RCW 9A.44.130. The association may use no more than \$50,000 per fiscal year of the amounts provided on program management activities.

(2) \$605,280 of the general fund—local appropriation is provided solely to purchase ammunition for the basic law enforcement academy. Jurisdictions shall reimburse to the criminal justice training commission the costs of ammunition, based on the average cost of ammunition per cadet, for cadets that they enroll in the basic law enforcement academy.

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

(4) \$100,000 of the general fund—state appropriation for fiscal year 2016 and \$100,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for a school safety program. The commission, in collaboration with the school safety center advisory committee, shall provide the school safety training for all school administrators and school safety personnel hired after the effective date of this section.

(5) \$96,000 of the general fund—state appropriation for fiscal year 2016 and \$96,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the school safety center within the commission. The safety center shall act as an information dissemination and resource center when an incident occurs in a school district in Washington or in another state, coordinate activities relating to school safety, and review and approve manuals and curricula used for school safety models and training. Through an interagency agreement, the commission shall provide funding for the office of the superintendent of public instruction to continue to develop and maintain a school safety information web site. The school safety center advisory committee shall develop and revise the training program, using the best practices in school safety, for all school safety personnel. The commission shall provide research-related programs in school safety and security issues beneficial to both law enforcement and schools.

(6) \$123,000 of the general fund—state appropriation for fiscal year 2016 and \$123,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the costs of providing statewide advanced driving training with the use of a driving simulator.

(7) \$644,000 of the general fund—state appropriation for fiscal year 2016 and \$595,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for implementation of Second Substitute Senate Bill No. 5311 (crisis intervention training).

(8) \$250,000 of the general fund—state appropriation for fiscal year 2016 and \$250,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the criminal justice training commission to develop and deliver research-based programs to instruct, guide, and support local law enforcement agencies in fostering the "guardian philosophy" of policing, which emphasizes de-escalating conflicts and reducing the use of force.

(9) \$429,000 of the general fund—state appropriation for fiscal year 2016 and \$429,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for deposit into the nonappropriated Washington internet crimes against children account for the implementation of Second Substitute Senate Bill No. 5215 (internet crimes against children).

(10) \$300,000 of the general fund—state appropriation for fiscal year 2017 is provided solely to the Washington association of sheriffs and police chiefs to fund pilot projects for law enforcement agencies in Spokane, Spokane Valley, and Spokane County to set up auto theft task forces in high risk locations and increase the use of teams devoted to combating residential burglary.

(11) \$5,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the purpose of implementing House Bill No. 1448 (suicide threat response).

Sec. 1216. 2016 sp.s. c 36 s 217 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LABOR AND INDUSTRIES

General Fund—State Appropriation (FY 2016)	\$16,307,000
General Fund—State Appropriation (FY 2017)	\$17,611,000
General Fund—Federal Appropriation	\$11,876,000
Asbestos Account—State Appropriation	\$1,177,000
Electrical License Account—State Appropriation	\$48,157,000
Farm Labor Contractor Account—State Appropriation	\$28,000
Worker and Community Right-to-Know Account— State Appropriation	\$972,000
Public Works Administration Account—State Appropriation	\$7,629,000
Manufactured Home Installation Training Account— State Appropriation	\$355,000
Accident Account—State Appropriation	(\$281,472,000)
	<u>\$282,767,000</u>
Accident Account—Federal Appropriation	(\$13,626,000)
	<u>\$14,501,000</u>
Medical Aid Account—State Appropriation	(\$296,297,000)
	<u>\$297,066,000</u>
Medical Aid Account—Federal Appropriation	(\$3,186,000)
	<u>\$3,341,000</u>
Plumbing Certificate Account—State Appropriation	\$1,783,000
Pressure Systems Safety Account—State Appropriation	\$4,250,000

TOTAL APPROPRIATION .....	..((\$704,726,000))
	<u>\$707,820,000</u>

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

(1) \$250,000 of the general fund—state appropriation for fiscal year 2016 and \$250,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for implementation of chapter 100, Laws of 2015 (Substitute Senate Bill No. 5897).

(2) \$2,300,000 of the medical aid account—state appropriation is provided solely for implementation of chapter 137, Laws of 2015 (Substitute House Bill No. 1496).

(3) \$494,000 of the medical aid account—state appropriation and \$1,580,000 of the accident fund—state appropriation are provided solely for continuation of the logger safety initiative.

(4) \$4,923,000 of the medical aid account—state appropriation and \$4,924,000 of the accident fund—state appropriation are provided solely for the first phase of the department's plan to replace its labor and industries industrial insurance information technology system subject to the same conditions, limitations, and review provided in section 705 (3) through (6) of this act.

(5) \$3,548,000 of the electrical license account—state appropriation is provided solely for the department to develop a modern and mobile information technology system for its electrical inspection program subject to the same conditions, limitations, and review provided in section 705 (3) through (6) of this act.

(6) The department is directed under RCW 39.12.070 to adjust its fee schedule for statements of intent to pay prevailing wages and certification of affidavits of wages paid to remove or lower fees for contractors and subcontractors whose contract amounts are less than seven hundred fifty dollars beginning on January 1, 2016.

(7) \$140,000 of the public works administration account—state appropriation is provided solely for implementation of chapter 40, Laws of 2015 3rd sp. sess. to create an electronic option for employers to submit prevailing wage surveys.

(8) \$640,000 of the medical aid account—state appropriation is provided solely for a pilot program under which the department partners with an experienced firm or firms to manage care involving catastrophically injured workers.

(a) For each injured worker referred by the department the firm must propose a contract identifying a case outcome, the treatment needed to achieve it, and a fixed price for doing so.

(b) If the department agrees to the contract: (i) The firm must assume responsibility at the fixed price for the medical management and may include all medical costs until the outcome is achieved; (ii) the department retains the authority to approve or deny particular treatments; and (iii) the department retains the responsibility to accept and pay providers' actual bills, and the firm's compensation will be the difference between the fixed price and actual medical costs, if the firm chooses to propose a contract that includes medical costs.

(c) The department must contract with the firm or firms to manage at least twelve catastrophic cases each fiscal year, starting in fiscal year 2017, provided there is at least that many cases where: (i) An injured worker elects to be served by the firm; and (ii) the fixed price proposed by the firm is lower than the amount the department would pay to achieve the identified outcome if it did not contract with the firm.

(d) The department must provide a written report on the pilot program to the appropriate committees of the legislature in December 2016 and annually through December 2019 or the last December following termination of the contacts by the firm or firms or department.

(9) \$1,130,000 of the public works administration account—state appropriation is provided solely for the department's prevailing wage technology project subject to the same conditions, limitations, and review provided in section 705 (3) through (6), chapter 4, Laws of 2015 3rd sp. sess. (Engrossed Substitute Senate Bill No. 6052).

(10) \$738,000 of the medical aid account—state appropriation is provided solely to expand the use of evidence-based best practices to reduce the risk of long-term disabilities among injured workers. By December 1, 2016, the department must report to the appropriate committees of the legislature with performance measures and metrics to be used to evaluate whether the funded activities are improving care and outcomes for injured workers.

Sec. 1217. 2016 sp.s. c 36 s 218 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF VETERANS AFFAIRS

(1) HEADQUARTERS

General Fund—State Appropriation (FY 2016)	\$1,810,000
General Fund—State Appropriation (FY 2017)	\$2,662,000
Charitable, Educational, Penal, and Reformatory Institutions Account—State Appropriation	\$10,000
TOTAL APPROPRIATION	\$4,482,000

(2) FIELD SERVICES

General Fund—State Appropriation (FY 2016)	\$5,465,000
General Fund—State Appropriation (FY 2017)	\$5,526,000
General Fund—Federal Appropriation	\$3,628,000
General Fund—Private/Local Appropriation	\$4,622,000
Veteran Estate Management Account—Private/Local Appropriation	\$623,000
TOTAL APPROPRIATION	\$19,864,000

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

(a) \$300,000 of the general fund—state appropriation for fiscal year 2016 and \$300,000 of the general fund—state appropriation for fiscal year 2017 are provided solely to provide crisis and emergency relief and education, training, and employment assistance to veterans and their families in their communities through the veterans innovation program.

(b) The creation of an automated exchange of information between the federal department of defense, federal veterans administration, and the

Washington department of veterans affairs is the sole project for the Washington department of veterans affairs in the information technology pool. Ongoing funding may be provided for staffing, training, and subscription costs associated with a web-based software tool that has been configured to meet the business requirements of the Washington department of veterans affairs. Additional information technology projects, such as the complete automation of the Washington department of veterans affairs business processes through an enterprise case management system, are subject to future funding decisions by the legislature. The conditions and limitations in this subsection apply only if the specified project is funded from the information technology pool.

(3) INSTITUTIONAL SERVICES

General Fund—State Appropriation (FY 2016)	\$697,000
General Fund—State Appropriation (FY 2017)	(\$796,000)
	<u>\$3,265,000</u>
General Fund—Federal Appropriation	\$80,104,000
General Fund—Private/Local Appropriation	\$29,781,000
TOTAL APPROPRIATION	(\$111,378,000)
	<u>\$113,847,000</u>

The appropriations in this subsection are subject to the following conditions and limitation: ~~(\$924,000)~~ \$1,852,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the initial months of operation of the Walla Walla veterans home.

Sec. 1218. 2016 sp.s. c 36 s 219 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF HEALTH

General Fund—State Appropriation (FY 2016)	\$57,958,000
General Fund—State Appropriation (FY 2017)	\$60,149,000
General Fund—Federal Appropriation	(\$564,025,000)
	<u>\$540,675,000</u>
General Fund—Private/Local Appropriation	(\$151,242,000)
	<u>\$179,242,000</u>
Hospital Data Collection Account—State Appropriation	\$331,000
Health Professions Account—State Appropriation	(\$120,788,000)
	<u>\$124,188,000</u>
Aquatic Lands Enhancement Account—State Appropriation	\$615,000
Emergency Medical Services and Trauma Care Systems	
Trust Account—State Appropriation	\$9,226,000
Safe Drinking Water Account—State Appropriation	\$6,934,000
Drinking Water Assistance Account—Federal	
Appropriation	\$17,364,000
Waterworks Operator Certification—State	
Appropriation	\$1,606,000
Drinking Water Assistance Administrative Account—	
State Appropriation	(\$357,000)
	<u>\$610,000</u>
Site Closure Account—State Appropriation	\$162,000
Biotoxin Account—State Appropriation	\$1,894,000
State Toxics Control Account—State Appropriation	\$4,037,000

Medical Test Site Licensure Account—State	
Appropriation.	\$2,516,000
Youth Tobacco Prevention Account—State Appropriation	\$2,962,000
Public Health Supplemental Account—Private/Local	
Appropriation.	\$3,244,000
Accident Account—State Appropriation	\$324,000
Medical Aid Account—State Appropriation	\$53,000
Medicaid Fraud Penalty Account—State	
Appropriation.	\$994,000
Dedicated Marijuana Account—State	
Appropriation (FY 2016).	\$7,500,000
Dedicated Marijuana Account—State	
Appropriation (FY 2017).	\$7,500,000
TOTAL APPROPRIATION	(\$1,021,781,000)
	<u>\$1,030,084,000</u>

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

(1) The department of health shall not initiate any services that will require expenditure of state general fund moneys unless expressly authorized in this act or other law. The department of health and the state board of health shall not implement any new or amended rules pertaining to primary and secondary school facilities until the rules and a final cost estimate have been presented to the legislature, and the legislature has formally funded implementation of the rules through the omnibus appropriations act or by statute. 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 that provides appropriation authority, and an equal amount of appropriated state 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.

(2) \$130,000 of the health professions state account—state appropriation is provided solely for implementation of chapter 118, Laws of 2015 (applied behavior analysis).

(3) \$38,000 of the general fund—state appropriation for fiscal year 2016 and \$38,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the department of health, the department of social and health services, and the health care authority to continue to collaborate to submit a coordinated report on diabetes to the governor and appropriate committees of the legislature by June 30, 2017. The report on diabetes must include the following:

(a) An analysis of the financial impact and reach that diabetes of all types is having on programs administered by each agency and individuals enrolled in those programs, including:

(i) The number of individuals with diabetes that are impacted or covered by these programs;

(ii) The number of family members of individuals with diabetes that are impacted by these programs;

(iii) The financial toll or impact that diabetes and its complications places on these programs, and how the financial toll or impact compares to that of other chronic diseases and conditions;

(b) An assessment of the benefits of programs and activities implemented by the agencies to control and prevent diabetes, including documentation of the amount and source of the agencies' funding for these programs and activities;

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

(d) The development of or revision to each agency's action plan for addressing the impact of diabetes together with a range of actionable items for either each agency or consideration by the legislature, or both. The plans must, at a minimum:

(i) Identify proposed action steps to reduce the impact of diabetes, prediabetes, and related diabetes complications, especially for medicaid populations;

(ii) Identify expected outcomes in subsequent biennia; and

(iii) Establish benchmarks for controlling and preventing relevant forms of diabetes and appropriate measures for success;

(e) An estimate of the costs, return on investment, and resources required to implement the plans identified in subsection (d) of this section.

(4) \$30,000 of the medicaid fraud penalty account—state appropriation is provided solely for implementation of chapter 259, Laws of 2015 (prescription drug monitoring).

(5) \$4,015,000 of the health professions account—state appropriation is provided solely for implementation of chapter 70, Laws of 2015 (cannabis patient protection).

(6) \$7,250,000 of the dedicated marijuana account—state appropriation for fiscal year 2016 and \$7,250,000 of the dedicated marijuana account—state appropriation for fiscal year 2017 are provided solely for a marijuana education and public health program and for tobacco prevention activities that target youth and populations with a high incidence of tobacco use.

(7) \$250,000 of the dedicated marijuana account—state appropriation for fiscal year 2016 and \$250,000 of the dedicated marijuana account—state appropriation for fiscal year 2017 are provided solely for a contract with the Washington poison center to help maintain national accreditation standards.

(8) \$65,000 of the general fund—state appropriation for fiscal year 2016 and \$65,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the midwifery licensure and regulatory program to supplement revenue from fees. The department shall charge no more than five hundred twenty-five dollars annually for new or renewed licenses for the midwifery program.

(9) During the 2015-2017 fiscal biennium, each person subject to RCW 43.70.110(3)(c) is required to pay only one surcharge of up to twenty-five

dollars annually for the purposes of RCW 43.70.112, regardless of how many professional licenses the person holds.

(10)(a) Within existing resources, the department of health shall compile a report on ambulatory surgical facilities to be submitted to the appropriate committees of the legislature by January 1, 2016. The report shall determine:

- (i) How many ambulatory centers are currently functioning in the state;
- (ii) How many cases these centers receive annually;
- (iii) How many of these centers are medicare certified;
- (iv) How many of these centers are not medicare certified; and
- (v) How many are also certified by an accrediting organization.

(b) The department shall not increase current annual fees for new or renewed licenses for ambulatory surgical facilities during the 2015-2017 fiscal biennium.

(11)(a) The pharmacy quality assurance commission shall engage in a stakeholder process to develop statutory standards and protocols specific to long-term care pharmacies and shall submit the proposed statute to the senate health care committee and house health care and wellness committee no later than November 15, 2015.

(b) When inspecting and reviewing long-term care pharmacies, the pharmacy quality assurance commission and the department of health shall recognize the applicability of medication orders in long-term care facilities and recognize the essential relationship between the practitioner, the long-term care facility registered nurse, and the pharmacist in conveying chart orders to the long-term care pharmacy.

(12) \$52,000 of the health professions account—state appropriation is provided solely for implementation of chapter 159, Laws of 2015 (victim interviews training).

(13) Information technology projects or investments and proposed projects or investments impacting time capture, payroll and payment processes and systems, eligibility, case management, and authorization systems within the department of health are subject to technical oversight by the office of the chief information officer.

(14) (~~(\$1,923,000 of the state toxics control account—state appropriation is provided solely for implementation of Engrossed Second Substitute House Bill No. 1472 (chemical action plans), Second Substitute Senate Bill No. 5056 (safer chemicals/action plans), Substitute Senate Bill No. 6131 (safer chemicals), or any of these. Within the amount provided in this subsection, \$1,554,000 is provided solely for the department to conduct biomonitoring studies. If none of these bills is enacted by July 10, 2015, the amount provided in this subsection shall lapse.~~

(~~15~~)) \$123,000 of the general fund—state appropriation for fiscal year 2016 and \$123,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the department of health to support Washington's healthiest next generation efforts by partnering with the office of the superintendent of public instruction, department of early learning, and other public and private partners as appropriate.

(~~(16)~~) (15) \$230,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the implementation of Engrossed Second

Substitute Senate Bill No. 6534 (maternal mortality review). ~~((If this bill is not enacted by June 30, 2016, the amount provided in this subsection shall lapse.~~

~~((17))~~ (16) Within the amounts appropriated from the health professions account—state appropriation, the department must manage its pending rule-making process related to the educational and training requirements for chemical dependency professionals to complete the rule-making by June 30, 2016.

~~((18))~~ (17) Within the amounts appropriated in this section, the department must implement the 2014 Washington state hepatitis strategic plan, including but not limited to the implementation of the centers for disease control and prevention hepatitis C screening guidelines for persons born between 1945-1965 and other high risk groups, hepatitis C prevention, and hepatitis C case management.

~~((19))~~ (18) The appropriations in this section include sufficient funding for the implementation of Substitute Senate Bill No. 5778 (ambulatory surgical centers).

~~((20))~~ (19) The appropriations in this section include sufficient funding for the implementation of Senate Bill No. 5689 (diabetes epidemic).

~~((21))~~ (20) \$26,000 of the medicaid fraud penalty account—state appropriation is provided solely for the implementation of Substitute House Bill No. 2730 (prescription monitoring program). ~~((If the bill is not enacted by June 30, 2016, the amount provided in this subsection shall lapse.~~

~~((22))~~ (21) \$21,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the implementation of Substitute Senate Bill No. 6421 (epinephrine autoinjectors). ~~((If the bill is not enacted by June 30, 2016, the amount in this subsection shall lapse.~~

~~((23))~~ (22) \$49,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the department to convene a task force on patient out-of-pocket costs.

(a) By July 1, 2016, the department shall convene the task force, and the department shall coordinate the task force meetings. The task force shall include representatives from all participants with a role in determining prescription drug costs and out-of-pocket costs for patients, such as, but not limited to the following: Patient groups; insurance carriers operating in the state; pharmaceutical companies; prescribers; pharmacists; pharmacy benefit managers; hospitals; the office of the insurance commissioner; the health care authority and other purchasers; the office of financial management; unions; Taft-Hartley trusts; a business association; and biotechnology.

(b) Letters of interest from potential participants shall be submitted to the department, and the secretary, or his or her designee, shall invite representatives of interested groups to participate in the task force.

(c) The task force shall evaluate factors contributing to the out-of-pocket costs for patients, particularly in the first quarter of each year, including but not limited to prescription drug cost trends and plan benefit design.

(d) The task force shall consider patient treatment adherence and the impacts on chronic illness and acute disease, with consideration of the long-term outcomes and costs for the patient. The discussion must also consider the impact when patients cannot maintain access to their prescription drugs and the implications of adverse health impacts including the potential need for more expensive medical interventions or hospitalizations and the impact on the

workforce regarding the loss of productivity. The discussion must also consider the impact of the factors on the affordability of health care coverage.

(e) The task force recommendations, or a summary of the discussions, must be provided to the appropriate committees of the legislature by December 1, 2016.

~~((24))~~ (23) Recognizing the financial challenges faced by the public health system, which comprises state and local entities, and the impact that those financial challenges have had on the system's ability to deliver essential public health services throughout the state, the legislature directs the department and local public health jurisdictions, within amounts appropriated in this section, to provide a proposal outlining a plan for implementing foundational public health services statewide to modernize, streamline, and fund a twenty-first century public health system in Washington state. Current fees that support the work of public health should be reviewed, and the proposal should identify those fees that are not currently supplying adequate revenue to maintain compliance or enforcement. The first report regarding the proposal is due to the appropriate committees of the legislature no later than December 1, 2016, and subsequent reports shall be submitted biennially, thereafter.

~~((25))~~ (24) \$1,681,000 of the youth tobacco prevention account—state appropriation is provided solely for the implementation of Engrossed Substitute Senate Bill No. 6328 (vapor products). ~~((If the bill is not enacted by June 30, 2016, the amount provided in this subsection shall lapse.~~

~~(26))~~ (25) \$160,000 of the health professions state account—state appropriation is provided solely for the implementation of Substitute Senate Bill No. 6558 (hospital pharmacy license). ~~((If the bill is not enacted by June 30, 2016, the amount provided in this subsection shall lapse.~~

~~(27))~~ (26) \$100,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the implementation of Engrossed Second Substitute House Bill No. 2793 (suicide education). ~~((If the bill is not enacted by June 30, 2016, the amount provided in this subsection shall lapse.))~~

Sec. 1219. 2016 sp.s. c 36 s 220 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

The appropriations to the department of corrections in this act shall be expended for the programs and in the amounts specified in this act. However, after May 1, ~~((2016))~~ 2017, after approval by the director of financial management and unless specifically prohibited by this act, the department may transfer general fund—state appropriations for fiscal year ~~((2016))~~ 2017 between programs. The department may not transfer funds, and the director of financial management may not approve the transfer, unless the transfer is consistent with the objective of conserving, to the maximum extent possible, the expenditure of state funds. The director of financial management shall notify the appropriate fiscal committees of the senate and house of representatives in writing seven days prior to approving any deviations from appropriation levels. The written notification must include a narrative explanation and justification of the changes, along with expenditures and allotments by budget unit and appropriation, both before and after any allotment modifications or transfers.

(1) ADMINISTRATION AND SUPPORT SERVICES

General Fund—State Appropriation (FY 2016)	\$59,179,000
General Fund—State Appropriation (FY 2017)	(\$59,907,000)
	<u>\$59,842,000</u>
TOTAL APPROPRIATION	(\$119,086,000)
	<u>\$119,021,000</u>

The appropriations in this subsection are subject to the following conditions and limitations: \$35,000 of the general fund—state appropriation for fiscal year 2016 and \$35,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the support of a statewide council on mentally ill offenders that includes as its members representatives of community-based mental health treatment programs, current or former judicial officers, and directors and commanders of city and county jails and state prison facilities. The council will investigate and promote cost-effective approaches to meeting the long-term needs of adults and juveniles with mental disorders who have a history of offending or who are at-risk of offending, including their mental health, physiological, housing, employment, and job training needs.

(2) CORRECTIONAL OPERATIONS

General Fund—State Appropriation (FY 2016)	\$607,084,000
General Fund—State Appropriation (FY 2017)	(\$630,422,000)
	<u>\$630,061,000</u>
General Fund—Federal Appropriation	\$1,892,000
Washington Auto Theft Prevention Authority Account—	
State Appropriation	(\$6,812,000)
	<u>\$4,612,000</u>
State Toxics Control Account—State Appropriation	\$400,000
TOTAL APPROPRIATION	(\$1,246,610,000)
	<u>\$1,244,049,000</u>

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

(a) During the 2015-2017 fiscal biennium, when contracts are established or renewed for offender pay phone and other telephone services provided to inmates, the department shall select the contractor or contractors primarily based on the following factors: (i) The lowest rate charged to both the inmate and the person paying for the telephone call; and (ii) the lowest commission rates paid to the department, while providing reasonable compensation to cover the costs of the department to provide the telephone services to inmates and provide sufficient revenues for the activities funded from the institutional welfare betterment account.

(b) The department may contract for up to 300 beds statewide to the extent that it is at no net cost to the department. The department shall calculate and report the average cost per offender per day, inclusive of all services, on an annual basis for a facility that is representative of average medium or lower offender costs. The duration of the contracts may be for up to four years. The department shall not pay a rate greater than \$65 per day per offender for all costs associated with the offender while in the local correctional facility to include programming and health care costs, or the equivalent of \$65 per day per bed including programming and health care costs for full units. The capacity

provided at local correctional facilities must be for offenders whom the department of corrections defines as medium or lower security offenders. Programming provided for inmates held in local jurisdictions is included in the rate, and details regarding the type and amount of programming, and any conditions regarding transferring offenders must be negotiated with the department as part of any contract. Local jurisdictions must provide health care to offenders that meet standards set by the department. The local jail must provide all medical care including unexpected emergent care. The department must utilize a screening process to ensure that offenders with existing extraordinary medical/mental health needs are not transferred to local jail facilities. If extraordinary medical conditions develop for an inmate while at a jail facility, the jail may transfer the offender back to the department, subject to terms of the negotiated agreement. Health care costs incurred prior to transfer are the responsibility of the jail.

(c) \$501,000 of the general fund—state appropriation for fiscal year 2016 and \$501,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the department to maintain the facility, property, and assets at the institution formerly known as the maple lane school in Rochester. (~~The department may not house incarcerated offenders at the maple lane site until specifically directed to do so by the legislature.~~)

(d) \$479,000 of the general fund—state appropriation for fiscal year 2016, and (~~(\$1,379,000)~~) \$758,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the department to contract (~~(with Yakima county)~~) for the use of inmate bed capacity in lieu of prison beds operated by the state to meet prison capacity needs.

(e) The department shall review its policies and procedures for overtime usage throughout its prison custody system to identify efficiencies and best practices that will control costs. The department shall provide to the appropriate committees of the legislature by November 15, 2015, a report that makes recommendations to reduce the department's overtime usage and reduces overall costs for prison personnel.

(f) In an effort to reduce its need for medium security beds, the department shall review options to meet capacity needs in the most cost-efficient manner without compromising safety. The department shall at a minimum review its policies that determine custody levels, including examining other states' policies and determine costs to convert any empty prison beds to medium security and possibilities to utilize local jail beds for this purpose. The department must evaluate the options on both a short-term and long-term basis against the cost and timing of any proposal to build a new prison facility. The department shall report its findings and recommendations to the appropriate committees of the legislature by December 1, 2015.

(g) Within the amounts provided in this section, the department of corrections shall explore entering into an interagency agreement with the University of Washington. The interagency agreement would allow the department to receive drug pricing under 340B of the public health services act for drug purchases associated with treating patients with hepatitis C or other diseases, whereby the university is acting as the covered entity or safety-net provider. In cooperation with the University of Washington, the department must provide an estimate of the fiscal impact of a successful agreement of this nature,

to be included in the report provided to the legislature under section 606 of this act.

((+)) (h) \$454,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for nonrepresented state employees in targeted state employee job classifications psychiatrist, psychiatric social worker, and psychologist as set forth in section 906 of this act.

((+)) (i) \$736,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the implementation of a memorandum of understanding between the governor and the teamsters union local 117, amending the collective bargaining agreement under chapter 41.80 RCW for the 2015-2017 fiscal biennium as set forth in section 904 of this act, effective July 1, 2017. The legislature recognizes that the memorandum of understanding was necessitated by an emergency and an imminent jeopardy determination by the center for medicare and medicaid services that relates to the safety and health of clients and employees, which impacts the state employee job classifications of psychiatrist, psychiatric social worker, and psychologist at prison facilities.

(3) COMMUNITY SUPERVISION

General Fund—State Appropriation (FY 2016)	\$157,176,000
General Fund—State Appropriation (FY 2017)	(\$155,532,000)
	<u>\$167,878,000</u>
General Fund—Federal Appropriation	\$995,000
TOTAL APPROPRIATION	(\$313,703,000)
	<u>\$326,049,000</u>

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

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

(b) Within the amounts provided in this subsection, specific funding is provided to implement Senate Bill No. 5070 (supervision of domestic violence offenders).

(c) The department shall engage in ongoing mitigation strategies to reduce the costs associated with community supervision violators, including improvements in data collection and reporting and alternatives to short-term confinement for low-level violators.

