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Adjourned Sine Die April 25, 2021

VOLUME 4



Laurie Jenkins, Speaker
Tina Orwall, Speaker Pro Tempore
Bernard Dean, Chief Clerk

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SIXTY SEVENTH LEGISLATURE - REGULAR SESSION

NINETY FIFTH DAY

House Chamber, Olympia, Thursday, April 15, 2021

The House was called to order at 1:00 p.m. by the Speaker. The Clerk called the roll and a quorum was present.

The Speaker led the Chamber in the Pledge of Allegiance. The prayer was offered by Representative Sharon Shewmake, 42nd Legislative District.

Reading of the Journal of the previous day was dispensed with and it was ordered to stand approved.

There being no objection, the House advanced to the third order of business.

MESSAGES FROM THE SENATE

April 14, 2021

Mme. SPEAKER:

The President has signed:

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1332,

and the same is herewith transmitted.

Brad Hendrickson, Secretary

April 14, 2021

Mme. SPEAKER:

The Senate concurred in the House amendment(s) to the following bills and passed the bills as amended by the House:

- SUBSTITUTE SENATE BILL NO. 5003,
- SUBSTITUTE SENATE BILL NO. 5009,
- SUBSTITUTE SENATE BILL NO. 5011,
- SUBSTITUTE SENATE BILL NO. 5013,
- SENATE BILL NO. 5027,
- SUBSTITUTE SENATE BILL NO. 5030,
- SENATE BILL NO. 5032,
- SUBSTITUTE SENATE BILL NO. 5034,
- SENATE BILL NO. 5040,
- ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5071,
- SUBSTITUTE SENATE BILL NO. 5073,
- SENATE BILL NO. 5101,
- ENGROSSED SUBSTITUTE SENATE BILL NO. 5115,
- SUBSTITUTE SENATE BILL NO. 5157,
- ENGROSSED SENATE BILL NO. 5158,
- ENGROSSED SUBSTITUTE SENATE BILL NO. 5178,
- ENGROSSED SUBSTITUTE SENATE BILL NO. 5180,
- ENGROSSED SUBSTITUTE SENATE BILL NO. 5235,
- SECOND SUBSTITUTE SENATE BILL NO. 5253,

- ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5259,
- ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5287,
- SENATE BILL NO. 5345,
- ENGROSSED SUBSTITUTE SENATE BILL NO. 5353,
- ENGROSSED SUBSTITUTE SENATE BILL NO. 5452,

and the same are herewith transmitted.

Brad Hendrickson, Secretary

There being no objection, the House advanced to the fourth order of business.

INTRODUCTION & FIRST READING

HB 1577 by Representatives Hackney, Wicks, Ramel, Lekanoff and Pollet

AN ACT Relating to meeting the greenhouse gas emissions targets established in Engrossed Second Substitute House Bill No. 2311, chapter 79, Laws of 2020, and creating a tax and a temporary bond program to fund transportation investments and projects that reduce greenhouse gas emissions; amending RCW 70A.15.1030 and 70A.15.3000; adding a new chapter to Title 82 RCW; and declaring an emergency.

Referred to Committee on Environment & Energy.

HB 1578 by Representatives Goodman, Simmons, Ryu, Hackney, Macri, Davis, Ramel, Bateman, Lekanoff and Pollet

AN ACT Relating to responding to the State v. Blake decision by addressing justice system responses and behavioral health prevention, treatment, and related services for individuals using or possessing controlled substances, counterfeit substances, and legend drugs; amending RCW 69.50.101, 69.50.4011, 69.50.4013, 69.50.412, 69.50.445, 69.41.010, 69.41.030, 69.41.030, 9.94A.518, 13.40.0357, 2.24.010, and 2.24.040; reenacting and amending RCW 10.31.110, 69.50.101, and 69.41.010; adding new sections to chapter 71.24 RCW; adding a new section to chapter 43.101 RCW; adding a new section to chapter 69.50 RCW; creating a new section; repealing RCW 69.50.4014; prescribing penalties; providing an effective date; and providing expiration dates.