(4) CORRECTIONAL INDUSTRIES

General Fund—State Appropriation (FY 2016)	\$6,600,000
General Fund—State Appropriation (FY 2017)	(\$6,465,000)
	<u>\$7,263,000</u>
TOTAL APPROPRIATION	(\$13,065,000)
	<u>\$13,863,000</u>

(5) INTERAGENCY PAYMENTS

General Fund—State Appropriation (FY 2016)	\$44,828,000
General Fund—State Appropriation (FY 2017)	\$42,246,000
TOTAL APPROPRIATION	\$87,074,000

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

(6) OFFENDER CHANGE

General Fund—State Appropriation (FY 2016)	\$54,480,000
General Fund—State Appropriation (FY 2017)	(\$53,428,000)
	<u>\$53,218,000</u>
TOTAL APPROPRIATION	(\$107,908,000)
	<u>\$107,698,000</u>

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

(a) The department of corrections shall use funds appropriated in this subsection (6) for offender programming. The department shall develop and implement a written comprehensive plan for offender programming that prioritizes programs which follow the risk-needs-responsivity model, are evidence-based, and have measurable outcomes. The department is authorized to discontinue ineffective programs and to repurpose underspent funds according to the priorities in the written plan.

(b) Effective April 1, 2016, the regional support networks must subcontract with providers that have specialized expertise in the provision of outpatient chemical dependency treatment services to offenders who have been sentenced by a superior court to a term of community supervision by the department of corrections. The department of corrections and the department of social and health services must develop a memorandum of understanding for offenders on active supervision by the department who are eligible for chemical dependency programming and to ensure that manualized evidence-based treatment services funded by these agencies are coordinated, do not result in duplication of services, and maintain access and quality of care for the individuals being served.

(c) The department of corrections shall implement and make necessary changes to policies and practices to assist eligible needs-assessed offenders within the community with access to outpatient chemical dependency treatment services through the behavioral health organizations and early adopters.

Sec. 1220. 2016 sp.s. c 36 s 221 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF SERVICES FOR THE BLIND

General Fund—State Appropriation (FY 2016)	\$2,294,000
General Fund—State Appropriation (FY 2017)	(\$2,728,000)
	<u>\$2,739,000</u>
General Fund—Federal Appropriation	(\$23,163,000)
	<u>\$23,206,000</u>
General Fund—Private/Local Appropriation	\$60,000
TOTAL APPROPRIATION	(\$28,245,000)

\$28,299,000

**PART XIII
NATURAL RESOURCES**

Sec. 1301. 2016 sp.s. c 36 s 301 (uncodified) is amended to read as follows:

FOR THE COLUMBIA RIVER GORGE COMMISSION

General Fund—State Appropriation (FY 2016)	\$464,000
General Fund—State Appropriation (FY 2017)	(\$476,000)
	<u>\$479,000</u>
General Fund—Federal Appropriation	\$32,000
General Fund—Private/Local Appropriation	(\$906,000)
	<u>\$909,000</u>
TOTAL APPROPRIATION	(\$1,878,000)
	<u>\$1,884,000</u>

Sec. 1302. 2016 sp.s. c 36 s 302 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

General Fund—State Appropriation (FY 2016)	\$24,537,000
General Fund—State Appropriation (FY 2017)	(\$24,623,000)
	<u>\$24,552,000</u>
General Fund—Federal Appropriation	\$103,782,000
General Fund—Private/Local Appropriation	\$22,396,000
Reclamation Account—State Appropriation	\$4,703,000
Flood Control Assistance Account—State Appropriation	(\$2,069,000)
	<u>\$1,989,000</u>
State Emergency Water Projects Revolving Account—State Appropriation	\$40,000
Waste Reduction/Recycling/Litter Control—State Appropriation	(\$13,290,000)
	<u>\$13,284,000</u>
State Drought Preparedness Account—State Appropriation	\$872,000
State and Local Improvements Revolving Account (Water Supply Facilities)—State Appropriation	\$150,000
Aquatic Algae Control Account—State Appropriation	\$518,000
Water Rights Tracking System Account—State Appropriation	\$446,000
Site Closure Account—State Appropriation	\$578,000
Wood Stove Education and Enforcement Account—State Appropriation	\$547,000
Worker and Community Right-to-Know Account—State Appropriation	\$1,792,000
Water Rights Processing Account—State Appropriation	\$39,000
State Toxics Control Account—State Appropriation	(\$123,470,000)
	<u>\$123,818,000</u>
State Toxics Control Account—Private/Local Appropriation	\$499,000
Local Toxics Control Account—State Appropriation	(\$4,527,000)
	<u>\$4,523,000</u>
Water Quality Permit Account—State Appropriation	(\$44,673,000)

	<u>\$44,614,000</u>
Underground Storage Tank Account—State Appropriation	((\$3,546,000))
	<u>\$3,493,000</u>
Biosolids Permit Account—State Appropriation	\$2,108,000
Environmental Legacy Stewardship Account—State Appropriation	((\$36,091,000))
	<u>\$36,052,000</u>
Hazardous Waste Assistance Account—State Appropriation	((\$6,149,000))
	<u>\$6,138,000</u>
Radioactive Mixed Waste Account—State Appropriation	((\$15,968,000))
	<u>\$15,944,000</u>
Air Pollution Control Account—State Appropriation	((\$3,985,000))
	<u>\$3,605,000</u>
Oil Spill Prevention Account—State Appropriation	((\$8,716,000))
	<u>\$8,705,000</u>
Air Operating Permit Account—State Appropriation	((\$3,233,000))
	<u>\$3,192,000</u>
Freshwater Aquatic Weeds Account—State Appropriation	\$1,439,000
Oil Spill Response Account—State Appropriation	\$7,076,000
Water Pollution Control Revolving Administration Account—State Appropriation	\$579,000
Water Pollution Control Revolving Account—State Appropriation	\$493,000
Water Pollution Control Revolving Account—Federal Appropriation	\$2,336,000
TOTAL APPROPRIATION	((\$465,270,000))
	<u>\$464,839,000</u>

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

- (1) \$170,000 of the oil spill prevention account—state appropriation is provided solely for a contract with the University of Washington's sea grant program to continue an educational program targeted to small spills from commercial fishing vessels, ferries, cruise ships, ports, and marinas.
- (2) \$495,000 of the state toxics control account—state appropriation and \$625,000 of the local toxics control account—state appropriation is provided solely for the expansion of the local source control program by adding additional capacity in the Columbia River basin and Clark county.
- (3) \$310,000 of the state toxics control account—state appropriation is provided solely for the Spokane river regional toxics task force to address elevated levels of polychlorinated biphenyls in the Spokane river.
- (4) Within the amounts appropriated in this section, the department shall conduct a stakeholder process with the department of fish and wildlife to develop recommendations to restructure the fees under RCW 90.16.050 and report to the appropriate committees of the legislature by December 1, 2015.
- (5) \$1,044,000 of the oil spill prevention account—state appropriation is provided solely for the implementation of chapter 274, Laws of 2015 (ESHB 1449).

(6) \$3,883,000 of the state toxics control account—state appropriation is provided solely for the implementation of Engrossed Second Substitute House Bill No. 1472 (chemical action plans), Second Substitute Senate Bill No. 5056 (safer chemicals/action plans), Substitute Senate Bill No. 6131 (safer chemicals), or any of these. If none of these bills are enacted by July 10, 2015, the amount provided in this subsection shall lapse.

(7) \$134,000 of the general fund—state appropriation for fiscal year 2016 is provided solely for implementation of chapter 144, Laws of 2015 (SHB 1851).

(8) \$135,000 of the general fund—state appropriation for fiscal year 2016 and \$135,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the Walla Walla watershed management partnership to address water resource and management issues in the Walla Walla watershed.

(9)(a) \$14,000,000 of the general fund—state appropriation for fiscal year 2016 and \$14,000,000 of the general fund—state appropriation for fiscal year 2017 are for activities within the water resources program.

(b) Of the amounts provided in (a) of this subsection, \$500,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for processing water right permit applications only if the department of ecology issues at least five hundred water right decisions in fiscal year 2016. If the department of ecology does not issue at least five hundred water right decisions in fiscal year 2016, the amount provided in this subsection shall lapse and remain unexpended. Permit decisions for the Columbia river basin count toward the five hundred water rights decisions under this subsection. The department of ecology shall submit a report to the office of financial management and the state treasurer by June 30, 2016, that documents whether five hundred water right decisions were issued in fiscal year 2016. For the purposes of this subsection, applications that are voluntarily withdrawn by an applicant do not count towards the five hundred water right decision requirement. For the purposes of water budget-neutral requests under chapter 173-539A WAC, multiple domestic connections authorized within a single water budget-neutral decision are considered one decision for the purposes of this subsection.

(10) Within the amounts appropriated in this section, the department must evaluate mitigation options for domestic water use in areas of the Yakima basin for which mitigation water is unavailable and access to water from water banks is unsuitable. The department must recommend solutions for providing mitigation water for domestic use in such areas. A report of the department's findings must be provided to the legislature by December 1, 2015.

(11) \$319,000 of the general fund—state appropriation for fiscal year 2017, \$56,000 of the waste reduction, recycling, and litter control account—state appropriation, \$806,000 of the state toxics control account—state appropriation, \$281,000 of the water quality permit account—state appropriation, \$188,000 of the environmental legacy stewardship account—state appropriation, \$56,000 of the hazardous waste assistance account—state appropriation, \$113,000 of the radioactive mixed waste account—state appropriation, and \$56,000 of the oil spill prevention account—state appropriation are provided solely for the attendance tracking replacement system project, and are subject to the same conditions, limitations and review provided in section 705 (4) through (6), chapter 4, Laws of 2015 3rd sp. sess. (Engrossed Substitute Senate Bill No. 6052).

(12) Within the amounts appropriated in this section, the director of the department, working with the commissioner of public lands, shall conduct a management review of the joint federal and state dredged material management program and recommend and, as appropriate, implement actions designed to ensure that the program is functioning to facilitate the disposal of dredged material at open water disposal sites using methods that are protective of human health and in compliance with applicable federal and state environmental laws, regulations, and permit requirements. The director and commissioner shall report findings and proposed actions to the relevant committees of the legislature no later than November 1, 2016. The director and commissioner shall consider input and perspectives from tribal governments and agencies that issue permits for open water disposal of dredged material in Puget Sound, including the department of natural resources, the department of ecology, the United States environmental protection agency, and the United States army corps of engineers. This review shall include, but is not limited to: (a) The extent to which current operations, policies, and decisions of the dredged material management program provide for dredging actions necessary to maintain navigation and commerce; (b) determining what regulatory flexibility exists to allow open water disposal of dredged materials in a manner that will protect human health and the environment; and (c) an evaluation of the dredged material management program's decision-making process and policies to ensure that existing regulatory flexibility is appropriately used and that appropriate management and oversight is incorporated.

(13) \$25,000 of the reclamation account—state appropriation is provided solely for implementation of Substitute House Bill No. 1130 (water power license fees). If the bill is not enacted by June 30, 2016, the amount provided in this subsection shall lapse.

~~((45))~~ (14) During the 2015-2017 fiscal biennium, the department shall not retain fees in excess of the estimated amount necessary to cover the agency's administrative costs related to the mercury light stewardship program under chapter 70.275 RCW. The department shall refund any fees collected in excess of those administrative costs to any approved stewardship organization under chapter 70.275 RCW.

~~((46))~~ (15) For the purposes of evaluating the requirements of RCW 70.95.290, the department, in consultation with the Washington materials management and financing authority, shall, within existing resources, report to the appropriate committees of the legislature on whether the department and the Washington materials management and financing authority have utilized existing infrastructure for the collection of electronics. In its report, the department, in consultation with the Washington materials management and financing authority, must report on the location and number of new programs created and depot systems developed since 2006 for the purpose of collecting electronics, how many existing collections sites have been utilized, as well as how many curbside collection companies were contracted with for collection of electronics. The department must submit the report to the appropriate committees of the legislature no later than September 1, 2016.

~~((47))~~ (16) \$22,000 of the general fund—state appropriation for fiscal year 2016 and \$50,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the implementation of Engrossed Senate Bill No. 6589

(water storage/exempt wells). If the bill is not enacted by June 30, 2016, the amounts provided in this subsection shall lapse.

~~((18))~~ (17) \$300,000 of the state toxics control account—state appropriation is provided solely for the hazardous waste and toxics reduction program and is contingent on the implementation of section 3 of Engrossed Substitute House Bill No. 2545 (flame retardant chemicals). If the bill is not enacted by June 30, 2016, the amount provided in this subsection shall lapse.

Sec. 1303. 2016 sp.s. c 36 s 303 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

General Fund—State Appropriation (FY 2016)	.....	\$10,558,000
General Fund—State Appropriation (FY 2017)	.....	\$11,109,000
General Fund—Federal Appropriation	.....	\$6,920,000
Winter Recreation Program Account—State Appropriation	.....	\$3,309,000
ORV and Nonhighway Vehicle Account—State Appropriation	.....	\$231,000
Snowmobile Account—State Appropriation	.....	(\$5,824,000)
		<u>\$5,594,000</u>
Aquatic Lands Enhancement Account—State Appropriation	.....	\$369,000
Recreation Access Pass Account—State		
Appropriation	.....	(\$250,000)
		<u>\$200,000</u>
Parks Renewal and Stewardship Account—State		
Appropriation	.....	(\$131,357,000)
		<u>\$129,082,000</u>
Parks Renewal and Stewardship Account—Private/Local		
Appropriation	.....	\$318,000
TOTAL APPROPRIATION	.....	(\$170,245,000)
		<u>\$167,690,000</u>

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

(1) \$79,000 of the general fund—state appropriation for fiscal year 2016, \$79,000 of the general fund—state appropriation for fiscal year 2017, \$25,000 of the snowmobile account—state appropriation, and \$25,000 of the winter recreation program account—state appropriation are provided solely for a grant for the operation of the Northwest weather and avalanche center.

(2) \$100,000 of the general fund—state appropriation for fiscal year 2016 and \$100,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the commission to pay assessments charged by local improvement districts.

(3) ~~(\$250,000)~~ \$200,000 of the recreation access pass account—state appropriation is provided solely for the commission, using its authority under RCW 79A.05.055(3) and in partnership with the department of fish and wildlife and the department of natural resources, to coordinate a process to develop options and recommendations to improve consistency, equity, and simplicity in recreational access fee systems while accounting for the fiscal health and stability of public land management. The process must be collaborative and include other relevant agencies and appropriate stakeholders. The commission must contract with the William D. Ruckelshaus Center or another neutral third

party to facilitate meetings and discussions with parties involved in the process and provide a report to the appropriate committees of the legislature by December 1, 2017. The process must analyze and make recommendations on:

(a) Opportunities for federal and state recreational permit fee coordination, including the potential for developing a system that allows a single pass to provide access to federal and state lands;

(b) Opportunities to enhance consistency in the way state and federal recreational access fees apply to various types of recreational users, including those that travel to public lands by motor vehicle, boat, bicycle, foot, or another method; and

(c) Opportunities to develop a comprehensive and consistent statewide approach to recreational fee discounts and exemptions to social and other groups including, but not limited to, disabled persons, seniors, disabled veterans, foster families, low-income residents, and volunteers. This analysis must examine the cost of such a program, and should consider how recreational fee discounts fit into the broader set of benefits provided by the state to these social groups. This includes a review of the efficacy, purpose, and cost of existing recreational fee discounts and exemptions, as well as opportunities for new or modified social group discounts and exemptions. The department of veterans affairs and the department of social and health services must be included in this portion of the process.

(4) \$100,000 of the parks renewal and stewardship account—state appropriation is provided solely for conducting noxious weed treatment and vegetation management on the John Wayne pioneer trail to protect adjacent land owners from noxious weeds with priority in areas where there is adjacent agricultural use. Control of noxious weeds must follow an integrated pest management approach including the use of biological, chemical, and mechanical control prescriptions in accordance with chapter 17.15 RCW and consistent with state and county weed board requirements. The commission must report on its progress in meeting this requirement to the appropriate committees of the legislature by September 30, 2016.

(5) \$14,185,000 of the parks renewal and stewardship account—state appropriation is provided solely for expenditures related to state parks. Of this amount, \$11,614,000 is provided for maintenance and preservation activities, \$1,971,000 is provided for radio equipment and installation, \$300,000 is provided for firefighting vehicles, equipment, and supplies, and \$300,000 is provided for marketing activities.

Sec. 1304. 2016 sp.s. c 36 s 304 (uncodified) is amended to read as follows:

FOR THE RECREATION AND CONSERVATION FUNDING BOARD	
General Fund—State Appropriation (FY 2016)	.....\$842,000
General Fund—State Appropriation (FY 2017)	.....(\$818,000)
	<u>\$916,000</u>
General Fund—Federal Appropriation	.....\$3,536,000
General Fund—Private/Local Appropriation	.....\$24,000
Aquatic Lands Enhancement Account—State Appropriation	.....\$488,000
Firearms Range Account—State Appropriation	.....\$37,000
Recreation Resources Account—State Appropriation	.....(\$3,263,000)
	<u>\$3,414,000</u>

NOVA Program Account—State Appropriation	\$1,014,000
TOTAL APPROPRIATION	(\$10,022,000)
	<u>\$10,271,000</u>

Sec. 1305. 2016 sp.s. c 36 s 305 (uncodified) is amended to read as follows:

FOR THE ENVIRONMENTAL AND LAND USE HEARINGS OFFICE

General Fund—State Appropriation (FY 2016)	\$2,149,000
General Fund—State Appropriation (FY 2017)	(\$2,175,000)
	<u>\$2,186,000</u>
TOTAL APPROPRIATION	(\$4,324,000)
	<u>\$4,335,000</u>

Sec. 1306. 2016 sp.s. c 36 s 306 (uncodified) is amended to read as follows:

FOR THE CONSERVATION COMMISSION

General Fund—State Appropriation (FY 2016)	\$6,778,000
General Fund—State Appropriation (FY 2017)	(\$6,848,000)
	<u>\$6,865,000</u>
General Fund—Federal Appropriation	\$2,301,000
Public Works Assistance Account—State Appropriation	\$7,600,000
Disaster Response Account—State Appropriation	\$7,800,000
State Toxics Control Account—State Appropriation	\$1,000,000
TOTAL APPROPRIATION	(\$32,327,000)
	<u>\$32,344,000</u>

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

(1) \$7,600,000 of the public works assistance account—state appropriation is provided solely for implementation of the voluntary stewardship program. This amount may not be used to fund agency indirect and administrative expenses.

(2) \$6,800,000 of the disaster response account—state appropriation is provided solely to protect water quality, stabilize soil, prevent crop damage, replace fencing and help landowners recover from losses sustained from wildfires. \$300,000 of this amount shall be provided to the Okanogan county noxious weed control board to control weeds and revegetate lands damaged by wildfires.

(3) \$1,000,000 of the disaster response account—state appropriation is provided solely for the commission to provide to conservation districts for the firewise program.

(4)(a) \$50,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the commission to convene and facilitate a food policy forum. The director of the commission is responsible for appointing participating members of the food policy forum in consultation with the director of the department of agriculture. In making appointments, the director of the commission must attempt to ensure a diversity of knowledge, experience, and perspectives by building on the representation established by the food system roundtable initiated by executive order No. 10-02.

(b) In addition to members appointed by the director of the state conservation commission, four legislators may serve on the food policy forum in an ex officio capacity. Legislative participants must be appointed as follows:

(i) The speaker of the house of representatives shall appoint one member from each of the two largest caucuses of the house of representatives; and

(ii) The president of the senate shall appoint one member from each of the two largest caucuses of the senate.

(c) The commission shall coordinate with the office of farmland preservation and the department of agriculture to avoid duplication of effort. The commission must report to the appropriate committees of the legislature, consistent with RCW 43.01.036, with the forum's recommendations by October 31, 2017.

Sec. 1307. 2016 sp.s. c 36 s 307 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE

General Fund—State Appropriation (FY 2016)	\$37,599,000
General Fund—State Appropriation (FY 2017)	(\$39,435,000)
	<u>\$39,598,000</u>
General Fund—Federal Appropriation	(\$113,956,000)
	<u>\$114,877,000</u>
General Fund—Private/Local Appropriation	\$61,739,000
ORV and Nonhighway Vehicle Account—State Appropriation	\$425,000
Aquatic Lands Enhancement Account—State Appropriation	(\$11,627,000)
	<u>\$11,327,000</u>
Recreational Fisheries Enhancement—State Appropriation	\$2,997,000
Disaster Response Account—State Appropriation	\$642,000
Warm Water Game Fish Account—State Appropriation	(\$2,738,000)
	<u>\$2,538,000</u>
Eastern Washington Pheasant Enhancement Account—State Appropriation	\$850,000
Aquatic Invasive Species Enforcement Account—State Appropriation	\$219,000
Aquatic Invasive Species Prevention Account—State Appropriation	\$778,000
State Wildlife Account—State Appropriation	\$117,456,000
Special Wildlife Account—State Appropriation	(\$313,000)
	<u>\$1,801,000</u>
Special Wildlife Account—Federal Appropriation	\$500,000
Special Wildlife Account—Private/Local Appropriation	\$3,517,000
Wildlife Rehabilitation Account—State Appropriation	\$359,000
Hydraulic Project Approval Account—State Appropriation	\$669,000
Environmental Legacy Stewardship Account—State Appropriation	\$2,814,000
Regional Fisheries Enhancement Salmonid Recovery Account— Federal Appropriation	\$5,001,000
Oil Spill Prevention Account—State Appropriation	\$1,075,000
Oyster Reserve Land Account—State Appropriation	\$779,000

TOTAL APPROPRIATION .....	..((\$405,488,000))
	<u>\$407,560,000</u>

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

(1) \$344,000 of the general fund—state appropriation for fiscal year 2017 is provided solely to pay for emergency fire suppression costs. This amount may not be used to fund agency indirect and administrative expenses.

(2) \$596,000 of the general fund—state appropriation for fiscal year 2016 and \$596,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for weed assessments and for payments in lieu of real property taxes to counties that elect to receive the payments for department owned game lands within the county.

(3) \$300,000 of the aquatic lands enhancement account—state appropriation is provided solely for the aquatic invasive species and ballast water programs to address voluntary compliance and watercraft check stations and develop recommendations for future funding and the transition to new federal ballast water regulations. These recommendations shall be provided to the governor and legislature by June 1, 2016.

(4) Prior to submitting its 2017-2019 biennial operating and capital budget requests related to state fish hatcheries to the office of financial management, the department shall contract with the hatchery scientific review group (HSRG) to review the proposed requests. This review shall: (a) Determine if the proposed requests are consistent with HSRG recommendations; (b) prioritize the components of the requests based on their contributions to protecting wild salmonid stocks and meeting the recommendations of the HSRG; and (c) evaluate whether the proposed requests are being made in the most cost effective manner. The department shall provide a copy of the HSRG review to the office of financial management with its agency budget proposal.

(5) \$400,000 of the general fund—state appropriation for fiscal year 2016 and \$400,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for a state match to support the Puget Sound nearshore partnership between the department and the United States army corps of engineers. Prior to implementation of any Puget Sound nearshore ecosystem restoration projects in Whatcom county, the department must consult with and seek, to the maximum extent practicable, consensus on those projects among appropriate landowners, federally recognized Indian tribes, agencies, and community and interest groups.

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

(7) Within the amounts appropriated in this section, the department shall conduct a stakeholder process with the department of ecology to develop recommendations to restructure the fees under RCW 90.16.050 and report to the appropriate committees of the legislature by December 1, 2015.

(8) The department shall maintain a working capital reserve in the nonrestricted portion of the state wildlife account of no more than five percent of projected expenses in the nonrestricted portion of the account.

(9) \$72,000 of the oil spill prevention account—state appropriation is provided solely for implementation of chapter 274, Laws of 2015 (ESHB 1449).

(10) \$352,000 of the general fund—state appropriation for fiscal year 2016 and \$351,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the implementation of chapter 191, Laws of 2015 (SSB 5166).

(11) \$642,000 of the disaster response account—state appropriation is provided solely for wildland fire restoration activities on state wildlife areas.

(12) \$100,000 of the general fund—state appropriation for fiscal year 2016 and \$375,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the department to establish a work unit to engage and empower diverse stakeholders in decisions about fish and wildlife.

(13) \$300,000 of the general fund—state appropriation for fiscal year 2017 is provided solely to fund cost share partnerships between the department and landowners via livestock damage prevention cooperative agreements. The agreements are part of the department's efforts to help landowners implement measures to reduce the potential for wolf-livestock conflict.

(14) \$25,000 of the general fund—state appropriation for fiscal year 2017 is provided solely to pay claims for confirmed cougar depredations on livestock.

(15) \$225,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for operations at Naselle Hatchery. Any increase in hatchery fish production is contingent upon hatchery reform broodstock standards being met and state fisheries being managed to conserve wild fish populations.

(16) \$25,000 of the general fund—state appropriation for fiscal year 2016 and \$25,000 of the general fund—state appropriation for fiscal year 2017 are provided solely to the Northwest straits commission for assistance in conducting and evaluating the forage fish surveys in Puget Sound.

(17) \$100,000 of the state wildlife account—state appropriation is provided solely for ongoing department efforts to address elk hoof disease including monitoring prevalence in affected areas, evaluating survival of affected elk, and assessing management options in affected areas.

(18) The governor shall convene a government-to-government meeting between the department and federally recognized Indian tribes to discuss and develop a protocol regarding enforcement actions related to hunting activities by tribal members on lands where the member's tribe has a treaty or other federally recognized right to hunt.

Sec. 1308. 2016 sp.s. c 36 s 308 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF NATURAL RESOURCES

General Fund—State Appropriation (FY 2016)	\$30,402,000
General Fund—State Appropriation (FY 2017)	(\$49,478,000)
	<u>\$53,699,000</u>
General Fund—Federal Appropriation	(\$30,079,000)
	<u>\$32,531,000</u>
General Fund—Private/Local Appropriation	\$2,372,000
Forest Development Account—State Appropriation	\$53,786,000
ORV and Nonhighway Vehicle Account—State	
Appropriation	\$6,655,000
Surveys and Maps Account—State Appropriation	\$4,502,000

Aquatic Lands Enhancement Account—State	
Appropriation	\$8,743,000
Resources Management Cost Account—State	
Appropriation	\$119,872,000
Surface Mining Reclamation Account—State	
Appropriation	\$3,960,000
Disaster Response Account—State Appropriation	\$16,601,000
Forest and Fish Support Account—State Appropriation	\$10,129,000
Aquatic Land Dredged Material Disposal Site Account—State	
Appropriation	\$401,000
Natural Resources Conservation Areas Stewardship Account—State	
Appropriation	\$34,000
Marine Resources Stewardship Trust Account—State	
Appropriation	\$925,000
State Toxics Control Account—State Appropriation	\$5,438,000
Forest Practices Application Account—State	
Appropriation	(\$1,971,000)
	<u>\$1,524,000</u>
Environmental Legacy Stewardship Account—State	
Appropriation	\$1,004,000
Air Pollution Control Account—State Appropriation	(\$817,000)
	<u>\$717,000</u>
NOVA Program Account—State Appropriation	\$696,000
Derelict Vessel Removal Account—State Appropriation	\$1,931,000
Community Forest Trust Account—State Appropriation	\$26,000
Agricultural College Trust Management Account—State	
Appropriation	\$2,879,000
TOTAL APPROPRIATION	(\$352,701,000)
	<u>\$358,827,000</u>

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

(1) \$1,420,000 of the general fund—state appropriation for fiscal year 2016 and \$1,352,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for deposit into the agricultural college trust management account and are provided solely to manage approximately 70,700 acres of Washington State University's agricultural college trust lands.

(2) ~~(\$15,530,000)~~ \$19,751,000 of the general fund—state appropriation for fiscal year 2017 and \$10,525,000 of the disaster response account—state appropriation are provided solely for emergency fire suppression. The general fund—state appropriation and disaster response account—state appropriation provided in this subsection may not be used to fund agency indirect and administrative expenses. Agency indirect and administrative costs shall be allocated among the agency's remaining accounts and appropriations. The department of natural resources shall submit a quarterly report to the office of financial management and the legislative fiscal committees detailing information on current and planned expenditures from the disaster response account. This work shall be done in coordination with the military department.

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

(4) \$925,000 of the marine resources stewardship trust account—state appropriation is provided solely for implementation of priority marine management planning efforts including mapping activities, ecological assessment, data tools, and stakeholder engagement.

(5) \$440,000 of the state general fund—state appropriation for fiscal year 2016 and \$440,000 of the state general fund—state appropriation for fiscal year 2017 are provided solely for forest work crews that support correctional camps and are contingent upon continuing operations of the Naselle youth camp.

(6) \$2,390,000 of the general fund—state appropriation for fiscal year 2016 and \$2,390,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the department to carry out the forest practices adaptive management program pursuant to RCW 76.09.370 and the May 24, 2012, settlement agreement entered into by the department and the department of ecology. Scientific research must be carried out according to the master project schedule and work plan of cooperative monitoring, evaluation, and research priorities adopted by the forest practices board. The forest practices board shall submit a report to the legislature following review, approval, and solicitation of public comment on the cooperative monitoring, evaluation, and research master project schedule, to include: Cooperative monitoring, evaluation, and research science and related adaptive management expenditure details, accomplishments, the use of cooperative monitoring, evaluation, and research science in decision-making, and funding needs for the coming biennium. The report shall be provided to the appropriate committees of the legislature by October 1, 2016.

(7) \$155,000 of the general fund—state appropriation for fiscal year 2016 and \$127,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for ongoing law enforcement, which the department may contract with local law enforcement agencies, and for noxious weed control, forest fire protection assessment, and other management costs for the Teanaway community forest as provided in the Teanaway community forest management plan.

(8) The department shall maintain working capital reserves in the resource management cost account and the forest development account of no more than five percent of the amounts appropriated in each account.

(9) \$337,000 of the general fund—state appropriation for fiscal year 2016 and \$311,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for implementation of chapter 182, Laws of 2015 (ESHB 2093).

(10) \$1,200,000 of the disaster response account—state appropriation is provided solely for joint wildland fire training of department of natural resources, Washington national guard, local fire agency, and tribal firefighters. Of this amount, \$200,000 is provided solely to train local fire agencies on the use of firefighting equipment.

(11) \$215,000 of the disaster response account—state appropriation is provided solely for the department to develop a twenty-year strategic plan to treat areas of state forest land that have been identified by the department as being in poor health.

(12) \$629,000 of the disaster response account—state appropriation is provided solely for the department to update the smoke management plan in consultation with the department of ecology, other relevant state and federal agencies, and relevant stakeholders.

(13) \$696,000 of the disaster response account—state appropriation is provided solely to enhance the department's capacity to respond to large wildfires using in-state resources.

(14) \$443,000 of the disaster response account—state appropriation is provided solely to enhance capacity for aerial attack of wildfires. Within this amount, the department must develop a pre-certified list of aerial contractors that may be available for fire suppression in fire-prone areas and report the list to the appropriate committees of the legislature by December 1, 2016.

(15) \$1,000,000 of the disaster response account—state appropriation is provided solely to provide firefighting equipment to local fire agencies.

(16) \$417,000 of the disaster response account—state appropriation is provided solely for wildfire prevention education, community outreach programs, technical assistance to landowners; and to ensure landowner compliance with grant and contract requirements, burn permit conditions, and industrial fire precaution levels.

(17) \$569,000 of the disaster response account—state appropriation is provided solely for portable and mobile radios.

(18) \$700,000 of the resources management cost account—state appropriation is provided solely for fuel reduction and forest health activities on state lands.

(19) \$800,000 of the disaster response account—state appropriation is provided solely for implementation of Engrossed Substitute House Bill No. 2928 (outdoor burning). Of this amount, two percent is provided solely for the department's administrative costs, five percent is provided solely for the department to provide forest health collaboratives for burn technician costs, and ninety-three percent is provided solely for the department to provide forest health collaboratives for implementation of forest resiliency burning. The department shall direct the forest health collaboratives to complete the forest resiliency burning under this subsection by January 1, 2017. If the bill is not enacted by June 30, 2016, the amount provided in this subsection shall lapse.

(20) \$100,000 of the disaster response account—state appropriation is provided solely for fuel reduction and creating firebreaks in and around the city of Walla Walla's mill creek watershed.

(21) \$5,057 of the disaster response account—state appropriation is provided solely for the Asotin county sheriff's office for the grizzly bear complex fire.

Sec. 1309. 2016 sp.s. c 36 s 310 (uncodified) is amended to read as follows:

FOR THE WASHINGTON POLLUTION LIABILITY INSURANCE PROGRAM

Pollution Liability Insurance Program Trust Account—State

Appropriation	((<u>\$1,421,000</u>))
	<u>\$1,425,000</u>
Underground Storage Tank Revolving Account—State	
Appropriation	\$5,000
TOTAL APPROPRIATION	((<u>\$1,426,000</u>))
	<u>\$1,430,000</u>

The appropriations in this section are subject to the following conditions and limitations: \$5,000 of the underground storage tank revolving account—state appropriation is provided solely for implementation of Substitute House Bill No. 2357 (pollution insurance agency). If the bill is not enacted by June 30, 2016, the amount provided in this subsection shall lapse.

Sec. 1310. 2016 sp.s. c 36 s 311 (uncodified) is amended to read as follows:

FOR THE PUGET SOUND PARTNERSHIP

General Fund—State Appropriation (FY 2016)	\$2,333,000
General Fund—State Appropriation (FY 2017)	((<u>\$2,349,000</u>))
	<u>\$2,366,000</u>
General Fund—Federal Appropriation	((<u>\$9,955,000</u>))
	<u>\$8,964,000</u>
Aquatic Lands Enhancement Account—State	
Appropriation	((<u>\$2,119,000</u>))
	<u>\$2,122,000</u>
State Toxics Control Account—State Appropriation	((<u>\$705,000</u>))
	<u>\$707,000</u>
TOTAL APPROPRIATION	((<u>\$17,461,000</u>))
	<u>\$16,492,000</u>

The appropriations in this section are subject to the following conditions and limitations: By October 15, 2016, the Puget Sound partnership shall provide the governor a single, prioritized list of state agency 2017-2019 capital and operating budget requests related to Puget Sound restoration.

**PART XIV
TRANSPORTATION**

Sec. 1401. 2016 sp.s. c 36 s 402 (uncodified) is amended to read as follows:

FOR THE STATE PATROL

General Fund—State Appropriation (FY 2016)	\$41,105,000
General Fund—State Appropriation (FY 2017)	((<u>\$39,566,000</u>))
	<u>\$39,586,000</u>
General Fund—Federal Appropriation	\$16,073,000
General Fund—Private/Local Appropriation	\$3,083,000
Death Investigations Account—State Appropriation	\$6,439,000
Enhanced 911 Account—State Appropriation	((<u>\$3,230,000</u>))
	<u>\$3,009,000</u>
County Criminal Justice Assistance Account—State	
Appropriation	\$3,532,000
Municipal Criminal Justice Assistance Account—State	
Appropriation	\$1,443,000

Fire Service Trust Account—State Appropriation	\$131,000
Vehicle License Fraud Account—State Appropriation	(\$264,000)
	<u>\$221,000</u>
Disaster Response Account—State Appropriation	\$8,000,000
Fire Service Training Account—State Appropriation	\$9,997,000
Aquatic Invasive Species Enforcement Account—State Appropriation	\$54,000
State Toxics Control Account—State Appropriation	\$532,000
Fingerprint Identification Account—State Appropriation	(\$14,801,000)
	<u>\$11,601,000</u>
TOTAL APPROPRIATION	(\$148,249,000)
	<u>\$144,806,000</u>

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

(1) \$200,000 of the fire service training account—state appropriation is provided solely for two FTEs in the office of the state director of fire protection to exclusively review K-12 construction documents for fire and life safety in accordance with the state building code. It is the intent of this appropriation to provide these services only to those districts that are located in counties without qualified review capabilities.

(2) \$8,000,000 of the disaster response account—state appropriation is provided solely for Washington state fire service resource mobilization costs incurred in response to an emergency or disaster authorized under RCW 43.43.960 through 43.43.964. The state patrol shall submit a report quarterly to the office of financial management and the legislative fiscal committees detailing information on current and planned expenditures from this account. This work shall be done in coordination with the military department.

(3) \$700,000 of the fire service training account—state appropriation is provided solely for the firefighter apprenticeship training program.

(4) ~~(\$3,230,000)~~ \$3,009,000 of the enhanced 911 account—state appropriation is provided solely for the first phase of the state patrol's plan to upgrade the criminal history system, and is subject to the same conditions, limitations and review provided in section 705 (4) through (6) of this act.

(5) \$1,375,000 of the general fund—state appropriation for fiscal year 2016 and \$1,375,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for implementation of chapter 247, Laws of 2015 (Substitute House Bill No. 1068).

~~(6) (\$3,200,000 of the fingerprint investigation account—state appropriation is provided solely for the second phase of the state patrol's plan to upgrade the criminal history system, and is subject to the same conditions, limitations and review provided in section 705 (4) through (6) of this act.~~

(7)) Within amounts provided in this section, the Washington state patrol shall work with the consolidated technology services agency to explore the feasibility and appropriateness of using vacant data halls in the state data center as storage facilities for evidence collected by law enforcement agencies, including but not limited to the state patrol. The state patrol and the consolidated technology services agency shall develop a cost estimate for modifying the data

center halls in order to fit this purpose. The state patrol shall submit a report on its findings to the governor and the appropriate committees of the legislature by December 1, 2015.

~~((8))~~ (7) \$50,000 of the general fund—state appropriation for fiscal year 2016 and \$50,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the state patrol to pay assessments charged by local improvement districts.

~~((9))~~ (8) \$388,000 of the general fund—state appropriation for fiscal year 2017, \$9,000 of the vehicle license fraud account—state appropriation, and \$13,000 of the general fund—local appropriation are provided solely for implementation of Engrossed Second Substitute House Bill No. 2872 (WSP recruitment and retention). If the bill is not enacted by June 30, 2016, the amounts provided in this subsection shall lapse.

~~((10))~~ (9) The appropriations in this section include specific funds for the purpose of implementing Second Substitute House Bill No. 2530 (protecting victims of sex crimes).

**PART XV
EDUCATION**

Sec. 1501. 2016 sp.s. c 36 s 501 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

General Fund—State Appropriation (FY 2016)	\$38,284,000
General Fund—State Appropriation (FY 2017)	\$46,199,000
General Fund—Federal Appropriation	(\$67,169,000)
	<u>\$70,169,000</u>
General Fund—Private/Local Appropriation	\$9,623,000
Washington Opportunity Pathways Account—State Appropriation.	\$292,000
Dedicated Marijuana Account—State Appropriation (FY 2016).	\$251,000
Dedicated Marijuana Account—State Appropriation (FY 2017).	\$511,000
Performance Audits of Government Account—State Appropriation.	\$208,000
TOTAL APPROPRIATION	(\$162,537,000)
	<u>\$165,537,000</u>

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

(1) \$10,152,000 of the general fund—state appropriation for fiscal year 2016 and \$10,410,000 of the general fund—state appropriation for fiscal year 2017 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, using a uniform definition of unexcused absence as established by the superintendent.

(c) By September of each year, the office of the superintendent of public instruction shall produce an annual status report on implementation of the budget provisos in sections 501 and 513 of this act. The status report of each proviso shall include, but not be limited to, the following information: Purpose and objective, number of state staff funded by the proviso, number of contractors, status of proviso implementation, number of beneficiaries by year, list of beneficiaries, a comparison of budgeted funding and actual expenditures, other sources and amounts of funding, and proviso outcomes and achievements.

(d) The superintendent of public instruction, in consultation with the secretary of state, shall update the program prepared and distributed under RCW 28A.230.150 for the observation of temperance and good citizenship day to include providing an opportunity for eligible students to register to vote at school.

(e) Districts shall annually report to the office of the superintendent of public instruction on: (i) The annual number of graduating high school seniors within the district earning the Washington state seal of biliteracy provided in RCW 28A.300.575; and (ii) the number of high school students earning competency-based high school credits for world languages by demonstrating proficiency in a language other than English. The office of the superintendent of public instruction shall provide a summary report to the office of the governor and the appropriate committees of the legislature by December 1st of each year.

(2) \$1,017,000 of the general fund—state appropriation for fiscal year 2016 and \$857,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for activities associated with the implementation of new school finance systems required by chapter 236, Laws of 2010 (K-12 education funding) and chapter 548, Laws of 2009 (state's education system), including technical staff, systems reprogramming, and workgroup deliberations, including the quality education council and the data governance working group.

(3) \$1,012,000 of the general fund—state appropriation for fiscal year 2016, \$851,000 of the general fund—state appropriation for fiscal year 2017, and \$161,000 of the Washington opportunity pathways account—state appropriation are provided solely for the operation and expenses of the state board of education, including basic education assistance activities. Of these amounts, \$161,000 of the general fund—state appropriation for fiscal year 2016 and \$161,000 of the Washington opportunity pathways account—state appropriation are provided solely for implementation of RCW 28A.710 as amended by Engrossed Second Substitute Senate Bill No. 6194 (public schools other than common schools).

(4) \$3,571,000 of the general fund—state appropriation for fiscal year 2016 and \$3,447,000 of the general fund—state appropriation for fiscal year 2017 are provided solely to the professional educator standards board for the following:

(a) \$1,050,000 in fiscal year 2016 and \$1,050,000 in fiscal year 2017 are for the operation and expenses of the Washington professional educator standards board;

(b) \$2,372,000 of the general fund—state appropriation for fiscal year 2016 and \$2,372,000 of the general fund—state appropriation for fiscal year 2017 are for grants to improve preservice teacher training and for funding of alternative routes to certification programs administered by the professional educator standards board. Alternative routes programs include the pipeline for

paraeducators program, the retooling to teach conditional loan programs, and the recruiting Washington teachers program. Within this subsection (4)(b), up to \$500,000 per fiscal year is available for grants to public or private colleges of education in Washington state to develop models and share best practices for increasing the classroom teaching experience of preservice training programs;

(c) \$25,000 of the general fund—state appropriation for fiscal year 2016 and \$25,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the professional educator standards board to develop educator interpreter standards and identify interpreter assessments that are available to school districts. Interpreter assessments should meet the following criteria: (A) Include both written assessment and performance assessment; (B) be offered by a national organization of professional sign language interpreters and transliterators; and (C) be designed to assess performance in more than one sign system or sign language. The board shall establish a performance standard, defining what constitutes a minimum assessment result, for each educational interpreter assessment identified. The board shall publicize the standards and assessments for school district use;

(d) \$124,000 of the general fund—state appropriation for fiscal year 2016 is provided solely for implementation of chapter 136, Laws of 2014 (paraeducator development).

(5) \$266,000 of the general fund—state appropriation for fiscal year 2016 and \$266,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the implementation of chapter 240, Laws of 2010, including staffing the office of equity and civil rights.

(a) \$5,000 of the amounts provided in this subsection shall be provided to the Washington state school directors association for the creation of a model policy and procedures for language access by limited-English proficient parents. In developing the model policy and procedures, the school directors association shall consider any guidance materials created by the United States department of justice, the United States department of education, and the office of the superintendent of public instruction, regarding how school districts can effectively assess their language access needs and how to develop appropriately tailored language access plans. The model policy and procedures must at a minimum address:

(i) Guidance and procedures for timely and accurate identification of limited-English proficient parents and guardians and their language access needs;

(ii) A recommended process and procedures for when and how to access an interpreter;

(iii) A prohibition on the use of students or children as interpreters for school-related communications;

(iv) Procedures to ensure appropriate staff are aware of parents' or guardians' need for language assistance, including guidance for all school administrators, teachers, and other appropriate staff regarding when and how to access an interpreter or translation services in a timely manner; and

(v) A process for communicating with parents and guardians about their rights under federal and state law to be provided with accessible information that allows them to make informed choices regarding their child's education and how to access the resources and services available to them.

(b) Within the amounts provided in this subsection, the office of the superintendent of public instruction shall:

(i) Convene an advisory committee with representatives of parents, school administrators, school principals, classified and certificated staff, and other appropriate parties with interest in language access for limited-English parents to develop sample materials for school districts to disseminate to both school employees and parents regarding parents' rights under the model policy developed by the Washington state school directors' association and the resources available to assist parents and guardians in accessing the services available to them. The sample materials must be developed by July 1, 2016;

(ii) Maintain and have available upon request a list of school districts that have and have not adopted the Washington state school directors' association's model policy;

(iii) Adopt rules regarding school districts' communication of the language access policy and procedure to parents, students, employees, and volunteers; and

(iv) Publish to the agency web site a listing of language access services providers available to school districts, including but not limited to, the telephonic, in-person, or video-remote interpreter services vendors on contract with the state of Washington, including contact information and training programs that are available to support school districts in preparing employees for how to access and effectively use an interpreter.

(6) \$50,000 of the general fund—state appropriation for fiscal year 2016 and \$50,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the ongoing work of the education opportunity gap oversight and accountability committee.

(7) \$61,000 of the general fund—state appropriation for fiscal year 2016 and \$61,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the implementation of chapter 380, Laws of 2009 (enacting the interstate compact on educational opportunity for military children).

(8) \$131,000 of the general fund—state appropriation for fiscal year 2016 and \$131,000 of the Washington opportunity pathways account—state appropriation are provided solely for the implementation of RCW 28A.710 as amended by Engrossed Second Substitute Senate Bill No. 6194 (public schools other than common schools).

(9) \$1,802,000 of the general fund—state appropriation for fiscal year 2016 and \$1,802,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for implementing a comprehensive data system to include financial, student, and educator data, including development and maintenance of the comprehensive education data and research system (CEDARS).

(10) \$25,000 of the general fund—state appropriation for fiscal year 2016 and \$25,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for project citizen, a program sponsored by the national conference of state legislatures and the center for civic education to promote participation in government by middle school students.

(11) \$1,500,000 of the general fund—state appropriation for fiscal year 2016 and \$1,500,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for collaborative schools for innovation and success authorized under chapter 53, Laws of 2012. The office of the superintendent of public instruction shall award \$500,000 per year in funding for each

collaborative school for innovation and success selected for participation in the pilot program during 2012.

(12) \$123,000 of the general fund—state appropriation for fiscal year 2016 and \$123,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for implementation of chapter 163, Laws of 2012 (foster care outcomes). The office of the superintendent of public instruction shall annually report each December on the implementation of the state's plan of cross-system collaboration to promote educational stability and improve education outcomes of foster youth.

(13) \$250,000 of the general fund—state appropriation for fiscal year 2016 and \$250,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for implementation of chapter 178, Laws of 2012 (open K-12 education resources).

(14) \$93,000 of the general fund—state appropriation for fiscal year 2016 and \$93,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for chapter 185, Laws of 2011 (bullying prevention), which requires the office of the superintendent of public instruction to convene an ongoing workgroup on school bullying and harassment prevention. Within the amounts provided, \$140,000 is for youth suicide prevention activities.

(15) \$14,000 of the general fund—state appropriation for fiscal year 2016 and \$14,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for implementation of chapter 242, Laws of 2013 (state-tribal education compacts).

(16) \$62,000 of the general fund—state appropriation for fiscal year 2016 and \$62,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for competitive grants to school districts to increase the capacity of high schools to offer AP computer science courses. In making grant allocations, the office of the superintendent of public instruction must give priority to schools and districts in rural areas, with substantial enrollment of low-income students, and that do not offer AP computer science. School districts may apply to receive either or both of the following grants:

(a) A grant to establish partnerships to support computer science professionals from private industry serving on a voluntary basis as coinstructors along with a certificated teacher, including via synchronous video, for AP computer science courses; or

(b) A grant to purchase or upgrade technology and curriculum needed for AP computer science, as well as provide opportunities for professional development for classroom teachers to have the requisite knowledge and skills to teach AP computer science.

(17) \$10,000 of the general fund—state appropriation for fiscal year 2016 and \$10,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the superintendent of public instruction to convene a committee for the selection and recognition of Washington innovative schools. The committee shall select and recognize Washington innovative schools based on the selection criteria established by the office of the superintendent of public instruction, in accordance with chapter 202, Laws of 2011 (innovation schools—recognition) and chapter 260, Laws of 2011 (innovation schools and zones).

(18) \$100,000 of the general fund—state appropriation for fiscal year 2016 and \$100,000 of the general fund—state appropriation for fiscal year 2017 are

provided solely for the Mobius science center to expand mobile outreach of science, technology, engineering, and mathematics (STEM) education to students in rural, tribal, and low-income communities.

(19) \$59,000 of the general fund—state appropriation for fiscal year 2016 is provided solely for the office of the superintendent of public instruction to convene a task force to design a performance-based assistance and accountability system for the transitional bilingual instruction program. The office must submit a report with recommendations from the task force to the education and fiscal committees of the legislature by January 15, 2016.

(20) \$131,000 of the general fund—state appropriation for fiscal year 2016 and \$131,000 of general fund—state appropriation for fiscal year 2017 are provided solely for the office of the superintendent of public instruction to perform on-going program reviews of alternative learning experience programs and dropout reengagement programs. The amounts provided in this subsection are sufficient for the office of the superintendent of public instruction to conduct ongoing consolidated program reviews of alternative learning experience programs and dropout reengagement programs established under chapter 20, Laws of 2010. The office of the superintendent of public instruction shall include alternative learning education and dropout reengagement programs in its ongoing consolidated program reviews, as well as provide outreach and training to school districts regarding implementation of the programs. Findings from the program reviews will be used to support and prioritize the office of the superintendent of public instruction outreach and education efforts that assist school districts in implementing the programs in accordance with statute and legislative intent, as well as to support financial and performance audit work conducted by the office of the state auditor.

(21) \$31,000 of the general fund—state appropriation for fiscal year 2016 and \$55,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the office of the superintendent of public instruction for statewide implementation of career and technical education course equivalency frameworks authorized under RCW 28A.700.070 for math and science. This may include development of additional equivalency course frameworks, course performance assessments, and professional development for districts implementing the new frameworks. At least two of the science course frameworks must be in environmental science.

(22) \$142,000 of the general fund—state appropriation for fiscal year 2016 and \$142,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for implementation of chapter 103, Laws of 2014 (Substitute Senate Bill No. 6431) (youth suicide prevention).

(23) \$208,000 of the performance audits of government account—state appropriation is provided solely to address additional audit resolutions and appeals in the alternative learning experience programs.

(24) \$2,541,000 of the general fund—state appropriation for fiscal year 2016 and \$2,541,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for a corps of nurses located at educational service districts, as determined by the superintendent of public instruction, to be dispatched to the most needy schools to provide direct care to students, health education, and training for school staff.

(25) \$210,000 of the general fund—state appropriation for fiscal year 2016 and \$210,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for a nonviolence and leadership training program provided by the institute for community leadership.

(26) \$1,221,000 of the general fund—state appropriation for fiscal year 2016 and \$1,221,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for K-20 telecommunications network technical support in the K-12 sector to prevent system failures and avoid interruptions in school utilization of the data processing and video-conferencing capabilities of the network. These funds may be used to purchase engineering and advanced technical support for the network.

(27) \$2,549,000 of the general fund—state appropriation for fiscal year 2016 and \$3,940,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the Washington state achievers scholarship and Washington higher education readiness program. The funds shall be used to: Support community involvement officers that recruit, train, and match community volunteer mentors with students selected as achievers scholars; and to identify and reduce barriers to college for low-income and underserved middle and high school students.

(28) \$1,354,000 of the general fund—state appropriation for fiscal year 2016 and \$1,354,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for contracting with a college scholarship organization with expertise in conducting outreach to students concerning eligibility for the Washington college bound scholarship consistent with chapter 405, Laws of 2007.

(29) \$1,000,000 of the general fund—state appropriation for fiscal year 2016, \$1,000,000 of the general fund—state appropriation for fiscal year 2017, and \$762,000 of the dedicated marijuana account—state appropriation are provided solely for dropout prevention, intervention, and reengagement programs, including the jobs for America's graduates (JAG) program, dropout prevention programs that provide student mentoring, and the building bridges statewide program. Starting in school year 2014-15, students in the foster care system or who are homeless shall be given priority by districts offering the jobs for America's graduates program. The office of the superintendent of public instruction shall convene staff representatives from high schools to meet and share best practices for dropout prevention. Of these amounts, \$251,000 of the dedicated marijuana account—state appropriation for fiscal year 2016, and \$511,000 of the dedicated marijuana account—state appropriation for fiscal year 2017 are provided solely for the building bridges statewide program.

(30) \$2,654,000 of the general fund—state appropriation for fiscal year 2016 and \$2,984,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the Washington kindergarten inventory of developing skills. State funding shall support the statewide administration of the inventory under RCW 28A.655.080(1) and the one-time implementation and training grants under RCW 28A.655.080(3) for schools implementing the inventory for the first time in the 2015-2017 fiscal biennium.

(31) \$75,000 of the general fund—state appropriation for fiscal year 2016 and \$75,000 of the general fund—state appropriation for fiscal year 2017 are provided solely to subsidize advanced placement exam fees and international

baccalaureate class fees and exam fees for low-income students. To be eligible for the subsidy, a student must be either enrolled or eligible to participate in the federal free or reduced-price lunch program, and the student must have maximized the allowable federal contribution. The office of the superintendent of public instruction shall set the subsidy in an amount so that the advanced placement exam fee does not exceed \$15.00 and the combined class and exam fee for the international baccalaureate does not exceed \$14.50.

(32) \$293,000 of the general fund—state appropriation for fiscal year 2016 and \$293,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the office of the superintendent of public instruction to support district implementation of comprehensive guidance and planning programs consistent with RCW 28A.600.045.

(33) \$2,864,000 of the general fund—state appropriation for fiscal year 2016 and \$3,758,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for implementation of Engrossed Second Substitute House Bill No. 1546 (dual credit education opportunities).

(34) \$161,000 of the general fund—state appropriation for fiscal year 2016 and \$54,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the superintendent of public instruction to convene a workgroup to recommend comprehensive benchmarks for developmentally appropriate interpersonal and decision-making knowledge and skills of social and emotional learning for grades kindergarten through high school that build upon what is being done in early learning. The workgroup shall submit recommendations to the education committees of the legislature, and the office of the governor by October 1, 2016.

(35) \$122,000 of the general fund—state appropriation for fiscal year 2016 and \$117,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for implementation of chapter 3 (SHB No. 1813), Laws of 2015 1st sp. sess. (computer science).

(36)(a) \$250,000 of the general fund—state appropriation for fiscal year 2016 and \$250,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the office of the superintendent of public instruction to implement a K-12 dual language expansion grant program to build and expand well-implemented, sustainable dual language programs and create state-level infrastructure dedicated to dual language instruction.

(b) The superintendent shall award grants to pairs of school districts for periods of two years. Each awarded pair must have one district with an established dual language program with a plan for expansion, and another district with the desire to implement a new dual language program.

(c) Grant funds may be used for professional development, supplemental materials, training, administrative staffing of the program, site visits, recruiting bilingual teachers and instructional aides, program evaluation, and coaching.

(37) \$400,000 of the general fund—state appropriation for fiscal year 2016 and \$200,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the urban school turnaround initiative as follows:

(a) The office of the superintendent of public instruction shall provide grants of equal amounts to two schools that have previously received urban school turnaround initiative grants. The purpose of these grants is to assist the

schools in maintaining gains made as a result of work completed under the original program, while also phasing out state funding support of the program.

(b) The office shall allocate the funds under this subsection (~~((36))~~) (37) to the school district to be used exclusively in the selected schools. The district may not charge an overhead or indirect fee for the allocated funds or supplant other state, federal, or local funds in the selected schools. The school district shall use the funds for intensive supplemental instruction, services, and materials in the selected schools, including but not limited to professional development for school staff; updated curriculum, materials, and technology; extended learning opportunities for students; reduced class size; summer enrichment activities; school-based health clinics; and other research-based initiatives to dramatically turn around the performance and close the achievement gap in the schools. The office shall enter into an expenditure agreement with the school district under which any funds under this subsection (~~((41))~~) (37) remaining unspent on (~~(August 31)~~) June 30, 2017, shall be returned to the state. Priorities for the expenditure of the funds shall be determined by the leadership and staff of each school.