Referred to Committee on Appropriations.

HCR 4402 by Representatives MacEwen, Boehnke, Dufault, Klippert, Robertson and Kraft

Exempting certain matters from the cutoff dates established in Senate Concurrent Resolution No. 8401.

Held on first reading.

There being no objection, the bills and resolution listed on the day's introduction sheet under the fourth order of business were referred to the committees so designated, with the exception of HOUSE CONCURRENT RESOLUTION NO. 4402 which was held on first reading.

There being no objection, the House advanced to the seventh order of business.

**THIRD READING
MESSAGE FROM THE SENATE**

April 10, 2021

Mme. SPEAKER:

The Senate has passed SECOND SUBSTITUTE HOUSE BILL NO. 1028, with the following amendment(s):

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** (1) Washington professional educator standards board-approved teacher preparation programs must recommend for residency teacher certification each person who, during the 2019-20, 2020-21, or 2021-22 academic years, met all statutory and program requirements except for completion of the evidence-based assessment of teaching effectiveness under RCW 28A.410.280. The programs must attempt to notify each person who meets the requirements of this subsection of the recommendation.

(2) This section expires September 1, 2022.

Sec. 2. RCW 28A.410.280 and 2010 c 235 s 501 are each amended to read as follows:

(1) Beginning with the 2011-12 school year, all professional educator standards board-approved teacher preparation programs must administer to all preservice candidates the evidence-based assessment of teaching effectiveness adopted by the professional educator standards board. (~~The professional educator standards board shall adopt rules that establish a date during the 2012-13 school year after which candidates completing teacher preparation programs must successfully~~

~~pass this assessment-~~) Assessment results from persons completing each preparation program must be reported annually by the professional educator standards board to the governor and the education and fiscal committees of the legislature by December 1st.

(2) The professional educator standards board and the superintendent of public instruction, as determined by the board, may contract with one or more third parties for:

(a) The administration, scoring, and reporting of scores of the assessment under this section;

(b) Related clerical and administrative activities; or

(c) Any combination of the purposes of this subsection (2).

(3) Candidates for residency certification who are required to successfully complete the assessment under this section, and who are charged a fee for the assessment by a third party contracted with under this section, shall pay the fee charged by the contractor directly to the contractor. Such fees shall be reasonably related to the actual costs of the contractor in providing the assessment.

(4) (a) Beginning September 1, 2022, candidates who do not achieve a passing score under subsection (1) of this section but obtain an alternative score, as set by the professional educator standards board, may be recommended for certification if, upon review of one or more multiple measures, the teacher preparation program determines the candidate has demonstrated the requisite knowledge and skills.

(b) Teacher preparation programs may use one or more of the following multiple measures as a basis for their review:

(i) Observation of practice in the role as documented by a mentor teacher or the preparation program;

(ii) Evidence submitted by the candidate to the program provider in the areas of planning, instruction, or student assessment;

(iii) Coursework; or

(iv) Other measures as determined by the teacher preparation program.

Sec. 3. RCW 28A.410.270 and 2019 c 386 s 3 are each amended to read as follows:

(1)(a) The ~~((Washington professional educator standards))~~ board shall adopt a set of articulated teacher knowledge, skill, and performance standards for effective teaching that are evidence-based, measurable, meaningful, and documented in high quality research as being associated with improved student learning. The standards shall be calibrated for each level along the entire career continuum. For candidates recommended for residency teacher certification by a board-approved preparation program, the standards adopted by the board must be the most recent teaching standards published by a consortium of state and national education organizations dedicated to the reform of the preparation, licensing, and ongoing professional development of teachers since 1987.