(38) \$125,000 of the general fund—state appropriation for fiscal year 2016 and \$125,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the Kip Tokuda memorial Washington civil liberties public education program. The superintendent of public instruction shall award grants consistent with RCW 28A.300.410.

(39) \$652,000 of the general fund—state appropriation for fiscal year 2016 is provided solely for the administration of the preliminary scholastic aptitude test to ninth and tenth grade participants in the college bound program. The superintendent of public instruction shall partner with a national nonprofit organization that offers the aptitude test and that will provide: (i) Early and annual feedback on student progress; (ii) detailed performance feedback connected to Washington's standards, instruction, and assessments; (iii) access to state-of-the-art learning tools including free, personalized practice; (iv) access to college and career planning tools; (v) personalized information packets to high-achieving, low-income students to increase the number of applications from this group of students to public four-year institutions of higher education and independent, nonprofit baccalaureate degree-granting institutions in Washington; and (vi) for income eligible students, the opportunity to take the preliminary scholastic aptitude test in eleventh grade at no cost, to take the scholastic aptitude test twice at no cost, and access to additional tools and score reports at no cost.

(40)(a) \$125,000 of the general fund—state appropriation for fiscal year 2016 and \$125,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for a grant to an entity that is exempt from taxation under Title 26 U.S.C. Sec. 501(c)(3) of the federal internal revenue code of 1986, as amended, as of the effective date of this section, that is affiliated and in good standing with a national congressionally chartered organization's standards under 36 U.S.C., subtitle II, part B, and that:

(i) Is facility-based and provides proven and tested recreational, educational, and character-building programs for children ages six to eighteen years of age;

(ii) Provides after school and summer programs in a minimum of fifty communities statewide, with youth development services available at least twenty hours weekly during the school year and for thirty hours weekly during summer programming;

(iii) Has adopted standards for care that at a minimum include staff ratios, staff training, health and safety standards, and mechanisms for assessing and enforcing the program's compliance with the standards;

(iv) Provides a process to receive and resolve parental complaints; and

(v) Conducts national criminal background checks for all employees and volunteers who work with children.

(b) The grant shall be used to pilot a program of academic, innovation, and mentoring. The purpose of the program is to enable eligible neighborhood youth development entities to provide out-of-school time programs for youth six to eighteen years of age that include educational services, mentoring, and linkages to positive, pro-social leisure and recreational activities. The programs must be designed for mentoring and academic enrichment that include at least two of the following three activity areas:

(i) Science, technology, engineering, and math (STEM);

(ii) Homework support and high-yield learning opportunities; and

(iii) Career exploration.

(c) The entity receiving the grant shall conduct the pilot in at least five communities statewide. The office of the superintendent of public instruction shall submit a report to the appropriate education and fiscal committees of the legislature by December 31, 2015, and a final report by December 31, 2016. The report shall outline the programs established, target populations, and pre- and post-testing results.

(41) \$25,000 of the general fund—state appropriation for fiscal year 2016 and \$25,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the office of the superintendent of public instruction to partner with a nonprofit organization providing music curriculum for kindergarten and first grade students and establish a grant program that provides start-up costs and materials for integrated music curriculum that links together other core curriculum. Preference shall be given to Title 1 schools, head start programs, early childhood education and assistance program sites, high poverty schools, schools with high mobility, and schools with low student achievement.

(42) \$1,000,000 of the general fund—state appropriation for fiscal year 2016 and \$1,000,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the computer science and education grant program to support the following three purposes: Train and credential teachers in computer sciences; provide and upgrade technology needed to learn computer science; and, for computer science frontiers grants to introduce students to and engage them in computer science. The office of the superintendent of public instruction must use the computer science learning standards adopted pursuant to Substitute House Bill No. 1813 (computer science) in implementing the grant, to the extent possible. Additionally, grants provided for the purpose of introducing students to computer science are intended to support innovative ways to introduce and engage students from historically underrepresented groups, including girls, low-income students, and minority students, to computer science and to inspire them to enter computer science careers. Grant funds for the

computer science and education grant program may be expended only to the extent that they are equally matched by private sources for the program, including gifts, grants, or endowments.

(43) \$1,461,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for a contract with a nongovernmental entity or entities for demonstration sites to improve the educational outcomes of students who are dependent pursuant to chapter 13.34 RCW pursuant to Fourth Substitute House Bill No. 1999 (foster youth edu. outcomes).

(a) Of the amount provided in this subsection, \$446,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the demonstration site established pursuant to the 2013-2015 omnibus appropriations act, section 202(10), chapter 4, Laws of 2013, 2nd sp. sess.

(b) Of the amount provided in this subsection, \$1,015,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for a second demonstration site that includes a school district or school district with a significant number of dependent students. The office of the superintendent of public instruction, in collaboration with the department of social and health services children's administration and the contracted nongovernmental entity or entities, shall select a second demonstration site for implementation after July 1, 2016.

(44) \$1,000,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for implementation of Third Substitute House Bill No. 1682 (homeless students). If the bill is not enacted by June 30, 2016, the amount provided in this subsection shall lapse.

(45) \$1,242,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for implementation of Fourth Substitute House Bill No. 1541 (educational opportunity gap). If the bill is not enacted by June 30, 2016, the amount provided in this subsection shall lapse.

(46) \$350,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for implementation of Second Substitute House Bill No. 2449 (truancy reduction). If the bill is not enacted by June 30, 2016, the amount provided in this subsection shall lapse.

(47) \$50,000 of the general fund—state appropriation for fiscal year 2016 and \$50,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for a skilled workforce development high school summer internship pilot project. The office of the superintendent of public instruction shall select two high schools from the largest urban school district in the state who will in turn select 10 students each, who have completed their junior year, to participate in a 5 1/2 week summer internship. The selected high schools must partner with the port of Seattle and manufacturing and maritime employers, who are committed to fostering the development of local youth into a skilled workforce, to provide internships for the selected students. The office of the superintendent of public instruction must submit a report to the legislature by December 1, 2016, summarizing the successes and failures of the pilot project and provide recommendations for any future actions. Expenditure of the amounts in this section is contingent on receipt by the school district of a fifty percent match in funding from nonstate sources.

(48) \$1,750,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for professional development for state-funded classroom paraeducators. Training must be provided in the 2016-17 school year.

(49) \$41,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the office of the superintendent of public instruction to implement the since time immemorial program, including web site updates to accommodate video content and online teaching tools, and training for classroom certificated instructional staff.

(50) \$11,000 of the general fund—state appropriation for fiscal year 2016 and \$8,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for implementation of chapter 3, Laws of 2016 (basic education obligations).

(51) \$276,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for implementation of Engrossed Senate Bill No. 6620 (school safety). If the bill is not enacted by June 30, 2016, the amount provided in this subsection shall lapse.

(52) \$500,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for implementation of section 1 of Engrossed Second Substitute Senate Bill No. 6455 (professional educator workforce). If section 1 of the bill is not enacted by June 30, 2016, the amount provided in this subsection shall lapse.

Sec. 1502. 2016 sp.s. c 36 s 502 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR GENERAL APPORTIONMENT

General Fund—State Appropriation (FY 2016)	\$6,375,707,000
General Fund—State Appropriation (FY 2017)	(\$6,734,241,000)
	<u>\$6,751,047,000</u>
Education Legacy Trust Account—State Appropriation	\$95,730,000
TOTAL APPROPRIATION	(\$13,205,678,000)
	<u>\$13,222,484,000</u>

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

(1)(a) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(b) For the 2015-16 and 2016-17 school years, the superintendent shall allocate general apportionment funding to school districts as provided in the funding formulas and salary schedules in sections 502 and 503 of this act, excluding (c) of this subsection.

(c) From July 1, 2015, to August 31, 2015, the superintendent shall allocate general apportionment funding to school districts programs as provided in sections 502 and 503, chapter 4, Laws of 2013 2nd sp. sess., as amended.

(d) The enrollment of any district shall be the annual average number of full-time equivalent students and part-time students as provided in RCW 28A.150.350, enrolled on the fourth day of school in September and on the first school day of each month October through June, including students who are in attendance pursuant to RCW 28A.335.160 and 28A.225.250 who do not reside

within the servicing school district. Any school district concluding its basic education program in May must report the enrollment of the last school day held in May in lieu of a June enrollment.

(e)(i) Funding provided in this part V of this act is sufficient to provide each full-time equivalent student with the minimum hours of instruction required under RCW 28A.150.220.

(ii) The office of the superintendent of public instruction shall align the agency rules defining a full-time equivalent student with the increase in the minimum instructional hours under RCW 28A.150.220, as amended by the legislature in 2014.

(f) The superintendent shall adopt rules requiring school districts to report full-time equivalent student enrollment as provided in RCW 28A.655.210 and to carry out the requirement specified in subsections 2(c)(i)(B) and 2(c)(ii)(B) of this section.

(g) For the 2015-16 and 2016-17 school years, school districts must report to the office of the superintendent of public instruction the monthly actual average district-wide class size across each grade level of kindergarten, first grade, second grade, and third grade classes. The superintendent of public instruction shall report this information to the education and fiscal committees of the house of representatives and the senate by September 30th of each year.

(2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

Allocations for certificated instructional staff salaries for the 2015-16 and 2016-17 school years are determined using formula-generated staff units calculated pursuant to this subsection.

(a) Certificated instructional staff units, as defined in RCW 28A.150.410, shall be allocated to reflect the minimum class size allocations, requirements, and school prototypes assumptions as provided in RCW 28A.150.260, except that the allocation for guidance counselors in a middle school shall be 1.216 for the 2015-16 and 2016-17 school years, this enhancement is within the program of basic education. The superintendent shall make allocations to school districts based on the district's annual average full-time equivalent student enrollment in each grade.

(b) Additional certificated instructional staff units provided in this subsection (2) that exceed the minimum requirements in RCW 28A.150.260 are enhancements outside the program of basic education, except as otherwise provided in this section.

(c)(i)(A) The superintendent shall base allocations for each level of prototypical school on the following regular education average class size of full-time equivalent students per teacher, except as provided in (c)(ii) of this subsection:

General education class size:

Grade	RCW 28A.150.260	2015-16 School Year	2016-17 School Year
Grade K		22.00	19.00
Grade 1		23.00	21.00
Grade 2		24.00	22.00

General education class size:

Grade 3	25.00	22.00
Grade 4	27.00	27.00
Grades 5-6	27.00	27.00
Grades 7-8	28.53	28.53
Grades 9-12	28.74	28.74

The superintendent shall base allocations for laboratory science, career and technical education (CTE) and skill center programs average class size as provided in RCW 28A.150.260.

(B) For grades kindergarten through three, the superintendent shall allocate funding for class size reductions to the extent of, and in proportion to, the school district's demonstrated actual weighted average class size for grades kindergarten through three, down to the weighted average class size specified in subsection 2(c)(i)(A) of this section. At a minimum, the superintendent must allocate funding sufficient to fund a weighted average class size not to exceed 25.23 full-time equivalent students per teacher in these grades.

(ii)(A) For each level of prototypical school at which more than fifty percent of the students were eligible for free and reduced-price meals in the prior school year, the superintendent shall allocate funding based on the following average class size of full-time equivalent students per teacher:

General education class size in high poverty schools:

Grade	RCW 28A.150.260	2015-16 School Year	2016-17 School Year
Grade K		18.00	17.00
Grade 1		19.00	17.00
Grade 2		22.00	18.00
Grade 3		24.00	21.00
Grade 4		27.00	27.00
Grades 5-6		27.00	27.00
Grades 7-8		28.53	28.53
Grades 9-12		28.74	28.74

(B) For grades kindergarten through three, the superintendent shall allocate funding for class size reductions to the extent of, and in proportion to, the school district's demonstrated actual weighted average class size for grades kindergarten through three, down to the weighted average class size specified in subsection 2(c)(ii)(A) of this section. At a minimum, the superintendent must allocate funding sufficient to fund a weighted average class size not to exceed 25.23 full-time equivalent students per teacher in these grades.

(iii) The enhancements in this subsection (2)(c) are within the program of basic education.

(iv) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher planning period, expressed as a percentage of a teacher work day, is 13.42 percent in grades K-6, and 16.67 percent in grades 7-12; and

(v) Advanced placement and international baccalaureate courses are funded at the same class size assumptions as general education schools in the same grade; and

(d)(i) Funding for teacher librarians, school nurses, social workers, school psychologists, and guidance counselors is allocated based on the school prototypes as provided in RCW 28A.150.260 and (a) of this subsection and is considered certificated instructional staff, except as provided in (d)(ii) of this subsection.

(ii) Students in approved career and technical education and skill center programs generate certificated instructional staff units to provide for the services of teacher librarians, school nurses, social workers, school psychologists, and guidance counselors at the following combined rate per 1000 student full-time equivalent enrollment:

	2015-16 School Year	2016-17 School Year
Career and Technical Education	3.07	3.07
Skill Center	3.41	3.41

(3) ADMINISTRATIVE STAFF ALLOCATIONS

(a) Allocations for school building-level certificated administrative staff salaries for the 2015-16 and 2016-17 school years for general education students are determined using the formula generated staff units calculated pursuant to this subsection. The superintendent shall make allocations to school districts based on the district's annual average full-time equivalent enrollment in each grade. The following prototypical school values shall determine the allocation for principals, assistance principals, and other certificated building level administrators:

Prototypical School Building:

Elementary School	1.253
Middle School	1.353
High School	1.880

(b) Students in approved career and technical education and skill center programs generate certificated school building-level administrator staff units at per student rates that are a multiple of the general education rate in (a) of this subsection by the following factors: Career and Technical Education students 1.025

Skill Center students 1.198

(4) CLASSIFIED STAFF ALLOCATIONS

Allocations for classified staff units providing school building-level and district-wide support services for the 2015-16 and 2016-17 school years are

determined using the formula-generated staff units provided in RCW 28A.150.260, and adjusted based on each district's annual average full-time equivalent student enrollment in each grade, except that the allocation for parent involvement coordinators in an elementary school shall be 0.0825 for the 2015-16 and 2016-17 school years, which enhancement is within the program of basic education.

(5) CENTRAL OFFICE ALLOCATIONS

In addition to classified and administrative staff units allocated in subsections (3) and (4) of this section, classified and administrative staff units are provided for the 2015-16 and 2016-17 school year for the central office administrative costs of operating a school district, at the following rates:

(a) The total central office staff units provided in this subsection (5) are calculated by first multiplying the total number of eligible certificated instructional, certificated administrative, and classified staff units providing school-based or district-wide support services, as identified in RCW 28A.150.260(6)(b), by 5.3 percent.

(b) Of the central office staff units calculated in (a) of this subsection, 74.53 percent are allocated as classified staff units, as generated in subsection (4) of this section, and 25.47 percent shall be allocated as administrative staff units, as generated in subsection (3) of this section.

(c) Staff units generated as enhancements outside the program of basic education to the minimum requirements of RCW 28A.150.260, and staff units generated by skill center and career-technical students, are excluded from the total central office staff units calculation in (a) of this subsection.

(d) For students in approved career-technical and skill center programs, central office classified units are allocated at the same staff unit per student rate as those generated for general education students of the same grade in this subsection (5), and central office administrative staff units are allocated at staff unit per student rates that exceed the general education rate established for students in the same grade in this subsection (5) by 1.46 percent in the 2015-16 school year and 1.45 percent in the 2016-17 school year for career and technical education students, and 17.33 percent in the 2015-16 school year and 17.31 percent in the 2016-17 school year for skill center students.

(6) FRINGE BENEFIT ALLOCATIONS

Fringe benefit allocations shall be calculated at a rate of 21.42 percent in the 2015-16 school year and 21.42 percent in the 2016-17 school year for certificated salary allocations provided under subsections (2), (3), and (5) of this section, and a rate of 22.72 percent in the 2015-16 school year and 22.72 percent in the 2016-17 school year for classified salary allocations provided under subsections (4) and (5) of this section.

(7) INSURANCE BENEFIT ALLOCATIONS

Insurance benefit allocations shall be calculated at the maintenance rate specified in section 504 of this act, based on the number of benefit units determined as follows:

(a) The number of certificated staff units determined in subsections (2), (3), and (5) of this section; and

(b) The number of classified staff units determined in subsections (4) and (5) of this section multiplied by 1.152. This factor is intended to adjust allocations so that, for the purpose of distributing insurance benefits, full-time equivalent classified employees may be calculated on the basis of 1,440 hours of work per year, with no individual employee counted as more than one full-time equivalent.

(8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS

Funding is allocated per annual average full-time equivalent student for the materials, supplies, and operating costs (MSOC) incurred by school districts, consistent with the requirements of RCW 28A.150.260.

(a)(i) MSOC funding for general education students are allocated at the following per student rates:

MSOC RATES/STUDENT FTE

MSOC Component	2015-16 SCHOOL YEAR	2016-17 SCHOOL YEAR
Technology	\$127.17	\$128.58
Utilities and Insurance	\$345.55	\$349.35
Curriculum and Textbooks	\$136.54	\$138.04
Other Supplies and Library Materials	\$289.88	\$293.07
Instructional Professional Development for Certificated and Classified Staff	\$21.12	\$21.35
Facilities Maintenance	\$171.19	\$173.07
Security and Central Office	\$118.60	\$119.90
TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$1,210.05	\$1,223.36

(ii) For the 2016-17 school year, as part of the budget development, hearing, and review process required by chapter 28A.505 RCW, each school district must disclose: (A) The amount of state funding to be received by the district under (a) and (d) of this subsection (8); (B) the amount the district proposes to spend for materials, supplies, and operating costs; (C) the difference between these two amounts; and (D) if (A) of this subsection (8)(a)(ii) exceeds (B) of this subsection (8)(a)(ii), any proposed use of this difference and how this use will improve student achievement.

(b) Students in approved skill center programs generate per student FTE MSOC allocations of \$1,272.99 for the 2015-16 school year and \$1,286.99 for the 2016-17 school year.

(c) Students in approved exploratory and preparatory career and technical education programs generate a per student MSOC allocation of \$1,431.65 for the 2015-16 school year and \$1,447.40 for the 2016-17 school year.

(d) Students in grades 9-12 generate per student FTE MSOC allocations in addition to the allocation provided in (a) through (c) of this subsection at the following rate:

MSOC Component	2015-16 SCHOOL YEAR	2016-17 SCHOOL YEAR
Technology	\$36.57	\$36.98
Curriculum and Textbooks	\$39.89	\$40.33
Other Supplies and Library Materials	\$83.11	\$84.02
Instructional Professional Development for Certified and Classified Staff	\$6.65	\$6.72
TOTAL GRADE 9-12 BASIC EDUCATION MSOC/STUDENT FTE	\$166.22	\$168.05

(9) SUBSTITUTE TEACHER ALLOCATIONS

For the 2015-16 and 2016-17 school years, funding for substitute costs for classroom teachers is based on four (4) funded substitute days per classroom teacher unit generated under subsection (2) of this section, at a daily substitute rate of \$151.86.

(10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

(a) Amounts provided in this section from July 1, 2015, to August 31, 2015, are adjusted to reflect provisions of chapter 4, Laws of 2013 2nd sp. sess., as amended (allocation of funding for students enrolled in alternative learning experiences).

(b) The superintendent of public instruction shall require all districts receiving general apportionment funding for alternative learning experience (ALE) programs as defined in WAC 392-121-182 to provide separate financial accounting of expenditures for the ALE programs offered in district or with a provider, including but not limited to private companies and multidistrict cooperatives, as well as accurate, monthly headcount and FTE enrollment claimed for basic education, including separate counts of resident and nonresident students.

(11) DROPOUT REENGAGEMENT PROGRAM

The superintendent shall adopt rules to require students claimed for general apportionment funding based on enrollment in dropout reengagement programs authorized under RCW 28A.175.100 through 28A.175.115 to meet requirements for at least weekly minimum instructional contact, academic counseling, career counseling, or case management contact. Districts must also provide separate financial accounting of expenditures for the programs offered by the district or under contract with a provider, as well as accurate monthly headcount and full-

time equivalent enrollment claimed for basic education, including separate enrollment counts of resident and nonresident students.

(12) VOLUNTARY ALL DAY KINDERGARTEN PROGRAMS

Funding in this section is sufficient to fund voluntary all day kindergarten programs in qualifying schools in the 2015-16 school year and all schools in the 2016-17 school year, pursuant to RCW 28A.150.220 and 28A.150.315. Each kindergarten student who enrolls for the voluntary all-day program in a qualifying school shall count as one-half of one full-time equivalent student for purpose of making allocations under this section. Funding in this section provides all-day kindergarten programs for 71.88 percent of kindergarten enrollment in the 2015-16 school year and full funding in the 2016-17 school year, which enhancement is within the program of basic education.

(13) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND NECESSARY PLANTS

For small school districts and remote and necessary school plants within any district which have been judged to be remote and necessary by the superintendent of public instruction, additional staff units are provided to ensure a minimum level of staffing support. Additional administrative and certificated instructional staff units provided to districts in this subsection shall be reduced by the general education staff units, excluding career and technical education and skills center enhancement units, otherwise provided in subsections (2) through (5) of this section on a per district basis.

(a) For districts enrolling not more than twenty-five average annual full-time equivalent students in grades K-8, and for small school plants within any school district which have been judged to be remote and necessary by the superintendent of public instruction and enroll not more than twenty-five average annual full-time equivalent students in grades K-8:

(i) For those enrolling no students in grades 7 and 8, 1.76 certificated instructional staff units and 0.24 certificated administrative staff units for enrollment of not more than five students, plus one-twentieth of a certificated instructional staff unit for each additional student enrolled; and

(ii) For those enrolling students in grades 7 or 8, 1.68 certificated instructional staff units and 0.32 certificated administrative staff units for enrollment of not more than five students, plus one-tenth of a certificated instructional staff unit for each additional student enrolled;

(b) For specified enrollments in districts enrolling more than twenty-five but not more than one hundred average annual full-time equivalent students in grades K-8, and for small school plants within any school district which enroll more than twenty-five average annual full-time equivalent students in grades K-8 and have been judged to be remote and necessary by the superintendent of public instruction:

(i) For enrollment of up to sixty annual average full-time equivalent students in grades K-6, 2.76 certificated instructional staff units and 0.24 certificated administrative staff units; and

(ii) For enrollment of up to twenty annual average full-time equivalent students in grades 7 and 8, 0.92 certificated instructional staff units and 0.08 certificated administrative staff units;

(c) For districts operating no more than two high schools with enrollments of less than three hundred average annual full-time equivalent students, for enrollment in grades 9-12 in each such school, other than alternative schools, except as noted in this subsection:

(i) For remote and necessary schools enrolling students in any grades 9-12 but no more than twenty-five average annual full-time equivalent students in grades K-12, four and one-half certificated instructional staff units and one-quarter of a certificated administrative staff unit;

(ii) For all other small high schools under this subsection, nine certificated instructional staff units and one-half of a certificated administrative staff unit for the first sixty average annual full-time equivalent students, and additional staff units based on a ratio of 0.8732 certificated instructional staff units and 0.1268 certificated administrative staff units per each additional forty-three and one-half average annual full-time equivalent students;

(iii) Districts receiving staff units under this subsection shall add students enrolled in a district alternative high school and any grades nine through twelve alternative learning experience programs with the small high school enrollment for calculations under this subsection;

(d) For each nonhigh school district having an enrollment of more than seventy annual average full-time equivalent students and less than one hundred eighty students, operating a grades K-8 program or a grades 1-8 program, an additional one-half of a certificated instructional staff unit;

(e) For each nonhigh school district having an enrollment of more than fifty annual average full-time equivalent students and less than one hundred eighty students, operating a grades K-6 program or a grades 1-6 program, an additional one-half of a certificated instructional staff unit;

(f)(i) For enrollments generating certificated staff unit allocations under (a) through (e) of this subsection, one classified staff unit for each 2.94 certificated staff units allocated under such subsections;

(ii) For each nonhigh school district with an enrollment of more than fifty annual average full-time equivalent students and less than one hundred eighty students, an additional one-half of a classified staff unit; and

(g) School districts receiving additional staff units to support small student enrollments and remote and necessary plants under this subsection (12) shall generate additional MSOC allocations consistent with the nonemployee related costs (NERC) allocation formula in place for the 2010-11 school year as provided section 502, chapter 37, Laws of 2010 1st sp. sess. (2010 supplemental budget), adjusted annually for inflation.

(14) Any school district board of directors may petition the superintendent of public instruction by submission of a resolution adopted in a public meeting to reduce or delay any portion of its basic education allocation for any school year. The superintendent of public instruction shall approve such reduction or delay if it does not impair the district's financial condition. Any delay shall not be for more than two school years. Any reduction or delay shall have no impact on levy authority pursuant to RCW 84.52.0531 and local effort assistance pursuant to chapter 28A.500 RCW.

(15) The superintendent may distribute funding for the following programs outside the basic education formula during fiscal years 2016 and 2017 as follows:

(a) \$620,000 of the general fund—state appropriation for fiscal year 2016 and \$627,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for fire protection for school districts located in a fire protection district as now or hereafter established pursuant to chapter 52.04 RCW.

(b) \$436,000 of the general fund—state appropriation for fiscal year 2016 and \$436,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for programs providing skills training for secondary students who are enrolled in extended day school-to-work programs, as approved by the superintendent of public instruction. The funds shall be allocated at a rate not to exceed \$500 per full-time equivalent student enrolled in those programs.

(16) \$219,000 of the general fund—state appropriation for fiscal year 2016 and \$221,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for school district emergencies as certified by the superintendent of public instruction. Funding provided must be conditioned upon the written commitment and plan of the school district board of directors to repay the grant with any insurance payments or other judgments that may be awarded, if applicable. At the close of the fiscal year the superintendent of public instruction shall report to the office of financial management and the appropriate fiscal committees of the legislature on the allocations provided to districts and the nature of the emergency.

(17) Funding in this section is sufficient to fund a maximum of 1.6 FTE enrollment for skills center students pursuant to chapter 463, Laws of 2007.

(18) Students participating in running start programs may be funded up to a combined maximum enrollment of 1.2 FTE including school district and institution of higher education enrollment consistent with the running start course requirements provided in Engrossed Second Substitute House Bill No. 1546 (dual credit education opportunities). In calculating the combined 1.2 FTE, the office of the superintendent of public instruction may average the participating student's September through June enrollment to account for differences in the start and end dates for courses provided by the high school and higher education institution. Additionally, the office of the superintendent of public instruction, in consultation with the state board for community and technical colleges, the student achievement council, and the education data center, shall annually track and report to the fiscal committees of the legislature on the combined FTE experience of students participating in the running start program, including course load analyses at both the high school and community and technical college system.

(19) If two or more school districts consolidate and each district was receiving additional basic education formula staff units pursuant to subsection (12) of this section, the following apply:

(a) For three school years following consolidation, the number of basic education formula staff units shall not be less than the number of basic education formula staff units received by the districts in the school year prior to the consolidation; and

(b) For the fourth through eighth school years following consolidation, the difference between the basic education formula staff units received by the districts for the school year prior to consolidation and the basic education formula staff units after consolidation pursuant to subsection (12) of this section shall be reduced in increments of twenty percent per year.

(20)(a) Indirect cost charges by a school district to approved career and technical education middle and secondary programs shall not exceed 15 percent of the combined basic education and career and technical education program enhancement allocations of state funds. Middle and secondary career and technical education programs are considered separate programs for funding and financial reporting purposes under this section.

(b) Career and technical education program full-time equivalent enrollment shall be reported on the same monthly basis as the enrollment for students eligible for basic support, and payments shall be adjusted for reported career and technical education program enrollments on the same monthly basis as those adjustments for enrollment for students eligible for basic support.

(21) Funding in this section is sufficient to provide full general apportionment payments to school districts eligible for federal forest revenues as provided in RCW 28A.520.020. School districts receiving federal forest revenues shall not have their general apportionment reduced during the 2015-2017 biennium only.

Sec. 1503. 2016 sp.s. c 36 s 503 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS

General Fund—State Appropriation (FY 2016)	.....	\$137,930,000
General Fund—State Appropriation (FY 2017)	.....	(\$265,361,000)
		<u>\$262,174,000</u>
TOTAL APPROPRIATION	.....	(\$403,291,000)
		<u>\$400,104,000</u>

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

(1) Funding in this section is sufficient to provide a salary increase of 3.0 percent effective September 1, 2015, and 1.8 percent effective September 1, 2016. Of the salary increases provided in this section, the increases of 1.8 percent effective September 1, 2015, and of 1.2 percent effective September 1, 2016, are provided as annual cost-of-living adjustments pursuant to Initiative Measure No. 732. The remaining portions of the salary increases are provided as a one-biennium salary increase for the 2015-16 and 2016-17 school years as the state continues to review and revise state-funded salary allocations, and the increase expires August 31, 2017.

(2)(a) Additional salary adjustments as necessary to fund the base salaries for certificated instructional staff as listed for each district in LEAP Document 2, defined in section 503(2)(b) of this act.

(b) Additional salary adjustments to certain districts as necessary to fund the per full-time-equivalent salary allocations for certificated administrative staff as listed for each district in LEAP Document 2, defined in section 503(2)(b) of this act.

(c) Additional salary adjustments to certain districts as necessary to fund the per full-time-equivalent salary allocations for classified staff as listed for each district in LEAP Document 2, defined in section 503(2)(b) of this act.

(d) The appropriations in this subsection (1) include associated incremental fringe benefit allocations at 20.78 percent for the 2015-16 school year and 20.78

percent for the 2016-17 school year for certificated instructional and certificated administrative staff and 19.22 percent for the 2015-16 school year and 19.22 percent for the 2016-17 school year for classified staff.

(e) The appropriations in this section include the increased or decreased portion of salaries and incremental fringe benefits for all relevant state-funded school programs in part V of this act. Changes for general apportionment (basic education) are based on the salary allocation schedules and methodology in sections 502 and 503 of this act. Changes for special education result from changes in each district's basic education allocation per student. Changes for educational service districts and institutional education programs are determined by the superintendent of public instruction using the methodology for general apportionment salaries and benefits in sections 502 and 503 of this act.

(f) The appropriations in this section include no salary adjustments for substitute teachers.

(3) The maintenance rate for insurance benefit allocations is \$768.00 per month for the 2015-16 and 2016-17 school years. The appropriations in this section reflect the incremental change in cost of allocating rates of \$780.00 per month for the 2015-16 school year and \$780.00 per month for the 2016-17 school year.

(4) The rates specified in this section are subject to revision each year by the legislature.

Sec. 1504. 2016 sp.s. c 36 s 504 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR PUPIL TRANSPORTATION

General Fund—State Appropriation (FY 2016)	.....	\$496,456,000
General Fund—State Appropriation (FY 2017)	.....	(\$488,624,000)
		<u>\$492,503,000</u>
TOTAL APPROPRIATION	.....	(\$985,080,000)
		<u>\$988,959,000</u>

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

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2)(a) For the 2015-16 and 2016-17 school years, the superintendent shall allocate funding to school district programs for the transportation of eligible students as provided in RCW 28A.160.192. Funding in this section constitutes full implementation of RCW 28A.160.192, which enhancement is within the program of basic education. Students are considered eligible only if meeting the definitions provided in RCW 28A.160.160.

(b) For the 2015-16 school year, the superintendent shall allocate funding for approved and operating charter schools as provided in RCW 28A.710.220(3) for September through November 2015. Per-student allocations for pupil transportation must be calculated using the allocation for the previous school year to the school district in which the charter school is located and the number of eligible students in the district, and must be distributed to the charter school based on the number of eligible students.

(c) From July 1, 2015 to August 31, 2015, the superintendent shall allocate funding to school districts programs for the transportation of students as provided in section 505, chapter 4, Laws of 2013 2nd sp. sess., as amended.

(3) A maximum of \$892,000 of this fiscal year 2016 appropriation and a maximum of \$892,000 of the fiscal year 2017 appropriation may be expended for regional transportation coordinators and related activities. The transportation coordinators shall ensure that data submitted by school districts for state transportation funding shall, to the greatest extent practical, reflect the actual transportation activity of each district.

(4) The office of the superintendent of public instruction shall provide reimbursement funding to a school district for school bus purchases only after the superintendent of public instruction determines that the school bus was purchased from the list established pursuant to RCW 28A.160.195(2) or a comparable competitive bid process based on the lowest price quote based on similar bus categories to those used to establish the list pursuant to RCW 28A.160.195.

(5) The superintendent of public instruction shall base depreciation payments for school district buses on the presales tax five-year average of lowest bids in the appropriate category of bus. In the final year on the depreciation schedule, the depreciation payment shall be based on the lowest bid in the appropriate bus category for that school year.

(6) Funding levels in this section reflect waivers granted by the state board of education for four-day school weeks as allowed under RCW 28A.305.141.

(7) The office of the superintendent of public instruction shall annually disburse payments for bus depreciation in August.

Sec. 1505. 2015 3rd sp.s. c 4 s 506 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SCHOOL FOOD SERVICE PROGRAMS

General Fund—State Appropriation (FY 2016)	\$7,111,000
General Fund—State Appropriation (FY 2017)	\$7,111,000
General Fund—Federal Appropriation	(\$526,332,000)
	<u>\$536,332,000</u>
TOTAL APPROPRIATION	(\$540,554,000)
	<u>\$550,554,000</u>

The appropriations in this section are subject to the following conditions and limitations: \$7,111,000 of the general fund—state appropriation for fiscal year 2016 and \$7,111,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for state matching money for federal child nutrition programs, and may support the meals for kids program through the following allowable uses:

(1) Elimination of breakfast copays for eligible public school students and lunch copays for eligible public school students in grades kindergarten through third grade who are eligible for reduced-price lunch;

(2) Assistance to school districts and authorized public and private nonprofit organizations for supporting summer food service programs, and initiating new summer food service programs in low-income areas;

(3) Reimbursements to school districts for school breakfasts served to students eligible for free and reduced-price lunch, pursuant to chapter 287, Laws of 2005; and

(4) Assistance to school districts in initiating and expanding school breakfast programs.

The office of the superintendent of public instruction shall report annually to the fiscal committees of the legislature on annual expenditures in subsections (1), (2), and (3) of this section.

Sec. 1506. 2016 sp.s. c 36 s 505 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SPECIAL EDUCATION PROGRAMS

General Fund—State Appropriation (FY 2016)	\$805,866,000
General Fund—State Appropriation (FY 2017)	(\$853,389,000)
	<u>\$871,708,000</u>
General Fund—Federal Appropriation	(\$483,538,000)
	<u>\$487,338,000</u>
Education Legacy Trust Account—State Appropriation	\$54,694,000
TOTAL APPROPRIATION	(\$2,197,487,000)
	<u>\$2,219,606,000</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:

- (i) Special education students are basic education students first;
- (ii) As a class, special education students are entitled to the full basic education allocation; and
- (iii) Special education students are basic education students for the entire school day.

(b) The superintendent of public instruction shall continue to implement the full cost method of excess cost accounting, as designed by the committee and recommended by the superintendent, pursuant to section 501(1)(k), chapter 372, Laws of 2006.

(3) Each fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(4)(a) For the 2015-16 and 2016-17 school years, the superintendent shall allocate funding to school district programs for special education students as provided in RCW 28A.150.390, except that the calculation of the base allocation also includes allocations provided under section 502(4) for parent involvement coordinators in prototypical elementary schools and guidance counselors in prototypical middle schools as provided under section 502(2), which enhancement is within the program of basic education.

(b) From July 1, 2015 to August 31, 2015, the superintendent shall allocate funding to school district programs for special education students as provided in section 507, chapter 4, Laws of 2013 2nd sp. sess., as amended.

(5) The following applies throughout this section: The definitions for enrollment and enrollment percent are as specified in RCW 28A.150.390(3). Each district's general fund—state funded special education enrollment shall be the lesser of the district's actual enrollment percent or 12.7 percent.

(6) At the request of any interdistrict cooperative of at least 15 districts in which all excess cost services for special education students of the districts are provided by the cooperative, the maximum enrollment percent shall be calculated in accordance with RCW 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate rather than individual district units. For purposes of this subsection, the average basic education allocation per full-time equivalent student shall be calculated in the aggregate rather than individual district units.

(7) ~~\$20,691,000~~ of the general fund—state appropriation for fiscal year 2016, ~~(\$24,473,000)~~ \$30,999,000 of the general fund—state appropriation for fiscal year 2017, and ~~(\$27,350,000)~~ \$31,350,000 of the general fund—federal appropriation are provided solely for safety net awards for districts with demonstrated needs for special education funding beyond the amounts provided in subsection (4) of this section. If the federal safety net awards based on the federal eligibility threshold exceed the federal appropriation in this subsection (7) in any fiscal year, the superintendent shall expend all available federal discretionary funds necessary to meet this need. At the conclusion of each school year, the superintendent shall recover safety net funds that were distributed prospectively but for which districts were not subsequently eligible.

(a) For the 2015-16 and 2016-17 school years, safety net funds shall be awarded by the state safety net oversight committee as provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

(b) The office of the superintendent of public instruction shall make award determinations for state safety net funding in August of each school year, except that the superintendent of public instruction shall make award determinations for state safety net funding in July of each school year for the Washington state school for the blind and for the center for childhood deafness and hearing loss. Determinations on school district eligibility for state safety net awards shall be based on analysis of actual expenditure data from the current school year.

(8) A maximum of \$931,000 may be expended from the general fund—state appropriations to fund 5.43 full-time equivalent teachers and 2.1 full-time equivalent aides at children's orthopedic hospital and medical center. This

amount is in lieu of money provided through the home and hospital allocation and the special education program.

(9) The superintendent shall maintain the percentage of federal flow-through to school districts at 85 percent. In addition to other purposes, school districts may use increased federal funds for high-cost students, for purchasing regional special education services from educational service districts, and for staff development activities particularly relating to inclusion issues.

(10) A school district may carry over from one year to the next year up to 10 percent of the general fund—state funds allocated under this program; however, carryover funds shall be expended in the special education program.

(11) \$255,000 of the general fund—state appropriation for fiscal year 2016 and \$256,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for two additional full-time equivalent staff to support the work of the safety net committee and to provide training and support to districts applying for safety net awards.

(12) \$50,000 of the general fund—state appropriation for fiscal year 2016, \$50,000 of the general fund—state appropriation for fiscal year 2017, and \$100,000 of the general fund—federal appropriation are provided solely for a special education family liaison position within the office of the superintendent of public instruction.

Sec. 1507. 2016 sp.s. c 36 s 506 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR EDUCATIONAL SERVICE DISTRICTS

General Fund—State Appropriation (FY 2016)	\$8,208,000
General Fund—State Appropriation (FY 2017)	(\$8,200,000)
	<u>\$8,197,000</u>
TOTAL APPROPRIATION	(\$16,408,000)
	<u>\$16,405,000</u>

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

(1) The educational service districts shall continue to furnish financial services required by the superintendent of public instruction and RCW 28A.310.190 (3) and (4).

(2) Funding within this section is provided for regional professional development related to mathematics and science curriculum and instructional strategies aligned with common core state standards and next generation science standards. Funding shall be distributed among the educational service districts in the same proportion as distributions in the 2007-2009 biennium. Each educational service district shall use this funding solely for salary and benefits for a certificated instructional staff with expertise in the appropriate subject matter and in professional development delivery, and for travel, materials, and other expenditures related to providing regional professional development support.

(3) The educational service districts, at the request of the state board of education pursuant to RCW 28A.310.010 and 28A.305.130, may receive and screen applications for school accreditation, conduct school accreditation site visits pursuant to state board of education rules, and submit to the state board of

education post-site visit recommendations for school accreditation. The educational service districts may assess a cooperative service fee to recover actual plus reasonable indirect costs for the purposes of this subsection.

Sec. 1508. 2016 sp.s. c 36 s 507 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR LOCAL EFFORT ASSISTANCE

General Fund—State Appropriation (FY 2016)	.....	\$375,622,000
General Fund—State Appropriation (FY 2017)	.....	(\$390,801,000)
		<u>\$404,742,000</u>
TOTAL APPROPRIATION	.....	(\$766,423,000)
		<u>\$780,364,000</u>

The appropriations in this section are subject to the following conditions and limitations: For purposes of RCW 84.52.0531, the increase per full-time equivalent student is 4.27 percent from the 2014-15 school year to the 2015-16 school year and 1.09 percent from the 2015-16 school year to the 2016-17 school year.

Sec. 1509. 2016 sp.s. c 36 s 508 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR INSTITUTIONAL EDUCATION PROGRAMS

General Fund—State Appropriation (FY 2016)	.....	\$13,239,000
General Fund—State Appropriation (FY 2017)	.....	(\$13,271,000)
		<u>\$13,341,000</u>
TOTAL APPROPRIATION	.....	(\$26,510,000)
		<u>\$26,580,000</u>

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

(1) Each general fund—state fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) State funding provided under this section is based on salaries and other expenditures for a 220-day school year. The superintendent of public instruction shall monitor school district expenditure plans for institutional education programs to ensure that districts plan for a full-time summer program.

(3) State funding for each institutional education program shall be based on the institution's annual average full-time equivalent student enrollment. Staffing ratios for each category of institution shall remain the same as those funded in the 1995-97 biennium.

(4) The funded staffing ratios for education programs for juveniles age 18 or less in department of corrections facilities shall be the same as those provided in the 1997-99 biennium.

(5) \$757,000 of the general fund—state appropriation for fiscal year 2016 and ~~(\$757,000)~~ \$701,000 of the general fund—state appropriation for fiscal year 2017 are provided solely to maintain at least one certificated instructional staff and related support services at an institution whenever the K-12 enrollment is not sufficient to support one full-time equivalent certificated instructional staff

to furnish the educational program. The following types of institutions are included: Residential programs under the department of social and health services for developmentally disabled juveniles, programs for juveniles under the department of corrections, programs for juveniles under the juvenile rehabilitation administration, and programs for juveniles operated by city and county jails.

(6) Ten percent of the funds allocated for each institution may be carried over from one year to the next.

Sec. 1510. 2016 sp.s. c 36 s 509 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS

General Fund—State Appropriation (FY 2016)	.....	\$10,012,000
General Fund—State Appropriation (FY 2017)	.....	(\$10,162,000)
		<u>\$10,185,000</u>
TOTAL APPROPRIATION	.....	(\$20,174,000)
		<u>\$20,197,000</u>

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

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2)(a) For the 2015-16 and 2016-17 school years, the superintendent shall allocate funding to school district programs for highly capable students as provided in RCW 28A.150.260(10)(c). In calculating the allocations, the superintendent shall assume the following: (i) Additional instruction of 2.1590 hours per week per funded highly capable program student; (ii) fifteen highly capable program students per teacher; (iii) 36 instructional weeks per year; (iv) 900 instructional hours per teacher; and (v) the district's average staff mix and compensation rates as provided in sections 503 and 504 of this act.

(b) From July 1, 2015, to August 31, 2015, the superintendent shall allocate funding to school districts programs for highly capable students as provided in section 511, chapter 4, Laws of 2013 2nd sp. sess., as amended.

(3) \$85,000 of the general fund—state appropriation for fiscal year 2016 and \$85,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the centrum program at Fort Worden state park.

Sec. 1511. 2016 sp.s. c 36 s 511 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—EDUCATION REFORM PROGRAMS

General Fund—State Appropriation (FY 2016)	.....	\$116,893,000
General Fund—State Appropriation (FY 2017)	.....	(\$134,641,000)
		<u>\$136,063,000</u>
General Fund—Federal Appropriation	.....	\$99,278,000
General Fund—Private/Local Appropriation	.....	\$2,721,000
Education Legacy Trust Account—State Appropriation	.....	\$1,613,000
TOTAL APPROPRIATION	.....	(\$355,146,000)
		<u>\$356,568,000</u>

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

(1) \$29,137,000 of the general fund—state appropriation for fiscal year 2016, \$36,648,000 of the general fund—state appropriation for fiscal year 2017, \$1,350,000 of the education legacy trust account—state appropriation, and \$16,268,000 of the general fund—federal appropriation are provided solely for development and implementation of the Washington state assessment system, including: (a) Development and implementation of retake assessments for high school students who are not successful in one or more content areas; and (b) development and implementation of alternative assessments or appeals procedures to implement the certificate of academic achievement. The superintendent of public instruction shall report quarterly on the progress on development and implementation of alternative assessments or appeals procedures. Within these amounts, the superintendent of public instruction shall contract for the early return of 10th grade student assessment results, on or around June 10th of each year. State funding to districts shall be limited to one collection of evidence payment per student, per content-area assessment. Within the amounts provided in this section, the superintendent of public instruction shall administer the biology collection of evidence. The alternative assessment method that consists of an evaluation of a collection of student work samples under RCW 28A.655.065 (5) and (6) is intended to provide an alternative way for students to meet the state standards for high school graduation purposes. To ensure that students are learning the state standards, prior to the collection of work samples being submitted to the state for evaluation, a classroom teacher or other educator must review the collection of work to determine whether the sample is likely to meet the minimum required score to meet the state standard.

(2) \$356,000 of the general fund—state appropriation for fiscal year 2016 and \$356,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the Washington state leadership and assistance for science education reform (LASER) regional partnership activities coordinated at the Pacific science center, including instructional material purchases, teacher and principal professional development, and school and community engagement events.

(3) \$3,935,000 of the general fund—state appropriation for fiscal year 2016 and \$3,935,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for implementation of a new performance-based evaluation for certificated educators and other activities as provided in chapter 235, Laws of 2010 (education reform) and chapter 35, Laws of 2012 (certificated employee evaluations).

(4) \$51,337,000 of the general fund—state appropriation for fiscal year 2016 and (~~(\$56,939,000)~~) \$58,361,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the following bonuses for teachers who hold valid, unexpired certification from the national board for professional teaching standards and who are teaching in a Washington public school, subject to the following conditions and limitations:

(a) For national board certified teachers, a bonus of \$5,151 per teacher in the 2015-16 school year and a bonus of \$5,208 per teacher in the 2016-17 school year;

(b) An additional \$5,000 annual bonus shall be paid to national board certified teachers who teach in either: (A) High schools where at least 50 percent of student headcount enrollment is eligible for federal free or reduced-price lunch, (B) middle schools where at least 60 percent of student headcount enrollment is eligible for federal free or reduced-price lunch, or (C) elementary schools where at least 70 percent of student headcount enrollment is eligible for federal free or reduced-price lunch;

(c) The superintendent of public instruction shall adopt rules to ensure that national board certified teachers meet the qualifications for bonuses under (b) of this subsection for less than one full school year receive bonuses in a prorated manner. All bonuses in this subsection will be paid in July of each school year. Bonuses in this subsection shall be reduced by a factor of 40 percent for first year NBPTS certified teachers, to reflect the portion of the instructional school year they are certified; and

(d) During the 2015-16 and 2016-17 school years, and within available funds, certificated instructional staff who have met the eligibility requirements and have applied for certification from the national board for professional teaching standards may receive a conditional loan of two thousand dollars or the amount set by the office of the superintendent of public instruction to contribute toward the current assessment fee, not including the initial up-front candidacy payment. The fee shall be an advance on the first annual bonus under RCW 28A.405.415. The conditional loan is provided in addition to compensation received under a district's salary schedule and shall not be included in calculations of a district's average salary and associated salary limitation under RCW 28A.400.200. Recipients who fail to receive certification after three years are required to repay the conditional loan. The office of the superintendent of public instruction shall adopt rules to define the terms for initial grant of the assessment fee and repayment, including applicable fees. To the extent necessary, the superintendent may use revenues from the repayment of conditional loan scholarships to ensure payment of all national board bonus payments required by this section in each school year.

(5) \$477,000 of the general fund—state appropriation for fiscal year 2016 and \$477,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the leadership internship program for superintendents, principals, and program administrators.

(6) \$950,000 of the general fund—state appropriation for fiscal year 2016 and \$950,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the Washington reading corps. The superintendent shall allocate reading corps members to low-performing schools and school districts that are implementing comprehensive, proven, research-based reading programs. Two or more schools may combine their Washington reading corps programs.

(7) \$810,000 of the general fund—state appropriation for fiscal year 2016 and \$810,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the development of a leadership academy for school principals and administrators. The superintendent of public instruction shall contract with an independent organization to operate a state-of-the-art education leadership academy that will be accessible throughout the state. Semiannually the independent organization shall report on amounts committed by foundations and others to support the development and implementation of this program.

Leadership academy partners shall include the state level organizations for school administrators and principals, the superintendent of public instruction, the professional educator standards board, and others as the independent organization shall identify.

(8) \$3,000,000 of the general fund—state appropriation for fiscal year 2016 and \$3,000,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for a statewide information technology (IT) academy program. This public-private partnership will provide educational software, as well as IT certification and software training opportunities for students and staff in public schools.

(9) \$1,677,000 of the general fund—state appropriation for fiscal year 2016 and \$1,677,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for secondary career and technical education grants pursuant to chapter 170, Laws of 2008. If equally matched by private donations, \$700,000 of the 2016 appropriation and \$700,000 of the 2017 appropriation shall be used to support FIRST robotics programs. Of the amounts in this subsection, \$100,000 of the fiscal year 2016 appropriation and \$100,000 of the fiscal year 2017 appropriation are provided solely for the purpose of statewide supervision activities for career and technical education student leadership organizations.

(10) \$125,000 of the general fund—state appropriation for fiscal year 2016 and \$125,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for (a) staff at the office of the superintendent of public instruction to coordinate and promote efforts to develop integrated math, science, technology, and engineering programs in schools and districts across the state; and (b) grants of \$2,500 to provide twenty middle and high school teachers each year with professional development training for implementing integrated math, science, technology, and engineering programs in their schools.

(11) \$135,000 of the general fund—state appropriation for fiscal year 2016 and \$135,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for science, technology, engineering and mathematics lighthouse projects, consistent with chapter 238, Laws of 2010.

(12) \$5,500,000 of the general fund—state appropriation for fiscal year 2016 and \$9,000,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for a beginning educator support program. The program shall prioritize first year teachers in the mentoring program. School districts and/or regional consortia may apply for grant funding. The program provided by a district and/or regional consortia shall include: A paid orientation; assignment of a qualified mentor; development of a professional growth plan for each beginning teacher aligned with professional certification; release time for mentors and new teachers to work together; and teacher observation time with accomplished peers. Funding may be used to provide statewide professional development opportunities for mentors and beginning educators.

(13) \$250,000 of the general fund—state appropriation for fiscal year 2016 and \$250,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for advanced project lead the way courses at ten high schools. To be eligible for funding in 2016, a high school must have offered a foundational project lead the way course during the 2014-15 school year. The 2016 funding must be used for one-time start-up course costs for an advanced project lead the way course, to be offered to students beginning in the 2015-16 school year. To be

eligible for funding in 2016, a high school must have offered a foundational project lead the way course during the 2015-16 school year. The 2017 funding must be used for one-time start-up course costs for an advanced project lead the way course, to be offered to students beginning in the 2016-17 school year. The office of the superintendent of public instruction and the education research and data center at the office of financial management shall track student participation and long-term outcome data.

(14) \$300,000 of the general fund—state appropriation for fiscal year 2016 and \$300,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for annual start-up or expansion grants for aerospace and manufacturing technical programs housed at skill centers. The grants are provided for equipment, professional development, and curriculum purchases. To be eligible for funding, the skill center must agree to provide regional high schools with access to a technology laboratory, expand manufacturing certificate and course offerings at the skill center, and provide a laboratory space for local high school teachers to engage in professional development in the instruction of courses leading to student employment certification in the aerospace, manufacturing industries, or other high-skill programs as determined by the superintendent of public instruction or for professional development of such programs. The office of the superintendent of public instruction shall administer the grants in consultation with the center for excellence for aerospace and advanced materials manufacturing.

(15) \$150,000 of the general fund—state appropriation for fiscal year 2016 and \$150,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for annual start-up or expansion grants to high schools to implement or expand aerospace manufacturing programs, or other high-skill programs as determined by the superintendent of public instruction or for professional development of such programs. The office of the superintendent of public instruction and the education research and data center at the office of financial management shall track student participation and long-term outcome data.

(16) \$5,000,000 of the general fund—state appropriation for fiscal year 2016 and \$5,000,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the provision of training for teachers in the performance-based teacher principal evaluation program.

(17) \$7,235,000 of the general fund—state appropriation for fiscal year 2016 and \$9,352,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the implementation of chapter 159, Laws of 2013 (Engrossed Second Substitute Senate Bill No. 5329) (persistently failing schools).

(18) \$100,000 of the general fund—state appropriation for fiscal year 2016 and \$100,000 of the general fund—state appropriation for fiscal year 2017 are provided solely to promote the financial literacy of students. The effort will be coordinated through the financial literacy public-private partnership.

(19) \$99,000 of the general fund—state appropriation for fiscal year 2016 is provided solely for the office of the superintendent of public instruction to implement a youth dropout prevention program that incorporates partnerships between community-based organizations, schools, food banks and farms or gardens. The office of the superintendent of public instruction shall select one

school district that must partner with an organization that is operating an existing similar program and that also has the ability to serve at least 40 students. Of the amount appropriated in this subsection, up to \$10,000 may be used by the office of the superintendent of public instruction for administration of the program.

(20) \$2,194,000 of the general fund—state appropriation for fiscal year 2016 and \$2,194,000 of the general fund—state appropriation for fiscal year 2017 are provided solely to implement chapter 18, Laws of 2013 2nd sp. sess. (Engrossed Substitute Senate Bill No. 5946) (strengthening student educational outcomes).

(21) \$856,000 of the general fund—state appropriation for fiscal year 2016 and \$1,061,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for chapter 184, Laws of 2013 (Second Substitute House Bill No. 1642) (academic acceleration) and other activities proven to increase K-12 student enrollment in rigorous courses.

(22) \$36,000 of the general fund—state appropriation for fiscal year 2016 and \$36,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for chapter 212, Laws of 2014 (Substitute Senate Bill No. 6074) (homeless student educational outcomes).

(23) \$80,000 of the general fund—state appropriation for fiscal year 2016 and \$80,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for chapter 219, Laws of 2014 (Second Substitute Senate Bill No. 6163) (expanded learning).

(24) \$15,000 of the general fund—state appropriation for fiscal year 2016 and \$10,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for chapter 102, Laws of 2014 (Senate Bill No. 6424) (biliteracy seal).

(25) \$500,000 of the general fund—state appropriation for fiscal year 2016 and \$500,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the office of the superintendent of public instruction to contract with a nonprofit organization to integrate the state learning standards in English language arts, mathematics, and science with outdoor field studies and project-based and work-based learning opportunities aligned with the environmental, natural resource, and agricultural sectors.

(26) \$1,392,000 of general fund—state appropriation for fiscal year 2016 is provided solely for professional development and coaching for state-funded high school mathematics and science teachers. Training shall be provided in the 2015-16 school year by the science and mathematics coordinators at each educational service district. The professional development shall include instructional strategies and curriculum-specific training to improve outcomes for the statewide high school mathematics assessment or the high school biology assessment. The professional development provided may be broken up into shorter timeframes over the course of more than one day, but the aggregate amount of professional development provided shall be one full work day.

(27) \$205,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for grants to high schools that have an existing international baccalaureate program and enrollments of seventy percent or more students eligible for free or reduced-price meals in the prior school year to implement and sustain an international baccalaureate program.