(b) In developing the standards, the board shall, to the extent possible, incorporate standards for cultural competency, as defined in RCW 28A.410.260, along the entire continuum. ~~((For the purposes of this subsection, "cultural competency" includes knowledge of student cultural histories and contexts, as well as family norms and values in different cultures; knowledge and skills in accessing community resources and community and parent outreach; and skills in adapting instruction to students' experiences and identifying cultural contexts for individual students.))~~

(c) By January 1, 2020, in order to ensure that teachers can recognize signs of emotional or behavioral distress in students and appropriately refer students for assistance and support, the ~~((Washington professional educator standards))~~ board shall incorporate along the entire continuum the social-emotional learning standards and benchmarks recommended by the social-emotional learning benchmarks work group in its October 1, 2016, final report titled, "addressing social emotional learning in Washington's K-12 public schools." In incorporating the social-emotional learning standards and benchmarks, the ~~((Washington professional educator standards))~~ board must include related competencies, such as trauma-informed practices, consideration of adverse childhood

experiences, mental health literacy, antibullying strategies, and culturally sustaining practices.

(2) The ~~((Washington professional educator standards))~~ board shall adopt a definition of master teacher, with a comparable level of increased competency between professional certification level and master level as between professional certification level and national board certification. Within the definition established by the ~~((Washington professional educator standards))~~ board, teachers certified through the national board for professional teaching standards shall be considered master teachers.

~~(3) ((The Washington professional educator standards board shall maintain a uniform, statewide, valid, and reliable classroom-based means of evaluating teacher effectiveness as a culminating measure at the preservice level that is to be used during the student-teaching field experience. This assessment shall include multiple measures of teacher performance in classrooms, evidence of positive impact on student learning, and shall include review of artifacts, such as use of a variety of assessment and instructional strategies, and student work.~~

~~(4))~~ Award of a professional certificate shall be based on a minimum of two years of successful teaching experience as defined by the board, and may not require candidates to enroll in a professional certification program.

~~((5))~~ (4) Educator preparation programs approved to offer the residency teaching certificate shall be required to demonstrate how the program produces effective teachers as evidenced by ((the)) multiple measures ((established under this section)) of the knowledge, skills, performance, and competencies described in subsection (1) of this section and other criteria established by the ((Washington professional educator standards)) board.

(5) Each board-approved teacher preparation program must publish, and provide to candidates prior to admission, a list of program completion requirements.

(6) Before a board-approved teacher preparation program may recommend a candidate for residency teacher certification, the candidate must meet or exceed the knowledge, skill,

performance, and competency standards described in subsection (1) of this section.

(7) For the purpose of this section, "board" means the Washington professional educator standards board.

Sec. 4. RCW 28A.410.2211 and 2011 2nd sp.s. c 2 s 2 are each amended to read as follows:

(1) The professional educator standards board shall revise assessments for prospective teachers and teachers adding subject area endorsements required for teacher certification under RCW 28A.410.220 to measure the revised standards in RCW 28A.410.221.

~~(2) ((In implementing the evidence-based assessment of teaching effectiveness under RCW 28A.410.280, the))~~ The professional educator standards board shall require that successful candidates for the residency certificate demonstrate effective subject specific instructional methods that address the revised standards."

On page 1, line 2 of the title, after "certification;" strike the remainder of the title and insert "amending RCW 28A.410.280, 28A.410.270, and 28A.410.2211; creating a new section; and providing an expiration date."

and the same is herewith transmitted.

Sarah Bannister, Deputy Secretary

SENATE AMENDMENT TO HOUSE BILL

Representative Stokesbary moved that the House concur in the Senate amendment to SECOND SUBSTITUTE HOUSE BILL NO. 1028.

Representative Stokesbary spoke in favor of the motion.

Representative Santos spoke against the motion.

The House refused to concur in the Senate amendment to SECOND SUBSTITUTE HOUSE BILL NO. 1028 and asked the Senate to recede therefrom.

MESSAGE FROM THE SENATE

April 10, 2021

Mme. SPEAKER:

The Senate has passed ENGROSSED HOUSE BILL NO. 1386, with the following amendment(s):

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 84.25.030 and 2015 1st sp.s. c 9 s 3 are each amended to read as follows:

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

(1) "City" means any city (~~((that: (a) Has a population of at least eighteen thousand; and (b) is north or east of the largest city in the county in which the city is located and such county has a population of at least seven hundred thousand, but less than eight hundred thousand))~~ or town located in a county with a population of at least 450,000.