(28) Within the amounts provided in this section, the superintendent of public instruction shall obtain an existing student assessment inventory tool that is free and openly licensed and distribute the tool to every school district. Each school district shall use the student assessment inventory tool to identify all state-level and district-level assessments that are required of students. The state-required assessments should include: Reading proficiency assessments used for compliance with RCW 28A.320.202; the required statewide assessments under chapter 28A.655 RCW in grades three through eight and at the high school level in English language arts, mathematics, and science, as well as the practice and training tests used to prepare for them; and the high school end-of-course exams in mathematics under RCW 28A.655.066. District-required assessments should include: The second grade reading assessment used to comply with RCW 28A.300.320; interim smarter balanced assessments, if required; the measures of academic progress assessment, if required; and other required interim, benchmark, or summative standardized assessments, including assessments used in social studies, the arts, health, and physical education in accordance with RCW 28A.230.095, and for educational technology in accordance with RCW 28A.655.075. The assessments identified should not include assessments used to determine eligibility for any categorical program including the transitional bilingual instruction program, learning assistance program, highly capable program, special education program, or any formative or diagnostic assessments used solely to inform teacher instructional practices, other than those already identified. By October 15, 2016, each district shall report to the superintendent the amount of student time that is spent taking each assessment identified. By December 15, 2016, the superintendent shall summarize the information reported by the school districts and report to the education committees of the house of representatives and the senate.

Sec. 1512. 2016 sp.s. c 36 s 512 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR TRANSITIONAL BILINGUAL PROGRAMS

General Fund—State Appropriation (FY 2016)	\$118,648,000
General Fund—State Appropriation (FY 2017)	(\$124,751,000)
	<u>\$129,666,000</u>
General Fund—Federal Appropriation	\$72,207,000
TOTAL APPROPRIATION	(\$315,606,000)
	<u>\$320,521,000</u>

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

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2)(a) For the 2015-16 and 2016-17 school years, the superintendent shall allocate funding to school districts for transitional bilingual programs under RCW 28A.180.010 through 28A.180.080, including programs for exited students, as provided in RCW 28A.150.260(10)(b) and the provisions of this section. In calculating the allocations, the superintendent shall assume the following averages: (i) Additional instruction of 4.7780 hours per week per

transitional bilingual program student in grades kindergarten through twelve in school years 2015-16 and 2016-17; (ii) additional instruction of 3.0000 hours per week in school years 2015-16 and 2016-17 for the head count number of students who have exited the transitional bilingual instruction program within the previous two years based on their performance on the English proficiency assessment; (iii) fifteen transitional bilingual program students per teacher; (iv) 36 instructional weeks per year; (v) 900 instructional hours per teacher; and (vi) the district's average staff mix and compensation rates as provided in sections 503 and 504 of this act. Pursuant to RCW 28A.180.040(1)(g), the instructional hours specified in (a)(ii) of this subsection (2) are within the program of basic education.

(b) From July 1, 2015, to August 31, 2015, the superintendent shall allocate funding to school districts for transitional bilingual instruction programs as provided in section 514, chapter 4, Laws of 2013, 2nd sp. sess., as amended.

(3) The superintendent may withhold allocations to school districts in subsection (2) of this section solely for the central provision of assessments as provided in RCW 28A.180.090 (1) and (2) up to the following amounts: 2.40 percent for school year 2015-16 and 1.97 percent for school year 2016-17.

(4) The general fund—federal appropriation in this section is for migrant education under Title I Part C and English language acquisition, and language enhancement grants under Title III of the elementary and secondary education act.

(5) \$35,000 of the general fund—state appropriation for fiscal year 2016 and \$35,000 of the general fund—state appropriation for fiscal year 2017 are provided solely to track current and former transitional bilingual program students.

(6) \$1,456,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the central provision of assessments pursuant to RCW 28A.180.090.

Sec. 1513. 2016 sp.s. c 36 s 513 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR THE LEARNING ASSISTANCE PROGRAM

General Fund—State Appropriation (FY 2016)	.....	\$224,311,000
General Fund—State Appropriation (FY 2017)	.....	(\$228,865,000)
		<u>\$225,808,000</u>
General Fund—Federal Appropriation	.....	\$494,468,000
TOTAL APPROPRIATION	.....	(\$947,644,000)
		<u>\$944,587,000</u>

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

(1) The general fund—state appropriations in this section are subject to the following conditions and limitations:

(a) The appropriations include such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(b)(i) For the 2015-16 and 2016-17 school years, the superintendent shall allocate funding to school districts for learning assistance programs as provided in RCW 28A.150.260(10)(a), except that the allocation for the additional

instructional hours shall be enhanced as provided in this section, which enhancements are within the program of the basic education. In calculating the allocations, the superintendent shall assume the following averages: (A) Additional instruction of 2.3975 hours per week per funded learning assistance program student for the 2015-16 school year and the 2016-17 school year; (B) fifteen learning assistance program students per teacher; (C) 36 instructional weeks per year; (D) 900 instructional hours per teacher; and (E) the district's average staff mix and compensation rates as provided in sections 503 and 504 of this act.

(ii) From July 1, 2015, to August 31, 2015, the superintendent shall allocate funding to school districts for learning assistance programs as provided in section 515, chapter 4, Laws of 2013, 2nd sp. sess., as amended.

(c) A school district's funded students for the learning assistance program shall be the sum of the district's full-time equivalent enrollment in grades K-12 for the prior school year multiplied by the district's percentage of October headcount enrollment in grades K-12 eligible for free or reduced-price lunch in the prior school year. The prior school year's October headcount enrollment for free and reduced-price lunch shall be as reported in the comprehensive education data and research system.

(2) Allocations made pursuant to subsection (1) of this section shall be adjusted to reflect ineligible applications identified through the annual income verification process required by the national school lunch program, as recommended in the report of the state auditor on the learning assistance program dated February, 2010.

(3) The general fund—federal appropriation in this section is provided for Title I Part A allocations of the no child left behind act of 2001.

(4) A school district may carry over from one year to the next up to 10 percent of the general fund—state funds allocated under this program; however, carryover funds shall be expended for the learning assistance program.

(5) Within existing resources, during the 2015-16 and 2016-17 school years, school districts are authorized to use funds allocated for the learning assistance program to also provide assistance to high school students who have not passed the state assessment in science.

Sec. 1514. 2016 sp.s. c 36 s 514 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

(1) Amounts distributed to districts by the superintendent through part V of this act are for allocations purposes only, unless specified by part V of this act, and do not entitle a particular district, district employee, or student to a specific service, beyond what has been expressly provided in statute. Part V of this act restates the requirements of various sections of Title 28A RCW. If any conflict exists, the provisions of Title 28A RCW control unless this act explicitly states that it is providing an enhancement. Any amounts provided in part V of this act in excess of the amounts required by Title 28A RCW provided in statute, are not within the program of basic education unless clearly stated by this act.

(2) To the maximum extent practicable, when adopting new or revised rules or policies relating to the administration of allocations in part V of this act that result in fiscal impact, the office of the superintendent of public instruction shall attempt to seek legislative approval through the budget request process.

(3) Appropriations made in this act to the office of the superintendent of public instruction 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 subsection (4) of this section.

(4) The appropriations to the office of the superintendent of public instruction in this act shall be expended for the programs and amounts specified in this act. However, after May 1, (~~2016~~) 2017, unless specifically prohibited by this act and after approval by the director of financial management, the superintendent of public instruction may transfer state general fund appropriations for fiscal year (~~2016~~) 2017 among the following programs to meet the apportionment schedule for a specified formula in another of these programs: General apportionment; employee compensation adjustments; pupil transportation; special education programs; institutional education programs; transitional bilingual programs; highly capable; and learning assistance programs.

(5) The director of financial management shall notify the appropriate legislative fiscal committees in writing prior to approving any allotment modifications or transfers under this section.

(6) As required by RCW 28A.710.110 as amended by Engrossed Second Substitute Senate Bill No. 6194 (public schools other than common schools), the office of the superintendent of public instruction shall transmit the charter school authorizer oversight fee for the charter school commission to the charter school oversight account.

(7) State general fund appropriations distributed through Part V of this act for the operation and administration of charter schools as provided in chapter 28A.710 RCW shall not include state common school levy revenues collected under RCW 84.52.065.

Sec. 1515. 2016 sp.s. c 36 s 516 (uncodified) is amended to read as follows:

FOR THE OFFICE OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR CHARTER SCHOOLS

Washington Opportunity Pathways Account—State

Appropriation ((~~\$10,159,000~~))
\$11,344,000

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

(1) The superintendent shall distribute funding appropriated in this section to charter schools under chapter 28A.710 RCW as amended by Engrossed Second Substitute Senate Bill No. 6194 (public schools other than common schools).

(2) Within amounts provided in this section the superintendent may distribute funding for safety net awards for charter schools with demonstrated needs for special education funding beyond the amounts provided under chapter 28A.710 RCW.

Sec. 1516. 2016 sp.s. c 36 s 517 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE CHARTER SCHOOL COMMISSION

General Fund—State Appropriation (FY 2016) \$497,000

Washington Opportunity Pathways Account—State Appropriation	\$546,000
Charter Schools Oversight Account—State Appropriation	\$400,000
TOTAL APPROPRIATION	\$1,443,000

The appropriations in this section are subject to the following conditions and limitations: The entire Washington opportunity pathways account—state appropriation in this section is provided ((to the superintendent of public instruction)) solely for the operations of the Washington state charter school commission under chapter 28A.710 RCW as amended by Engrossed Second Substitute Senate Bill No. 6194 (public schools other than common schools).

**PART XVI
HIGHER EDUCATION**

Sec. 1601. 2016 sp.s. c 36 s 602 (uncodified) is amended to read as follows:

FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES

General Fund—State Appropriation (FY 2016)	\$625,251,000
General Fund—State Appropriation (FY 2017)	(\$666,835,000)
	<u>\$667,884,000</u>
Community/Technical College Capital Projects	
Account—State Appropriation	\$17,548,000
Education Construction Account—State Appropriation	\$7,109,000
Education Legacy Trust Account—State	
Appropriation	\$96,422,000
TOTAL APPROPRIATION	(\$1,413,165,000)
	<u>\$1,414,214,000</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 2016 and \$33,261,000 of the general fund—state appropriation for fiscal year 2017 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 2016 and at least 7,170 full-time equivalent students in fiscal year 2017.

(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 2016 and \$425,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for Seattle central college's expansion of allied health programs.

(4)(a) \$17,058,000 of the general fund—state appropriation for fiscal year 2016 and ~~(\$17,506,000)~~ \$18,135,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the implementation of Second

Engrossed Substitute Senate Bill No. 5954 (college affordability program). If the bill is not enacted by July 10, 2015, the amounts provided in this subsection shall lapse. For the 2016-17 academic year, if the total full-time equivalent annual average resident undergraduate enrollment for all community and technical colleges, excluding applied baccalaureate degrees as defined in RCW 28B.50.030, increases by more than one percent from the 2015-16 academic year, for purposes of calculating state funding for the tuition reduction backfill, only a one percent growth rate or all community and technical colleges' total preceding five-year average percentage full-time equivalent enrollment change, excluding applied baccalaureate degrees as defined in RCW 28B.50.030, whichever is greater, may be used in calculating the backfill.

(b) For the 2016-17 academic year, if the total full-time equivalent annual average resident undergraduate enrollment for applied baccalaureate degrees as defined in RCW 28B.50.030 for all community and technical colleges increases by more than one percent from the 2015-16 academic year, for purposes of calculating state funding for the tuition reduction backfill, only a one percent growth rate or all community and technical colleges' total preceding five-year average percentage full-time equivalent enrollment change for applied baccalaureate degrees as defined in RCW 28B.50.030, whichever is greater, may be used in calculating the backfill.

(5) \$5,250,000 of the general fund—state appropriation for fiscal year 2016 and \$5,250,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the student achievement initiative.

(6) \$410,000 of the general fund—state appropriation for fiscal year 2016, and \$860,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the expansion of the mathematics, engineering, and science achievement program. The state board shall report back to the appropriate committees of the legislature on the number of campuses and students served by December 31, 2018.

(7) \$750,000 of the general fund—state appropriation for fiscal year 2016 is provided solely for Bellevue college to develop a baccalaureate of science degree in computer science. Subject to approval by the state board for community and technical colleges, in fiscal year 2016 Bellevue college shall develop a baccalaureate of science degree in computer science. This degree must be directed at high school graduates who may enroll directly as freshmen and transfer-oriented degree and professional and technical degree holders. Bellevue college will develop a plan for offering this new degree by no later than fall quarter 2016. With the exception of the amounts provided in this subsection, the plan must assume funding for this new degree will come through redistribution of the college's current per full-time enrollment funding. The plan shall be delivered to the state board by June 30, 2016.

(8) Pursuant to aerospace industry appropriations (chapter 1, Laws of 2013 3rd sp. sess.), \$1,080,000 of the general fund—state appropriation for fiscal year 2016 and \$1,500,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for operating a fabrication composite wing incumbent worker training program to be housed at the Washington aerospace training and research center.

(9) \$150,000 of the general fund—state appropriation for fiscal year 2016 and \$150,000 of the general fund—state appropriation for fiscal year 2017 are

provided solely for the state board to conduct a feasibility study for a potential new community and technical college in and for program delivery through Pierce college in conjunction with the Bethel school district for the Graham, Washington area.

(10) \$100,000 of the general fund—state appropriation for fiscal year 2016 and \$100,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the aerospace center of excellence currently hosted by Everett community college to:

(a) Increase statewide communications and outreach between industry sectors, industry organizations, businesses, K-12 schools, colleges, and universities;

(b) Enhance information technology to increase business and student accessibility and use of the center's web site; and

(c) Act as the information entry point for prospective students and job seekers regarding education, training, and employment in the industry.

(11) Community and technical colleges are not required to send mass mailings of course catalogs to residents of their districts. Community and technical colleges shall consider lower cost alternatives, such as mailing postcards or brochures that direct individuals to online information and other ways of acquiring print catalogs.

(12) The state board for community and technical colleges shall not use funds appropriated in this section to support intercollegiate athletics programs.

(13)(a) The state board must provide quality assurance reports on the ctcLink project at the frequency directed by the office of chief information officer for review and for posting on its information technology project dashboard.

(b) The state board must develop a technology budget using a method similar to the state capital budget, identifying project costs, funding sources, and anticipated deliverables through each stage of the investment and across fiscal periods and biennia from project initiation to implementation. The budget must be updated at the frequency directed by the office of chief information officer for review and for posting on its information technology project dashboard.

(c) The state board must contract with an independent verification and validation consultant to review the software that currently exists to determine if configuration and integrations are complete and to evaluate readiness to move forward with the ctcLink project. The state board must define the consultant's scope of work in conjunction with the office of chief information officer and allow for independent reporting by the consultant to the office of chief information officer.

(d) The office of the chief information officer may suspend the ctcLink project at any time if the office of the chief information officer determines that the project is not meeting or is not expected to meet anticipated performance measures, implementation timelines, or budget estimates. Once suspension or termination occurs, the state board shall not make additional expenditures on the ctcLink project without approval of the chief information officer.

(14) \$750,000 of the general fund—state appropriation for fiscal year 2016 and \$2,250,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for Bellingham Technical College to administer on-site worker

training and skill enhancement training for employees of trade-impacted industrial facilities pursuant to trade adjustment assistance decision 64764.

(15) \$157,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for Wenatchee Valley college to develop a wildfire prevention program.

Sec. 1602. 2016 sp.s. c 36 s 603 (uncodified) is amended to read as follows:

FOR THE UNIVERSITY OF WASHINGTON

General Fund—State Appropriation (FY 2016)	\$279,934,000
General Fund—State Appropriation (FY 2017)	(\$317,254,000)
	<u>\$317,739,000</u>
Education Legacy Trust Account—State Appropriation	\$28,088,000
Economic Development Strategic Reserve Account—	
State Appropriation	\$3,011,000
Biotoxin Account—State Appropriation	\$492,000
Accident Account—State Appropriation	\$7,129,000
Medical Aid Account—State Appropriation	\$6,749,000
Aquatic Land Enhancement Account—State Appropriation	\$1,550,000
Dedicated Marijuana Account—State Appropriation	
(FY 2016)	\$227,000
Dedicated Marijuana Account—State Appropriation	
(FY 2017)	\$227,000
TOTAL APPROPRIATION	(\$644,661,000)
	<u>\$645,146,000</u>

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

(1) \$52,000 of the general fund—state appropriation for fiscal year 2016 and \$52,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the center for international trade in forest products in the college of forest resources.

(2) \$200,000 of the general fund—state appropriation for fiscal year 2016 and \$200,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for labor archives of Washington. The university shall work in collaboration with the state board for community and technical colleges.

(3) \$8,000,000 of the education legacy trust account—state appropriation is provided solely for the family medicine residency network at the university to expand the number of residency slots available in Washington.

(4) The university must continue work with the education research and data center to demonstrate progress in computer science and engineering enrollments. By September 1st of each year, the university shall provide a report including but not limited to the cost per student, student completion rates, and the number of low-income students enrolled in each program, any process changes or best-practices implemented by the university, and how many students are enrolled in computer science and engineering programs above the prior academic year.

(5) \$1,550,000 of the aquatic lands enhancement account—state is provided solely for ocean acidification monitoring, forecasting, and research and for operation of the Washington ocean acidification center. By September 1, 2015, the center must provide a biennial work plan and begin quarterly progress

reports to the Washington marine resources advisory council created under RCW 43.06.338.

(6) \$6,000,000 of the education legacy trust account—state appropriation is provided solely for the expansion of degrees in the department of computer science and engineering at the Seattle campus.

(7) \$10,429,000 of the general fund—state appropriation for fiscal year 2016 and (~~(\$37,155,000)~~) \$37,640,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the implementation of Second Engrossed Substitute Senate Bill No. 5954 (college affordability program). If the bill is not enacted by July 10, 2015, the amounts provided in this subsection shall lapse. For the 2016-17 academic year, if the university's full-time equivalent annual average resident undergraduate enrollment increases by more than one percent from the 2015-16 academic year, for purposes of calculating state funding for the tuition reduction backfill, only a one percent growth rate or the university's preceding five-year average percentage full-time equivalent enrollment change, whichever is greater, may be used in calculating the backfill.

(8) \$3,000,000 of the economic development strategic reserve account appropriation is provided solely to support the joint center for aerospace innovation technology.

(9) The University of Washington shall not use funds appropriated in this section to support intercollegiate athletics programs.

(10) \$250,000 of the general fund—state appropriation for fiscal year 2016 and \$250,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the latino health center.

(11) \$200,000 of the general fund—state appropriation for fiscal year 2016 and \$200,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the climate impacts group in the college of the environment.

(12) To the extent federal or private funding is available for this purpose, the center for education data and research at the University of Washington shall examine the relationship between participation in pension systems and teacher quality and mobility patterns in the state, including changes in the patterns that have occurred since the 2009-2011 fiscal biennium. The department of retirement systems shall facilitate University of Washington researchers' access to necessary individual-level data necessary to effectively conduct the study. The University of Washington shall ensure that no individually identifiable information will be disclosed at any time. An interim report on project findings must be completed by November 15, 2015, and a final report must be submitted to the governor and to the relevant committees of the legislature by October 15, 2016.

(13) \$3,600,000 of the general fund—state appropriation for fiscal year 2016 and \$5,400,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the continued operations of the Washington, Wyoming, Alaska, Montana, Idaho medical school program.

(14) Within the amounts provided in this section, the university must determine the feasibility of establishing inter-agency agreements with the department of corrections and the special commitment center within the department of social and health services to provide each entity with discount pricing on prescription hepatitis C medications or other prescription medications as allowed under section 340B of the public health services act. By January 1,

2016, the university must submit a report to the relevant policy and fiscal committees of the legislature that includes the following:

- (a) Description of the steps required to achieve institutional cooperation on 340B pricing;
- (b) Identification of barriers to achieving such an agreement;
- (c) Where possible, possible solutions to overcoming these barriers;
- (d) Estimates of the fiscal impact of this agreement in the 2015-2017 and 2017-2019 fiscal biennia; and
- (e) Timeline for implementation of such an agreement.

The inter-agency agreements must be in place prior to July 1, 2016, and the agreements must not jeopardize the University of Washington's current compliance status with 340B program rules and regulations.

(15) Within the funds appropriated in this section, the University of Washington shall:

(a) Review the scholarly literature on the short-term and long-term effects of marijuana use to assess if other states or private entities are conducting marijuana research in areas that may be useful to the state.

(b) Provide as part of its budget request for the 2017-2019 biennium:

(i) A list of intended state, federal, and privately funded marijuana research, including cost, duration, and scope;

(ii) Plans for partnerships with other universities, state agencies, or private entities, including entities outside the state, for purposes related to researching short-term and long-term effects of marijuana use.

(16) \$18,000 of the general fund—state appropriation for fiscal year 2016 and \$18,000 of the general fund—state appropriation for fiscal year 2017 are provided solely to implement Substitute Senate Bill No. 6519 (telemedicine). If the bill is not enacted by June 30, 2016, the amounts provided in this subsection shall lapse.

(17) \$25,000 of the general fund—state appropriation for fiscal year 2016 and \$25,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the implementation of House Bill No. 1138 (higher education mental health).

Sec. 1603. 2016 sp.s. c 36 s 604 (uncodified) is amended to read as follows:

FOR WASHINGTON STATE UNIVERSITY

General Fund—State Appropriation (FY 2016)	\$181,494,000
General Fund—State Appropriation (FY 2017)	(\$207,738,000)
	<u>\$207,514,000</u>
Education Legacy Trust Account—State Appropriation	\$33,995,000
Dedicated Marijuana Account—State Appropriation (FY 2016)	\$138,000
Dedicated Marijuana Account—State Appropriation (FY 2017)	\$138,000
TOTAL APPROPRIATION	(\$423,503,000)
	<u>\$423,279,000</u>

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

(1) \$90,000 of the general fund—state appropriation for fiscal year 2016 and \$90,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for a rural economic development and outreach coordinator.

(2) The university must continue work with the education research and data center to demonstrate progress in computer science and engineering enrollments. By September 1st of each year, the university shall provide a report including but not limited to the cost per student, student completion rates, and the number of low-income students enrolled in each program, any process changes or best-practices implemented by the university, and how many students are enrolled in computer science and engineering programs above the prior academic year.

(3) \$1,000,000 of the general fund—state appropriation for fiscal 2016 and \$630,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the creation of an electrical engineering program located in Bremerton. At full implementation, the university is expected to increase degree production by 25 new bachelor's degrees per year. The university must identify these students separately when providing data to the education research data center as required in subsection (2) of this section.

(4) \$1,000,000 of the general fund—state appropriation for fiscal year 2016 and \$1,370,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the creation of software engineering and data analytic programs at the university center in Everett. At full implementation, the university is expected to enroll 50 students per academic year. The university must identify these students separately when providing data to the education research data center as required in subsection (2) of this section.

(5) \$500,000 of the general fund—state appropriation for fiscal year 2016 and \$500,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for state match requirements related to the federal aviation administration grant.

(6) Washington State University shall not use funds appropriated in this section to support intercollegiate athletic programs.

(7) \$8,980,000 of the general fund—state appropriation for fiscal year 2016 and (~~(\$27,068,000)~~) \$26,756,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the implementation of Second Engrossed Substitute Senate Bill No. 5954 (college affordability program). If the bill is not enacted by July 10, 2015, the amounts provided in this subsection shall lapse. For the 2016-17 academic year, if the university's full-time equivalent annual average resident undergraduate enrollment increases by more than one percent from the 2015-16 academic year, for purposes of calculating state funding for the tuition reduction backfill, only a one percent growth rate or the university's preceding five-year average percentage full-time equivalent enrollment change, whichever is greater, may be used in calculating the backfill.

(8) \$1,098,000 of the general fund—state appropriation for fiscal year 2016 and \$1,402,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for development of a medical school in Spokane. Funding must support the development of the curriculum, the courses, the faculty, and the administrative structure required by the liaison committee on medical education.

(9) Within the funds appropriated in this section, Washington State University is required to provide administrative support to the sustainable aviation biofuels work group authorized under RCW 28B.30.904.

(10) Within the funds appropriated in this section, Washington State University shall:

(a) Review the scholarly literature on the short-term and long-term effects of marijuana use to assess if other states or private entities are conducting marijuana research in areas that may be useful to the state.

(b) Provide as part of its budget request for the 2017-2019 biennium:

(i) A list of intended state, federal, and privately funded marijuana research, including cost, duration, and scope;

(ii) Plans for partnerships with other universities, state agencies, or private entities, including entities outside the state, for purposes related to researching short-term and long-term effects of marijuana use.

(11) \$135,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for a honey bee biology research position.

(12) \$580,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the development of an organic agriculture systems degree program located at the university center in Everett.

Sec. 1604. 2016 sp.s. c 36 s 605 (uncodified) is amended to read as follows:

FOR EASTERN WASHINGTON UNIVERSITY

General Fund—State Appropriation (FY 2016)	\$38,689,000
General Fund—State Appropriation (FY 2017)	(\$48,098,000)
	<u>\$48,158,000</u>
Education Legacy Trust Account—State	
Appropriation	\$16,718,000
TOTAL APPROPRIATION	(\$103,505,000)
	<u>\$103,565,000</u>

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

(1) At least \$200,000 of the general fund—state appropriation for fiscal year 2016 and at least \$200,000 of the general fund—state appropriation for fiscal year 2017 must be expended on the Northwest autism center.

(2) The university must continue work with the education research and data center to demonstrate progress in computer science and engineering enrollments. By September 1st of each year, the university shall provide a report including but not limited to the cost per student, student completion rates, and the number of low-income students enrolled in each program, any process changes or best-practices implemented by the university, and how many students are enrolled in computer science and engineering programs above the prior academic year.

(3) Eastern Washington University shall not use funds appropriated in this section to support intercollegiate athletics programs.

(4) \$750,000 of the general fund—state appropriation for fiscal year 2016 and \$750,000 of the general fund—state appropriation are provided solely for student success and advising programs that lead to increased degree completion.

(5) ~~\$2,425,000~~ \$9,611,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the implementation of Second Engrossed Substitute Senate Bill No. 5954 (college affordability program). If the bill is not enacted by July 10, 2015, the amounts provided in this subsection shall lapse. For the 2016-17 academic year, if the university's full-time equivalent annual average resident undergraduate enrollment increases by more than one percent

from the 2015-16 academic year, for purposes of calculating state funding for the tuition reduction backfill, only a one percent growth rate or the university's preceding five-year average percentage full-time equivalent enrollment change, whichever is greater, may be used in calculating the backfill.

Sec. 1605. 2016 sp.s. c 36 s 606 (uncodified) is amended to read as follows:

FOR CENTRAL WASHINGTON UNIVERSITY

General Fund—State Appropriation (FY 2016)	\$36,958,000
General Fund—State Appropriation (FY 2017)	(\$47,578,000)
	<u>\$47,778,000</u>
Education Legacy Trust Account—State Appropriation	\$19,140,000
TOTAL APPROPRIATION	(\$103,676,000)
	<u>\$103,876,000</u>

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

(1) The university must continue work with the education research and data center to demonstrate progress in engineering enrollments. By September 1st of each year, the university shall provide a report including but not limited to the cost per student, student completion rates, and the number of low-income students enrolled in each program, any process changes or best-practices implemented by the university, and how many students are enrolled in engineering programs above the prior academic year.

(2) Central Washington University shall not use funds appropriated in this section to support intercollegiate athletics programs.

(3) \$750,000 of the general fund—state appropriation for fiscal year 2016 and \$750,000 of the general fund—state appropriation are provided solely for student success and advising programs that lead to increased degree completion.

(4) \$2,739,000 of the general fund—state appropriation for fiscal year 2016 and ~~(\$10,826,000)~~ \$10,833,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the implementation of Second Engrossed Substitute Senate Bill No. 5954 (college affordability program). If the bill is not enacted by July 10, 2015, the amounts provided in this subsection shall lapse. For the 2016-17 academic year, if the university's full-time equivalent annual average resident undergraduate enrollment increases by more than one percent from the 2015-16 academic year, for purposes of calculating state funding for the tuition reduction backfill, only a one percent growth rate or the university's preceding five-year average percentage full-time equivalent enrollment change, whichever is greater, may be used in calculating the backfill.

Sec. 1606. 2016 sp.s. c 36 s 607 (uncodified) is amended to read as follows:

FOR THE EVERGREEN STATE COLLEGE

General Fund—State Appropriation (FY 2016)	\$22,068,000
General Fund—State Appropriation (FY 2017)	(\$25,441,000)
	<u>\$25,494,000</u>
Education Legacy Trust Account—State Appropriation	\$5,493,000
TOTAL APPROPRIATION	(\$53,002,000)
	<u>\$53,055,000</u>

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

(1) \$39,000 of the general fund—state appropriation for fiscal year 2016 and \$55,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the implementation of chapter 244, Laws of 2015 (college bound).

(2) \$39,000 of the general fund—state appropriation for fiscal year 2016 and \$32,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for implementation of Engrossed Second Substitute House Bill No. 1491 (early care & education system). If the bill is not enacted by July 10, 2015, the amounts provided in this subsection shall lapse.

(3) \$837,000 of the general fund—state appropriation for fiscal year 2016 and ~~(\$3,327,000)~~ \$3,295,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the implementation of Second Engrossed Substitute Senate Bill No. 5954 (college affordability program). If the bill is not enacted by July 10, 2015, the amounts provided in this subsection shall lapse. For the 2016-17 academic year, if the college's full-time equivalent annual average resident undergraduate enrollment increases by more than one percent from the 2015-16 academic year, for purposes of calculating state funding for the tuition reduction backfill, only a one percent growth rate or the college's preceding five-year average percentage full-time equivalent enrollment change, whichever is greater, may be used in calculating the backfill.

(4) \$40,000 of the general fund—state appropriation for fiscal year 2016 is provided solely for the tuition metric study in Second Engrossed Substitute Senate Bill No. 5954 (college affordability program). If the bill is not enacted by July 10, 2015, the amounts provided in this subsection shall lapse.

(5) \$121,000 of the general fund—state appropriation for fiscal year 2016 is provided solely for implementation of section 15 of chapter 269, Laws of 2015 (mental health/involuntary outpatient). If the bill is not enacted by July 10, 2015, the amount provided in this subsection shall lapse.

(6) \$295,000 of the general fund—state appropriation for fiscal year 2016 and \$295,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the Washington state institute of public policy to contract with an objective, non-partisan, nationally known organization to examine policy options for increasing the availability of primary care services in rural Washington.

(7) \$750,000 of the general fund—state appropriation for fiscal year 2016 and \$750,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for student success and advising programs that lead to increased degree completion.

(8) Funding provided in this section is sufficient for The Evergreen State College to continue operations of the Longhouse Center and the Northwest Indian applied research institute.

(9) \$50,000 of the general fund—state appropriation for fiscal year 2016 and \$50,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the Washington state institute for public policy to review existing research literature and begin a four-year study to evaluate outcomes regarding the cost effectiveness of FDA approved long-acting injectable medications that are indicated for the treatment of alcohol and opiate

dependence. Any outcome evaluation will be focused on potential benefits to prison offenders being released into the community and the effects on recidivism. The institute shall submit a report summarizing cost-effectiveness findings from the existing research literature to the appropriate committees of the legislature by December 31, 2016.

(10) Notwithstanding other provisions in this section, the board of directors for the Washington state institute for public policy may adjust due dates for projects included on the institute's 2015-2017 work plan as necessary to efficiently manage workload.

(11) The Evergreen State College shall not use funds appropriated in this section to support intercollegiate athletics programs.

(12) \$48,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the implementation of Second Substitute House Bill No. 2449 (truancy reduction). If the bill is not enacted by June 30, 2016, the amount provided in this subsection shall lapse.

(13) \$32,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the implementation of Second Substitute House Bill No. 2791 (Washington statewide reentry council). If the bill is not enacted by June 30, 2016, the amount provided in this subsection shall lapse.

(14) \$16,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 6455 (professional educator workforce). If the bill is not enacted by June 30, 2016, the amount provided in this subsection shall lapse.

(15) \$26,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the implementation of Engrossed Senate Bill No. 6620 (school safety). If the bill is not enacted by June 30, 2016, the amount provided in this subsection shall lapse.

(16) \$30,000 of the general fund—state appropriation for fiscal year 2016 and \$120,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the Washington state institute for public policy to evaluate and report to the appropriate legislative committees on the impact and cost effectiveness of the hub home model, a model for foster care delivery. The institute shall use the most appropriate available methods to evaluate the model's impact on child safety, permanency, placement stability and, if possible, sibling connections, culturally relevant care, and caregiver retention. The report shall include an analysis of whether the model yields long-term cost savings in comparison with traditional foster care. The department of social and health services children's administration shall facilitate provision of the data necessary to conduct the evaluation. The institute shall submit an interim report by January 15, 2017, and a final report by June 30, 2017. The institute may receive additional funds from a private organization for the purpose of the evaluation.

(17) \$16,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the Washington institute for public policy to conduct a study regarding the implementation of certain aspects of the involuntary treatment act, pursuant to chapter 29, Laws of 2016 sp. sess. (E3SHB 1713).

Sec. 1607. 2016 sp.s. c 36 s 608 (uncodified) is amended to read as follows:

FOR WESTERN WASHINGTON UNIVERSITY

General Fund—State Appropriation (FY 2016) \$53,447,000

General Fund—State Appropriation (FY 2017)	(\$67,091,000)
	<u>\$67,234,000</u>
Education Legacy Trust Account—State	
Appropriation	\$13,737,000
TOTAL APPROPRIATION	(\$134,275,000)
	<u>\$134,418,000</u>

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

(1) The university must continue work with the education research and data center to demonstrate progress in computer science and engineering enrollments. By September 1st of each year, the university shall provide a report including but not limited to the cost per student, student completion rates, and the number of low-income students enrolled in each program, any process changes or best-practices implemented by the university, and how many students are enrolled in computer science and engineering programs above the prior academic year.

(2) \$910,000 of the general fund—state appropriation for fiscal year 2016 and \$630,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the creation of a computer and information systems security program located at Olympic college - Poulsbo. The university is expected to enroll 30 students each academic year beginning in fiscal year 2017. The university must identify these students separately when providing data to the educational data centers as required in (1) of this section.

(3) Western Washington University shall not use funds appropriated in this section to support intercollegiate athletics programs.

(4) \$3,726,000 of the general fund—state appropriation for fiscal year 2016 and ~~(\$14,819,000)~~ \$14,952,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the implementation of Second Engrossed Substitute Senate Bill No. 5954 (college affordability program). If the bill is not enacted by July 10, 2015, the amounts provided in this subsection shall lapse. For the 2016-17 academic year, if the university's full-time equivalent annual average resident undergraduate enrollment increases by more than one percent from the 2015-16 academic year, for purposes of calculating state funding for the tuition reduction backfill, only a one percent growth rate or the university's preceding five-year average percentage full-time equivalent enrollment change, whichever is greater, may be used in calculating the backfill.

(5) \$250,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the endowment of the Jaffee professorship in Jewish history and holocaust studies.

Sec. 1608. 2016 sp.s. c 36 s 609 (uncodified) is amended to read as follows:

FOR THE STUDENT ACHIEVEMENT COUNCIL—POLICY COORDINATION AND ADMINISTRATION

General Fund—State Appropriation (FY 2016)	\$5,515,000
General Fund—State Appropriation (FY 2017)	(\$6,217,000)
	<u>\$6,289,000</u>
General Fund—Federal Appropriation	\$4,859,000
TOTAL APPROPRIATION	(\$16,591,000)
	<u>\$16,663,000</u>

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

(1) \$182,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the student achievement council, the workforce training and education coordinating board, and the department of licensing to work together to design and oversee a study, to be administered by the council, that objectively analyzes and makes recommendations about systemic overlaps and gaps in jurisdiction regarding for-profit degree-granting institutions and private vocational schools in the state. The council may contract with a neutral third-party research organization to conduct the study. The study must be conducted in two phases, starting with an assessment of perspectives and relevant studies. A second phase, if deemed appropriate by the council, the workforce training and education coordinating board, and other stakeholders, may consist of facilitated discussions amongst agencies, regulated entities, and stakeholders to reach agreed-upon recommendations.

(a) The study must include recommendations to improve oversight and accountability of these institutions and schools and a review of whether, and how, different standards are applied to the institutions and schools by different agencies. Specifically, the study must:

(i) Examine the data collection and reporting practices of for-profit degree-granting institutions and private vocational schools compared to the data collection and reporting of the community and technical colleges. The study must determine if there are inconsistencies and discrepancies in the practices of the for-profit degree-granting institutions and private vocational schools. The study must also make recommendations on the methods of collecting, analyzing, and reporting data, including what measurements to use, to ensure that data from for-profit degree-granting institutions and private vocational schools can be accurately compared to data from the community and technical colleges;

(ii) Study the current regulations governing these institutions and schools and recommend necessary changes to achieve consistent regulatory oversight of the entire system;

(iii) Recommend ways to implement a cohesive method for guiding and assisting current and prospective students who have questions and concerns; and

(iv) Review whether an ombuds position serving students of for-profit degree-granting institutions and private vocational schools should be created. If the recommendation is to create an ombuds position, the study must make a recommendation on which state entity should house the position.

(b) The assessment phase of the study may begin July 1, 2016. The council must issue a final report, including the result of any facilitated agreed-upon recommendations, to the appropriate committees of the legislature by January 1, 2017.

(2) \$25,000 of the general fund—state appropriation for fiscal year 2017 is provided solely to implement Second Engrossed Substitute Senate Bill No. 6601 (Washington college savings program). If the bill is not enacted by June 30, 2016, the amount provided in this subsection shall lapse.

(3) \$250,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the council to complete a higher education needs assessment for southeast King county, and to prepare a program and operating plan to meet the higher education needs identified in the assessment. The needs assessment

shall consider population changes, higher education participation rates, economic demand and work force needs, commute times for study area residents to existing higher education institutions, and any other items identified by the council. In completing the needs assessment and plan, the council shall consider the factors outlined in RCW 28B.77.080, enrollment trends in the study area, employer needs, existing and needed postsecondary programs, recommended strategies for promoting program participation, an estimated cost to meet the assessed need, and potential location sites. In preparing a program and operating plan, the council shall consider a variety of higher education options including, but not limited to, a branch campus, a university center, a private university, and an online learning center. The needs assessment and plan must be developed in consultation with an advisory committee of civic, business, and education leaders from southeast King county. The council shall provide a preliminary report to the appropriate committees of the legislature and the governor by November 1, 2016, and a final report by January 1, 2017. The council may contract with a consultant to complete this study.

Sec. 1609. 2016 sp.s. c 36 s 610 (uncodified) is amended to read as follows:

FOR THE STUDENT ACHIEVEMENT COUNCIL—OFFICE OF STUDENT FINANCIAL ASSISTANCE

General Fund—State Appropriation (FY 2016)	\$265,978,000
General Fund—State Appropriation (FY 2017)	\$234,444,000
General Fund—Federal Appropriation	\$11,801,000
General Fund—Private/Local Appropriation	\$300,000
Aerospace Training Student Loan Account—State Appropriation (FY 2017)	\$104,000
Washington Opportunity Expansion Account—State Appropriation	\$6,000,000
Education Legacy Trust Account—State Appropriation	\$40,671,000
Health Professional Loan Repayment Scholarship Program Account—State Appropriation	\$1,720,000
Washington Opportunity Pathways Account—State Appropriation (FY 2016)	\$95,061,000
Washington Opportunity Pathways Account—State Appropriation (FY 2017)	(\$78,469,000)
	<u>\$77,260,000</u>
TOTAL APPROPRIATION	(\$734,548,000)
	<u>\$733,339,000</u>

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

- (1) \$235,217,000 of the general fund—state appropriation for fiscal year 2016, \$201,760,000 of the general fund—state appropriation for fiscal year 2017, \$26,000,000 of the education legacy trust account—state appropriation, \$77,500,000 of the Washington opportunity pathways account—state appropriation for fiscal year 2016, and \$67,500,000 of the Washington opportunity pathways account—state appropriation for fiscal year 2017 are provided solely for student financial aid payments under the state need grant, implementation of Second Engrossed Substitute Senate Bill No. 5954 (college

affordability program), and state work study programs including up to four percent administrative allowance for the state work study program.

(2) Changes made to the state need grant program in the 2011-2013 fiscal biennium are continued in the 2015-2017 fiscal biennium. For the 2015-2017 fiscal biennium, awards given to private institutions shall be the same amount as the prior year.

(3) Changes made to the state work study program in the 2009-2011 and 2011-2013 fiscal biennia are continued in the 2015-2017 fiscal biennium including maintaining the increased required employer share of wages; adjusted employer match rates; discontinuation of nonresident student eligibility for the program; and revising distribution methods to institutions by taking into consideration other factors such as off-campus job development, historical utilization trends, and student need.

(4) Within the funds appropriated in this section, eligibility for the state need grant includes students with family incomes at or below 70 percent of the state median family income (MFI), adjusted for family size, and shall include students enrolled in three to five credit-bearing quarter credits, or the equivalent semester credits. Awards for students with incomes between 51 and 70 percent of the state median shall be prorated at the following percentages of the award amount granted to those with incomes below 51 percent of the MFI: 70 percent for students with family incomes between 51 and 55 percent MFI; 65 percent for students with family incomes between 56 and 60 percent MFI; 60 percent for students with family incomes between 61 and 65 percent MFI; and 50 percent for students with family incomes between 66 and 70 percent MFI.

(5) Of the amounts provided in subsection (1) of this section, \$100,000 of the general fund—state appropriation for fiscal year 2016 and \$100,000 of the general fund—state appropriation for fiscal year 2017 are provided for the council to process an alternative financial aid application system pursuant to RCW 28B.92.010.

(6)(a) Students who are eligible for the college bound scholarship shall be given priority for the state need grant program. These eligible college bound students whose family incomes are in the 0-65 percent median family income ranges must be awarded the maximum state need grant for which they are eligible under state policies and may not be denied maximum state need grant funding due to institutional policies or delayed awarding of college bound scholarship students. The council shall provide directions to institutions to maximize the number of college bound scholarship students receiving the maximum state need grant for which they are eligible with a goal of 100 percent coordination. Institutions shall identify all college bound scholarship students to receive state need grant priority. If an institution is unable to identify all college bound scholarship students at the time of initial state aid packaging, the institution should reserve state need grant funding sufficient to cover the projected enrollments of college bound scholarship students.

(b) In calculating the college bound award, public institutions of higher education are subject to the conditions and limitations in RCW 28B.15.102 and shall not utilize college bound funds to offset tuition costs from rate increases in excess of levels authorized in section 603, chapter 50, Laws of 2011.

(7) \$14,670,000 of the education legacy trust account—state appropriation, \$17,561,000 of the Washington opportunity pathways account—state

appropriation for fiscal year 2016, and (~~(\$10,969,000)~~) \$9,760,000 of the Washington opportunity pathways account—state appropriation for fiscal year 2017 are provided solely for the college bound scholarship program, implementation of Second Engrossed Substitute Senate Bill No. 5954 (college affordability program), and may support scholarships for summer session.

(8) \$2,236,000 of the general fund—state appropriation for fiscal year 2016 and \$2,236,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the passport to college program. The maximum scholarship award is up to \$5,000. The board shall contract with a nonprofit organization to provide support services to increase student completion in their postsecondary program and shall, under this contract, provide a minimum of \$500,000 in fiscal years 2016 and 2017 for this purpose.

(9) \$20,000,000 of the general fund—state appropriation for fiscal year 2016 and \$21,000,000 of the general fund—state appropriation for fiscal year 2017 are provided solely to meet state match requirements associated with the opportunity scholarship program. The legislature will evaluate subsequent appropriations to the opportunity scholarship program based on the extent that additional private contributions are made, program spending patterns, and fund balance.

(10) \$3,825,000 of the general fund—state appropriation for fiscal year 2016 and \$3,825,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for expenditure into the health professionals loan repayment and scholarship program account. These amounts and \$1,720,000 appropriated from the health professionals loan repayment and scholarship program account must be used to increase the number of licensed primary care health professionals to serve in licensed primary care health professional critical shortage areas. The office of student financial assistance and the department of health shall prioritize a portion of any nonfederal balances in the health professional loan repayment and scholarship fund for conditional loan repayment contracts with psychiatrists and with advanced registered nurse practitioners for work at one of the state-operated psychiatric hospitals. The office and department shall designate the state hospitals as health professional shortage areas if necessary for this purpose. The office shall coordinate with the department of social and health services to effectively incorporate three conditional loan repayments into the department's advanced psychiatric professional recruitment and retention strategies. The office may use these targeted amounts for other program participants should there be any remaining amounts after eligible psychiatrists and advanced registered nurse practitioners have been served. The office shall also work to prioritize loan repayments to professionals working at health care delivery sites that demonstrate a commitment to serving uninsured clients.

(11) \$56,000 of the general fund—state appropriation for fiscal year 2016 and \$42,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the council to design and implement a program that provides customized information to high-achieving (as determined by local school districts), low-income, high school students. "Low-income" means students who are from low-income families as defined by the education data center in RCW 43.41.400. For the purposes of designing, developing, and implementing the program, the council shall partner with a national entity that offers aptitude tests

and shall consult with institutions of higher education with a physical location in Washington. The council shall implement the program no later than fall 2016, giving consideration to spring mailings in order to capture early action decisions offered by institutions of higher education and nonprofit baccalaureate degree-granting institutions. The information packet for students must include at a minimum:

- (a) Materials that help students to choose colleges;
- (b) An application guidance booklet;
- (c) Application fee waivers, if available, for four-year institutions of higher education and independent nonprofit baccalaureate degree-granting institutions in the state that enable students receiving a packet to apply without paying application fees;
- (d) Information on college affordability and financial aid that includes information on the net cost of attendance for each four-year institution of higher education and each nonprofit baccalaureate degree-granting institution, and information on merit and need-based 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) \$6,000,000 of the opportunity expansion account—state appropriation is provided solely for the opportunity expansion program in RCW 28B.145.060. At the direction of the opportunity scholarship board, the council must distribute the funding provided in this subsection to institutions of higher education to increase the number of baccalaureate degrees produced in high employer demand and other programs of study.

(13) \$1,144,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the implementation of Engrossed Second Substitute Senate Bill No. 6455 (professional educator workforce). If the bill is not enacted by June 30, 2016, the amount provided in this subsection shall lapse. Of the amount provided in this subsection:

- (a) \$468,000 is for the teacher shortage conditional grant program;
- (b) \$468,000 is for the student teaching residency grant program; and
- (c) \$208,000 is for the development and implementation of the teacher shortage conditional grant program and the student teaching residency grant program.

(14) The council shall examine issues related to college bound scholarship students who become income ineligible for the college bound scholarship program but maintain eligibility for the state need grant and shall report to the governor and appropriate committees of the legislature by December 1, 2016, with any recommendations.

Sec. 1610. 2016 sp.s. c 36 s 611 (uncodified) is amended to read as follows:

FOR THE WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD

General Fund—State Appropriation (FY 2016)	\$1,648,000
General Fund—State Appropriation (FY 2017)	(\$1,744,000)
	<u>\$1,752,000</u>
General Fund—Federal Appropriation	\$55,143,000

General Fund—Private/Local Appropriation	\$72,000
TOTAL APPROPRIATION	(\$58,607,000)
	<u>\$58,615,000</u>

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

(1) For the 2015-2017 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 workforce shortages and to meet the increased demand for services now, and with the integration of behavioral health and primary care in 2020. The analysis and recommended action plan shall align with the recommendations of the adult behavioral health system task force and related work of the healthier Washington initiative. The board shall consider workforce data, gaps, distribution, pipeline, development, and infrastructure, including innovative high school, postsecondary, and postgraduate programs to evolve, align, and respond accordingly to our state's behavioral health and related and integrated primary care workforce needs. The board will submit preliminary recommendations to the governor and appropriate committees of the legislature by October 15, 2016. The board will continue its work and submit final recommendations in 2017.

(3) \$75,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the workforce training and education coordinating board to develop a plan for a career and college ready lighthouse program that is representative of the different geographies and industries throughout the state. The plan must provide students the opportunity to: Explore and understand career opportunities through applied learning; engage with industry mentors; and, plan for career and college success. Additionally, the plan must include: Work-integrated and career-related strategies that increase college and career readiness of the students statewide; specify where and how the board will utilize mentor school districts; and identify the needs of districts to provide career and college ready opportunities. The board must convene an advisory committee to provide assistance with the development of the plan. The advisory committee must comprise: Individuals from the public and private sector with expertise in career and technical education and work-integrated training; school counselors; representatives of labor unions; representatives from professional technical organizations; representatives from career and technical colleges; and individuals from business and industry. The board shall submit its plan to the education committees of the legislature by January 1, 2017.

Sec. 1611. 2016 sp.s. c 36 s 612 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF EARLY LEARNING

General Fund—State Appropriation (FY 2016)	\$89,572,000
General Fund—State Appropriation (FY 2017)	(\$103,823,000)

	<u>\$101,494,000</u>
General Fund—Federal Appropriation	\$299,956,000
Opportunity Pathways Account—State Appropriation	\$80,000,000
Education Legacy Trust Account—State Appropriation	\$28,250,000
Home Visiting Services Account—State Appropriation	\$4,868,000
Home Visiting Services Account—Federal Appropriation	\$25,250,000
TOTAL APPROPRIATION	((\$624,725,000))
	<u>\$629,390,000</u>

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

(1) \$44,800,000 of the general fund—state appropriation for fiscal year 2016, \$44,800,000 of the general fund—state appropriation for fiscal year 2017, \$24,250,000 of the education legacy trust account—state appropriation, and \$80,000,000 of the opportunity pathways account appropriation are provided solely for the early childhood education and assistance program. These amounts shall support at least 11,691 slots in fiscal year 2016 and 11,691 slots in fiscal year 2017. Of these amounts, \$10,284,000 is a portion of the biennial amount of state maintenance of effort dollars required to receive federal child care and development fund grant dollars.

(2) \$200,000 of the general fund—state appropriation for fiscal year 2016 and \$200,000 of the general fund—state appropriation for fiscal year 2017 are provided solely to develop and provide culturally relevant supports for parents, family, and other caregivers.

(3) The department is the lead agency for and recipient of the federal child care and development fund grant. Amounts within this grant shall be used to fund child care licensing, quality initiatives, agency administration, and other costs associated with child care subsidies. The department shall transfer a portion of this grant to the department of social and health services to fund the child care subsidies paid by the department of social and health services on behalf of the department of early learning.

(4) \$1,434,000 of the general fund—state appropriation for fiscal year 2016 is provided solely for expenditure into the home visiting services account. This funding is intended to meet federal maintenance of effort requirements and to secure private matching funds. Additional amounts are provided separately in part II of this act. The division of behavioral health and recovery must transfer these amounts into the home visiting services account.

(5)(a) \$153,244,000 of the general fund—federal appropriation is provided solely for the working connections child care program under RCW 43.215.135.

(b) In addition to groups that were given prioritized access to the working connections child care program effective March 1, 2011, the department shall also give prioritized access into the program to families in which a parent of a child in care is a minor who is not living with a parent or guardian and who is a full-time student in a high school that has a school-sponsored on-site child care center.

(6) Within available amounts, the department in consultation with the office of financial management and the department of social and health services shall report enrollments and active caseload for the working connections child care program to the legislative fiscal committees and the legislative-executive

WorkFirst oversight task force on an agreed upon schedule. The report shall also identify the number of cases participating in both temporary assistance for needy families and working connections child care. The department must also report on the number of children served through contracted slots.

(7) \$1,194,000 of the general fund—state appropriation for fiscal year 2016, \$1,926,000 of the general fund—state appropriation for fiscal year 2017, and \$13,424,000 of the general fund—federal appropriation are provided solely for the seasonal child care program. If federal sequestration cuts are realized, cuts to the seasonal child care program must be proportional to other federal reductions made within the department.

(8) \$4,674,000 of the general fund—state appropriation for fiscal year 2016 and \$4,674,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the early childhood intervention prevention services (ECLIPSE) program. The department shall contract for ECLIPSE services to provide therapeutic child care and other specialized treatment services to abused, neglected, at-risk, and/or drug-affected children. Priority for services shall be given to children referred from the department of social and health services children's administration. Of the amounts appropriated in this subsection, \$60,000 per fiscal year may be used by the department for administering the ECLIPSE program, if needed.

(9) \$47,000 of the general fund—state appropriation for fiscal year 2016 and \$46,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for implementation of Engrossed Substitute House Bill No. 1126 (fatality review).

(10) \$23,529,000 of the general fund—state appropriation for fiscal year 2016, (~~(\$41,087,000)~~) \$39,294,000 of the general fund—state appropriation for fiscal year 2017, and \$36,006,000 of the general fund—federal appropriation are provided solely for the implementation of Engrossed Second Substitute House Bill No. 1491 (early care and education system). Of the amounts provided in this subsection:

(a) \$60,817,000 is for quality rating and improvement system activities, including but not limited to: Level two activities, technical assistance, coaching, rating, and quality improvement awards. The department shall place a 10 percent administrative overhead cap on any contract entered into with the University of Washington.

(b) \$10,895,000 is for degree and retention incentives and scholarship and tuition reimbursements.

(c) (~~(\$12,828,000)~~) \$11,035,000 is for level 2 payments and tiers 3, 4, and 5 payments for child care licensed family home and center providers. Additional amounts for licensed family home providers are provided separately in fiscal year 2016 as part of a collective bargaining agreement part IX of this act.

(11) \$1,808,000 of the general fund—state appropriation for fiscal year 2016 and \$1,728,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for reducing barriers for low-income providers to participate in the early achievers program consistent with Engrossed Second Substitute House Bill No. 1491 (early care and education system). Of the amounts provided in this subsection:

(a) \$2,000,000 is for need-based grants. Additional amounts for child care licensed family home providers are provided separately as part of a collective bargaining agreement part IX of this act.

(b) \$1,336,000 is for the creation of a substitute pool.

(c) \$200,000 is for the development of materials and assessments in provider and family home languages.

(12) \$300,000 of the general fund—state appropriation for fiscal year 2016 and \$300,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for a contract with a nonprofit entity experienced in the provision of promoting early literacy for children through pediatric office visits.

(13) \$4,000,000 of the education legacy trust account—state appropriation is provided solely for early intervention assessment and services.

(14) Information technology projects or investments and proposed projects or investments impacting time capture, payroll and payment processes and systems, eligibility, case management and authorization systems within the department of early learning are subject to technical oversight by the office of the chief information officer. The department must collaborate with the office of the chief information officer to develop a strategic business and technology architecture plan for a child care attendance and billing system that supports a statewide architecture.

(15)(a)(i) The department of early learning is required to provide to the education research and data center, housed at the office of financial management, data on all state-funded early childhood programs. These programs include the early support for infants and toddlers, early childhood education and assistance program (ECEAP), and the working connections and seasonal subsidized childcare programs including license exempt facilities or family, friend, and neighbor care. The data provided by the department to the education research data center must include information on children who participate in these programs, including their name and date of birth, and dates the child received services at a particular facility.

(ii) ECEAP early learning professionals must enter any new qualifications into the department's professional development registry during the 2015-16 school year. By October 2017, the department must provide updated ECEAP early learning professional data to the education research data center.

(iii) The department must request federally funded head start programs to voluntarily provide data to the department and the education research data center that is equivalent to what is being provided for state-funded programs.

(iv) The education research and data center must provide an updated report on early childhood program participation and K-12 outcomes to the house of representatives appropriations committee and the senate ways and means committee using available data by November 2015 for the school year ending in 2014 and again in March 2016 for the school year ending in 2015.

(b) The department, in consultation with the department of social and health services, must withhold payment for services to early childhood programs that do not report on the name, date of birth, and the dates a child received services at a particular facility.

(16) The department shall work with state and local law enforcement, federally recognized tribal governments, and tribal law enforcement to develop a

process for expediting fingerprinting and data collection necessary to conduct background checks for tribal early learning and child care providers.

(17) \$3,777,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the supplemental agreement to the 2015-2017 collective bargaining agreement covering family child care providers as set forth in section 905 of this act. Of the amounts provided in this subsection:

(a) \$638,000 is for a base rate increase;

(b) \$956,000 is for an increase in tiered reimbursement rates for levels three through five;

(c) \$1,315,000 is for an increase in quality improvement awards;

(d) \$478,000 is provided for training and quality improvement support services to family child care providers provided by the 501(c)(3) organization created for this purpose;

(e) \$190,000 is provided for the administration of the family child care training and quality improvement fund and participation in the joint committee on family child care providers training and quality improvement; and

(f) \$200,000 is provided for a slot-based pilot.

Sec. 1612. 2016 sp.s. c 36 s 613 (uncodified) is amended to read as follows:

FOR THE STATE SCHOOL FOR THE BLIND

General Fund—State Appropriation (FY 2016)	\$6,419,000
General Fund—State Appropriation (FY 2017)	(\$6,579,000)
	<u>\$6,812,000</u>
General Fund—Private/Local Appropriation	\$34,000
TOTAL APPROPRIATION	(\$13,032,000)
	<u>\$13,265,000</u>

The appropriations in this section are subject to the following conditions and limitations: Funding provided in this section is sufficient for the school to offer to students enrolled in grades nine through twelve for full-time instructional services at the Vancouver campus with the opportunity to participate in a minimum of one thousand eighty hours of instruction and the opportunity to earn twenty-four high school credits.

Sec. 1613. 2016 sp.s. c 36 s 615 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE ARTS COMMISSION

General Fund—State Appropriation (FY 2016)	\$1,143,000
General Fund—State Appropriation (FY 2017)	(\$1,166,000)
	<u>\$1,204,000</u>
General Fund—Federal Appropriation	\$2,100,000
General Fund—Private/Local Appropriation	\$18,000
TOTAL APPROPRIATION	(\$4,427,000)
	<u>\$4,465,000</u>

Sec. 1614. 2016 sp.s. c 36 s 617 (uncodified) is amended to read as follows:

FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY

General Fund—State Appropriation (FY 2016)	\$1,789,000
General Fund—State Appropriation (FY 2017)	(\$1,833,000)
	<u>\$1,923,000</u>

TOTAL APPROPRIATION((~~\$3,622,000~~))
\$3,712,000

The appropriations in this section are subject to the following conditions and limitations: The eastern Washington state historical society shall develop a plan for creating a performance-based partnership agreement between the state of Washington and the not-for-profit Northwest museum of arts and culture for implementation in the 2017-2019 fiscal biennium. The plan at minimum shall include strategies to increase nonstate revenues for the operation of the museum and estimate the minimum amount of state funding necessary to preserve, maintain, and protect state-owned facilities and assets. The plan shall be submitted to the office of financial management and the fiscal committees of the legislature by October 1, 2016.

**PART XVII
 SPECIAL APPROPRIATIONS**

Sec. 1701. 2016 sp.s. c 36 s 701 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT

General Fund—State Appropriation (FY 2016) \$1,059,582,000
 General Fund—State Appropriation (FY 2017) ((~~\$1,108,296,000~~))
\$1,102,296,000

State Building Construction Account—State
 Appropriation((~~\$10,011,000~~))
\$8,011,000

Debt-Limit Reimbursable Bond Retirement Account—State
 Appropriation \$1,430,000

Columbia River Basin Water Supply Development
 Account—State Appropriation \$62,000

Columbia River Basin Taxable Bond Water Supply Development
 Account—State Appropriation \$82,000

State Taxable Building Construction
 Account—State Appropriation \$846,000

TOTAL APPROPRIATION ((~~\$2,180,309,000~~))
\$2,172,309,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the debt-limit general fund bond retirement account.

Sec. 1702. 2015 3rd sp.s. c 4 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 GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE

General Fund—State Appropriation (FY 2016) \$16,129,000
 General Fund—State Appropriation (FY 2017) \$13,847,000
 Nondebt-Limit Reimbursable Bond Retirement Account—State

Appropriation .....	..((\$180,685,000))
	<u>\$179,685,000</u>
TOTAL APPROPRIATION .....	..((\$210,661,000))
	<u>\$209,661,000</u>

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the nondebt-limit general fund bond retirement account.

Sec. 1703. 2016 sp.s. c 36 s 706 (uncodified) is amended to read as follows:

FOR SUNDRY CLAIMS

The following sums, or so much thereof as may be necessary, are appropriated from the general fund for fiscal year 2016 or fiscal year 2017, unless otherwise indicated, for relief of various individuals, firms, and corporations for sundry claims.

(1) These appropriations are to be disbursed on vouchers approved by the director of the department of enterprise services, except as otherwise provided, for reimbursement of criminal defendants acquitted on the basis of self-defense, pursuant to RCW 9A.16.110, as follows:

- (a) David Wozny, claim number 99970105 \$9,832
- (b) Hugo Garibay, claim number 99970106 \$10,246
- (c) Emery Christianson, claim number 99970107 \$7,445
- (d) Anton Ehinger, claim number 99970108 \$6,726
- (e) Alan Graham, claim number 99970109 \$5,495
- (f) Joseph Compher, claim number 99970110 \$32,235
- (g) Alex Hallowell, claim number 99970111 \$22,403
- (h) James Clark, claim number 99970112 \$8,250
- (i) David Hill, claim number 99970114 \$3,056
- (j) David Maulen, claim number 99970113 \$19,726
- (k) Stephen White, claim number 99970115 \$25,097
- (l) Richard Brunhaver, claim number 99970116 \$14,079
- (m) James Barnett, claim number 99970117 \$39,608
- (n) Justin Carter, claim number 99970118 \$35,179
- (o) Derrick Moore, claim number 99970119 \$23,474
- (p) Joshua Bessey, claim number 99970120 \$66,600
- (q) Jason Swanberg, claim number 99970121 \$7,905
- (r) Max Willis, claim number 99970123 \$26,205
- (s) Jessica Bush, claim number 99970124 \$22,990
- (t) Rolondo Cavazos, claim number 99970125 \$32,438
- (u) Jared Ha, claim number 99970127 \$45,104
- (v) Eric Thompson, claim number 99970128 \$15,127
- (w) Meghan Altringer, claim number 99970129 \$5,484
- (x) James Wenzel, claim number 99970130 \$5,240
- (y) Arturo Rodriguez Ramos, claim number 99970131 \$12,000
- (z) Joel Gentleman, claim number 99970132 \$16,173
- (aa) Richard Cooper, claim number 99970133 \$17,810
- (bb) Michelle Trafford, claim number 99970136 \$10,582
- (cc) Linda Gipson, claim number 99970137 \$316,531
- (dd) Patrick Kelly, claim number 99970126 \$8,483

(ee) Joseph Miller, claim number 99970137.....	\$9,818
(ff) Brian Ashley, claim number 99970140.....	\$10,586
(gg) Crispin Ramirez, claim number 99970141	\$6,000
(hh) Billy Falla, claim number 99970143	\$3,678

(2) These appropriations are to be disbursed on vouchers approved by the director of the department of enterprise services, except as otherwise provided, for payment of compensation for wrongful convictions pursuant to RCW 4.100.060, as follows:

Michael Wheeler, claim number 99970122.....\$466,711

NEW SECTION. Sec. 1704. A new section is added to 2015 3rd sp.s. c 4 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT—REPAYMENT TO FEDERAL GOVERNMENT

General Fund—State Appropriation (FY 2017)\$425,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely to repay the federal government a percentage of the federal funds paid into certain revolving accounts that were transferred to the general fund in fiscal years 2016 and 2017 as required by Appendix V of 2 C.F.R. Part 200(G)(4)(2013).

NEW SECTION. Sec. 1705. A new section is added to 2015 3rd sp.s. c 4 (uncodified) to read as follows:

FOR THE CONSOLIDATED TECHNOLOGY SERVICES AGENCY

Forest Development Account—State Appropriation	\$64,000
Aquatic Lands Enhancement Account—State Appropriation	\$8,000
Resources Management Cost Account—State Appropriation	\$136,000
Surface Mining Reclamation Account—State Appropriation	\$3,000
Forest Fire Protection Assessment Account—State Appropriation	\$39,000
State Forest Nursery Revolving Account—State Appropriation	\$6,000
Access Road Revolving Account—State Appropriation	\$32,000
Park Land Trust Revolving Account—State Appropriation	\$4,000
Contract Harvesting Revolving Account—State Appropriation	\$4,000
Forest Practices Application Account—State Appropriation	\$2,000
Agricultural College Trust Management Account—State Appropriation.....	\$4,000
TOTAL APPROPRIATION	\$302,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section are provided solely for expenditure into the consolidated technology services revolving account for payment of the department of natural resources' share of the debt service allocation for the state data center for the programs funded by the accounts in this section.

NEW SECTION. Sec. 1706. A new section is added to 2015 3rd sp.s. c 4 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT—JUDICIAL STABILIZATION TRUST ACCOUNT

General Fund—State Appropriation (FY 2017) \$1,029,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the judicial stabilization trust account in RCW 43.79.505 in an amount not to exceed the amount necessary to prevent a deficit in the account.

NEW SECTION, Sec. 1707. A new section is added to 2015 3rd sp.s. c 4 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT—SKELETAL HUMAN REMAINS ASSISTANCE ACCOUNT

General Fund—State Appropriation (FY 2017) \$140,000

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for expenditure into the skeletal human remains assistance account.

**PART XVIII
OTHER TRANSFERS AND APPROPRIATIONS**

Sec. 1801. 2016 sp.s. c 36 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. ~~(\$9,286,000)~~
\$9,176,000

General Fund Appropriation for public utility district excise tax distributions ~~(\$57,861,000)~~
\$57,833,000

General Fund Appropriation for prosecuting attorney distributions ~~(\$6,375,000)~~
\$6,396,000

General Fund Appropriation for boating safety and education distributions ~~(\$4,000,000)~~
\$3,682,000

General Fund Appropriation for other tax distributions ~~(\$86,000)~~
\$82,000

General Fund Appropriation for habitat conservation program distributions. \$3,848,000

Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies. \$3,135,000

Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution \$140,000

Timber Tax Distribution Account Appropriation for distribution to "timber" counties ~~(\$76,600,000)~~
\$68,914,000

County Criminal Justice Assistance Appropriation
When making the fiscal year 2016 and 2017
distributions to Grant county, the state

treasurer shall reduce the amount by \$140,000 each year and distribute the remainder to the county. This is the second and third of three reductions that have been made to reimburse the state for a nonqualifying extraordinary criminal justice act payment made to Grant county in fiscal year 2013	(((\$86,178,000)) <u>\$87,877,000</u>)
Municipal Criminal Justice Assistance Appropriation.	(((\$33,493,000)) <u>\$34,476,000</u>)
City-County Assistance Account Appropriation for local government financial assistance distribution.	(((\$24,899,000)) <u>\$24,499,000</u>)
Liquor Excise Tax Account Appropriation for liquor excise tax distribution	(((\$50,680,000)) <u>\$48,785,000</u>)
Streamlined Sales and Use Tax Mitigation Account Appropriation for distribution to local taxing jurisdictions to mitigate the unintended revenue redistribution effect of the sourcing law changes	(((\$46,762,000)) <u>\$45,816,000</u>)
Columbia River Water Delivery Account Appropriation for the Confederated Tribes of the Colville Reservation	\$7,907,000
Columbia River Water Delivery Account Appropriation for the Spokane Tribe of Indians	\$5,167,000
Liquor Revolving Account Appropriation for liquor profits distribution	\$98,876,000
TOTAL APPROPRIATION	(((\$515,293,000)) <u>\$503,828,000</u>)

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

Sec. 1802. 2016 sp.s. c 36 s 804 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—TRANSFERS

State Treasurer's Service Account: For transfer to the state general fund, \$10,000,000 for fiscal year 2016 and \$10,000,000 for fiscal year 2017	\$20,000,000
General Fund: For transfer to the streamlined sales and use tax account, (((\$23,398,000)) <u>\$23,478,000</u> for fiscal year 2016 and (((\$23,364,000)) <u>\$22,338,000</u> for fiscal year 2017	(((\$46,762,000)) <u>\$45,816,000</u>)

Dedicated Marijuana Account: For transfer to the

state general fund in an amount not to exceed the amount determined pursuant to RCW 69.50.540, \$70,000,000 for fiscal year 2016	\$70,000,000
Dedicated Marijuana Account: For transfer to the state general fund (in an amount not to exceed), <u>the lesser of</u> the amount determined pursuant to RCW 69.50.540((-\$100,000,000)) <u>or this amount</u> for fiscal year 2017	\$100,000,000
Dedicated Marijuana Fund Account for distribution to the basic health plan trust account in an amount not to exceed the amount determined pursuant to RCW 69.50.540 plus \$14,000,000, \$125,000,000 for fiscal year 2016	\$125,000,000
Dedicated Marijuana Account: For transfer to the basic health plan trust account (in an amount not to exceed), <u>the lesser of</u> the amount determined pursuant to RCW 69.50.540((-\$150,000,000)) <u>or this amount</u> for fiscal year 2017	\$150,000,000
Tobacco Settlement Account: For transfer to the state general fund, in an amount not to exceed the actual amount of the annual base payment to the tobacco settlement account for fiscal year 2016	\$90,000,000
Tobacco Settlement Account: For transfer to the state general fund, in an amount not to exceed the actual amount of the 2017 annual base payment to the tobacco settlement account	\$90,000,000
Tobacco Settlement Account: For transfer to the state general fund, in an amount not to exceed the annual strategic contribution payment to the tobacco settlement account for fiscal year 2016	(\$26,000,000) <u>\$26,950,000</u>
Tobacco Settlement Account: For transfer to the state general fund, in an amount not to exceed the annual strategic contribution payment to the tobacco settlement account for fiscal year 2017	(\$25,400,000) <u>\$26,822,000</u>
Life Sciences Discovery Fund: For transfer to the state general fund for fiscal year 2016	\$11,000,000
Energy Freedom Account: For transfer to the state general fund for fiscal year 2016, an amount not to exceed the actual ending cash balance of the fund	\$3,300,000
State Toxics Control Account: For transfer to the clean up settlement account as repayment of the loan provided in section 3022(2) chapter 2, Laws of 2012, 2nd sp. sess. (ESB 6074 2012 supplemental capital budget), \$643,000 for	

fiscal year 2016 and \$643,000 for fiscal year 2017	\$1,286,000
Aquatic Lands Enhancement Account: For transfer to the clean up settlement account as repayment of the loan provided in section 3022(2) chapter 2, Laws of 2012, 2nd sp. sess. (ESB 6074 2012 supplemental capital budget), \$643,000 for fiscal year 2016 and \$643,000 for fiscal year 2017	\$1,286,000
Home Security Fund Account: For transfer to the transitional housing operating and rent account, \$7,500,000 for fiscal year 2016	\$7,500,000
Public Works Assistance Account: For transfer to the state general fund, \$36,500,000 for fiscal year 2016 and \$52,500,000 for fiscal year 2017	\$89,000,000
Criminal Justice Treatment Account: For transfer to the state general fund \$5,652,000 for fiscal year 2016 and \$5,651,000 for fiscal year 2017	\$11,303,000
Liquor Revolving Account: For transfer to the state general fund, \$3,000,000 for fiscal year 2016 and \$3,000,000 for fiscal year 2017	\$6,000,000
Flood Control Assistance Account: For transfer to the state general fund, \$1,350,000 for fiscal year 2016 and \$1,000,000 for fiscal year 2017	\$2,350,000
Law Enforcement Officers' and Firefighters' Plan 2 Retirement Fund: For transfer to the local law enforcement officers' and firefighters' retirement system benefits improvement account for fiscal year 2016	\$15,779,000
Aerospace Training Student Loan Account: For transfer to the state general fund, \$1,000,000 for FY 2016 and \$1,000,000 for FY 2017	\$2,000,000
Water Rights Processing Account: For transfer to the state drought preparedness account, \$332,000 for fiscal year 2016	\$332,000
((Death Investigations Account: For transfer to the sexual assault kit account, \$1,732,000 for fiscal year 2017	(\$1,732,000))
Fingerprint Identification Account: For transfer to the sexual assault kit account, (\$1,179,000) <u>\$2,911,000</u> for fiscal year 2017	(\$1,179,000)) <u>\$2,911,000</u>
Charitable, Educational, Penal, and Reformatory Institutions Account: For transfer to the state general fund, \$1,000,000 for fiscal year 2016	\$1,000,000
Marine Resources Stewardship Trust Account: For transfer to the aquatic lands enhancement account,	

\$975,000 for fiscal year 2016	\$975,000
Vessel Response Account: For transfer to the environmental legacy stewardship account, \$250,000 for fiscal year 2016	\$250,000
Savings Incentive Account: For transfer to the state general fund for fiscal year 2016, an amount attributable to unspent agency credits excluding those associated with legislative and judicial agencies	\$1,071,000
Employment Services Administrative Account: For transfer to the state general fund, \$750,000 for fiscal year 2016 and \$2,250,000 for fiscal year 2017	\$3,000,000
Washington Housing Trust Account: For transfer to the home security fund account	\$7,000,000
Washington Housing Trust Account: For transfer to the state general fund for fiscal year 2017	\$3,000,000
Employment Services Administrative Account: For transfer to the administrative contingency fund account for fiscal year 2017	\$8,500,000
OFM Labor Relations Service Account: For transfer to the state general fund for fiscal year 2017	\$1,000,000
Personnel Service Fund: For transfer to the state general fund for fiscal year 2017	\$500,000
Washington Real Estate Research Account: For transfer to the state general fund for fiscal year 2017	\$500,000
Professional Engineers' Account: For transfer to the state general fund for fiscal year 2017	\$500,000
Real Estate Commission Account: For transfer to the state general fund for fiscal year 2017	\$500,000
<u>General Fund: For transfer to the disaster response account for fiscal year 2017</u>	<u>\$42,000,000</u>

It is the intent of the legislature to continue to transfer the excess balance from the criminal justice treatment account to the state general fund in the 2017-2019 fiscal biennium, consistent with policy in this omnibus appropriations act and in an amount not to exceed the projected fund balance.

It is the intent of the legislature to continue to transfer the excess balance from the state treasurer's service account to the state general fund in the 2017-2019 fiscal biennium, consistent with policy in this omnibus appropriations act and in an amount not to exceed the projected fund balance.

**PART XIX
MISCELLANEOUS**

NEW SECTION. Sec. 1901. A new section is added to 2015 3rd sp.s. c 4 (unmodified) to read as follows:

(1) By June 30, 2017, the committee on advanced tuition payment defined in RCW 28B.95.020 shall review and report to the legislative fiscal and higher education committees on:

(a) The impact of decreasing tuition rates on the funded status and future unit price of the Washington advanced college tuition payment program;

(b) The feasibility and different options of establishing a college savings program as described in RCW 28B.95.150;

(c) A list of potential alternatives and impacts for changing the advanced college tuition payment distribution policy from tuition and fees to a cost of attendance metric; and

(d) A list of potential alternatives and impacts for whether the state penalty for withdrawal should be changed.

(2) This section expires June 30, 2017.

NEW SECTION. Sec. 1902. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 1903. Except for section 990 of this act, this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

Passed by the Senate June 30, 2017.

Passed by the House June 30, 2017.

Approved by the Governor June 30, 2017, with the exception of certain items that were vetoed.

Filed in Office of Secretary of State July 3, 2017.

Note: Governor's explanation of partial veto is as follows:

"I am returning herewith, without my approval as to Sections 103(4); 136(2); 150(8); 207(12); 213(1)(a), page 108, lines 37-39, through page 109, line 2, beginning with "The administration" and ending with "administrative costs."; 217(1); 217(2); 222(4); 302(2); 610(13); 734; 964(3); and 1213(1), page 455, lines 6-9, Substitute Senate Bill No. 5883 entitled:

"AN ACT Relating to fiscal matters."

Section 103(4), pages 4-5, Joint Legislative Audit and Review Committee, Evaluation of Market Rate Housing and Subsidized Housing Projects

This section creates an evaluation and comparison of the cost efficiency of market rate housing in Washington versus publicly subsidized housing projects intended to assist low-income households. The solution to our state's housing crisis is less a comparison between market rate and subsidized housing than it is a comprehensive set of all available options to meet a serious need. For this reason, I have vetoed Section 103(4).

Section 136(2), page 37, Department of Revenue, Contract with Sound Transit

This subsection requires the Department of Revenue to renegotiate its contract with Sound Transit for the collection of sales tax. The department is required to charge Sound Transit an administrative fee of 1 percent, which is more than is charged under the current contract. This will reduce the funding available for Sound Transit to deliver the voter-approved transit package. For these reasons, I have vetoed Section 136(2).

Section 150(8), page 48, Consolidated Technology Services Agency, Washington Business Onestop Portal

The operating budget does not provide the Consolidated Technology Services agency with revenue for continuation of this project, and assumes the agency will spend existing fund balance. However, there is not sufficient funding available to spend on this project. For these reasons, I have vetoed Section 150(8).

Section 207(12), pages 97-99, Department of Social and Health Services, Legislative-Executive WorkFirst Poverty Reduction Oversight Task Force

Funding is provided for a legislative-executive WorkFirst poverty reduction oversight task force with the primary goal of reducing the overall percentage of families and individuals living in poverty. However, Section 207(12) provides the task force with oversight of the partner agencies' operations related to the WorkFirst and Temporary Assistance for Needy Families program. While I agree with the primary goal to reduce intergenerational poverty, this oversight is beyond the scope and authority necessary to develop a comprehensive poverty reduction plan. Therefore, I have vetoed Section 207(12), and I am directing the Department of Social and Health Services to form a workgroup that includes members of the Legislature and appropriate state agencies to develop a plan to address this important issue.

Section 213(1)(a), page 108, lines 37-39, through page 109, line 2, beginning with "The administration" and ending with "administrative costs.", Health Care Authority, Pharmacy Preferred Drug List and Pharmacy Benefit Manager

This section requires a substantive change in the administration of the prescription drug benefit by requiring the use of a single pharmacy benefits manager. The remainder of the section is an appropriation that directs the implementation of a preferred drug list and related transparency and reporting requirements. The vetoed language is a distinct, separate subject, constituting a separate section. The constitution prohibits two subjects contained in one bill, and therefore, the budget bill may not contain substantive law. Exercising my constitutional line item veto authority, I am removing this separate pharmacy benefit manager section from the budget bill. For this reason, I have vetoed Section 213(1)(a), page 108, lines 37-39, through page 109, line 2, beginning with "The administration" and ending with "administrative costs."

Section 217(1), pages 130-131, Department of Labor and Industries, Subminimum Teen Wage

This section requires the Department of Labor and Industries to engage in rule making to review the minimum wage for employees under eighteen years of age in light of the enactment of Initiative 1433. In development of the rule, the department must consider several areas of research and have a proposed rule for consideration by December 1, 2017.

I-1433 increased Washington State's minimum wage and provided paid sick leave. Low-wage workers, including teen workers, have not been able to keep up with the cost of living even though workers are producing more. Instead of suppressing wages, I am committed to investing in job creation and job opportunities for all workers, including options that provide incentives for employers to hire teen workers and invest in pre-apprenticeship programs. Finally, the Legislature has for the past three years considered reducing wages for workers under age 18, and every effort has failed. For these reasons, I have vetoed Section 217(1).

Section 217(2), page 131, Department of Labor and Industries, Occupational Disease Study

The Department of Labor and Industries is required to conduct a study on occupational disease claims, including where employment is the proximate cause of diseases and conditions that are covered under industrial insurance.

The 2011 Legislature directed the department to contract with a research entity to study the frequency and severity of occupational disease claims. The research found that the evidence suggests little reason for concern over Washington's system. The system has adequate checks and balances which ensure that only work-related conditions are compensated. For these reasons, I have vetoed Section 217(2).

Section 222(4), page 148, Employment Security Department, Center for Workers - King County

The Employment Security Department is to contract with a center for workers in King County to provide rapid response services for dislocated workers through state funds from the Administrative Contingency Account. The department has sufficient dedicated federal funds to provide statewide rapid response services, including in King County. This proviso is unnecessary and it limits the department's ability to provide comprehensive statewide services and leverage statewide efficiencies and collaboration. For these reasons, I have vetoed Section 222(4).

Section 302(2), pages 161-162, Department of Ecology, Burrowing Shrimp Control

This subsection requires the Department of Ecology to report on the status of its environmental review and possible issuance of a permit to allow use of the pesticide Imidacloprid to control burrowing shrimp. This subsection also requires Ecology to identify the steps it will take to ensure a viable and economically feasible alternative if the pesticide use is not permitted.

Burrowing shrimp is a serious problem for the shellfish industry in Willapa Bay and Grays Harbor. However, the proviso inappropriately presumes the outcome of the environmental review and permitting process.

For these reasons, I have vetoed Section 302(2). While I am vetoing this subsection, I am directing the Department of Ecology to complete the environmental review process as soon as possible and to keep the Legislature informed of its progress.

Section 610(13), page 250, The Evergreen State College, Local Government Study

This subsection requires the Washington State Institute for Public Policy (WSIPP) to study comparative constitutional and statutory obligations and revenue capacity of local governments, and provide a report of its research and findings to the Legislature by December 30, 2017. The study is outside the scope of typical research projects performed by WSIPP, and the funding level is insufficient to contract for the work within the short timeline. For these reasons, I have vetoed Section 610(13).

Section 734, pages 288-289, Transportation, Reductions to Agency Management

This section reduces funding for management positions in agencies funded in the transportation budget. This is an unnecessary reduction in funding and would impact the ability of agencies to recruit and retain qualified staff as the state embarks on the largest transportation investment package in Washington history. For these reasons, I have vetoed Section 734.

Section 964(3), page 329, Law Enforcement Officers' and Firefighters' Retirement System, (LEOFF) Distribution

This language expresses the Legislature's intent that future distributions to the Local Law Enforcement Officers' and Firefighters' Retirement System Benefits Improvement Account may include transfers from the LEOFF 2 pension fund. I have consistently vetoed similar provisions in the past, and I remain concerned about the wisdom of such transfers from a retirement fund. For this reason, I have vetoed Section 964(3).

Section 1213(1), page 455, lines 6-9, Health Care Authority, General Fund-State and Federal Appropriations

The Legislature did not provide the Health Care Authority with sufficient funding for Healthier Washington savings restoration. Without these funds, the Health Care Authority will be unable to close the state fiscal year. For this reason, I have vetoed Section 1213(1), page 455, lines 6 through 9. Because this veto will result in more General Fund-State than is necessary to close the state fiscal year, I am directing the Health Care Authority to place the \$6.0 million GF-State appropriation into reserve.

For these reasons I have vetoed Sections 103(4); 136(2); 150(8); 207(12); 213(1)(a), page 108, lines 37-39, through page 109, line 2, beginning with "The administration" and ending with "administrative costs."; 217(1); 217(2); 222(4); 302(2); 610(13); 734; 964(3); and 1213(1), page 455, lines 6-9 of Substitute Senate Bill No. 5883.

With the exception of Sections 103(4); 136(2); 150(8); 207(12); 213(1)(a), page 108, lines 37-39, through page 109, line 2, beginning with "The administration" and ending with "administrative costs."; 217(1); 217(2); 222(4); 302(2); 610(13); 734; 964(3); and 1213(1), page 455, lines 6-9, Substitute Senate Bill No. 5883 is approved."

AUTHENTICATION

I, K. Kyle Thiessen, Code Reviser of the State of Washington, certify that, with the exception of such corrections as I have made in accordance with the powers vested in me by RCW 44.20.060, the laws published in this volume are a true and correct reproduction of the copies of the enrolled laws of the 2017 session (65th Legislature), chapters 275 through 336, the 2017 first special session, chapter 1, the 2017 second special session, chapter 1, the 2017 third special session, chapter 1, respectively, as certified and transmitted to the Statute Law Committee by the Secretary of State under RCW 44.20.020.

IN TESTIMONY WHEREOF, I have hereunto set my hand at Olympia, Washington, this 15th day of August, 2017.

A handwritten signature in black ink that reads "K. Kyle Thiessen" followed by a horizontal flourish line.

K. KYLE THIESSEN
Code Reviser