(2) "Family living wage job" means a job that offers health care benefits with a wage that is sufficient for raising a family. A family living wage job must have an average wage of (~~((eighteen dollars))~~ \$23 an hour or more, working ((two thousand eighty)) 2,080 hours per year on the subject site, as adjusted annually for inflation by the consumer price index. The family living wage may be increased by the local authority based on regional factors and wage conditions.

(3) "Governing authority" means the local legislative authority of a city or county having jurisdiction over the property for which an exemption may be applied for under this chapter.

(4) "Growth management act" means chapter 36.70A RCW.

(5) "Industrial/manufacturing facilities" means building improvements that are (~~((ten thousand))~~ 10,000 square feet or larger, representing a minimum improvement valuation of (~~((eight hundred thousand dollars))~~ \$800,000 for uses categorized as "division D: manufacturing" or "division E: transportation (major groups 40-42, 45, or 47-48)" by the United States department of labor in the occupation safety and health administration's standard industrial classification manual, provided, a city may limit the tax exemption to manufacturing uses.

(6) "Lands zoned for industrial and manufacturing uses" means lands in a city zoned as of December 31, 2014, for an industrial or manufacturing use consistent with the city's comprehensive plan where the lands are designated for industry.

(7) "Owner" means the property owner of record.

(8) "Targeted area" means an area of undeveloped lands zoned for industrial and manufacturing uses in the city that is located within or contiguous to an innovation partnership zone, foreign trade zone, or EB-5 regional center, and designated for possible exemption under the provisions of this chapter.

(9) "Undeveloped or underutilized" means that there are no existing building improvements on the ~~((property or))~~ portions of the property targeted for new or expanded industrial or manufacturing uses.

Sec. 2. RCW 84.25.040 and 2015 1st sp.s. c 9 s 4 are each amended to read as follows:

(1)(a) The value of new construction of industrial/manufacturing facilities qualifying under this chapter is exempt from property taxation under this title, as provided in this section. The value of new construction of industrial/manufacturing facilities is exempt from taxation for properties for which an application for a certificate of tax exemption is submitted under this chapter before December 31, ~~((2022))~~ 2030. The value is exempt under this section for ~~((ten))~~ 10 successive years beginning January 1st of the year immediately following the calendar year of issuance of the certificate.

(b) The exemption provided in this section does not include the value of land or nonindustrial/manufacturing-related improvements not qualifying under this chapter.

(2) The exemption provided in this section is in addition to any other exemptions, deferrals, credits, grants, or other tax incentives provided by law.

(3) This chapter does not apply to state levies or increases in assessed valuation made by the assessor on nonqualifying portions of buildings and value of land nor to increases made by lawful order of a county board of equalization, the department of revenue, or a county, to a class of property throughout the county or specific area of the county to achieve the uniformity of assessment or appraisal required by law.

(4) This exemption does not apply to any county property taxes unless the governing body of the county adopts a

resolution and notifies the governing authority of its intent to allow the property to be exempted from county property taxes.

(5) At the conclusion of the exemption period, the new industrial/manufacturing facilities cost must be considered as new construction for the purposes of chapter 84.55 RCW.

Sec. 3. RCW 84.25.050 and 2015 1st sp.s. c 9 s 5 are each amended to read as follows:

An owner of property making application under this chapter must meet the following requirements:

(1) The new construction of industrial/manufacturing facilities must be located on land zoned for industrial and manufacturing uses, undeveloped or underutilized, and as provided in RCW 84.25.060, designated by the city as a targeted area;

(2) The new construction of industrial/manufacturing facilities must meet all construction and development regulations of the city;

(3) The new construction of industrial/manufacturing facilities must be completed within three years from the date of approval of the application; and

(4) The applicant must enter into a contract with the city approved by the city governing authority ~~((, or an administrative official or commission authorized by the governing authority))~~ under which the applicant has agreed to the implementation of the development on terms and conditions satisfactory to the governing authority.

Sec. 4. RCW 84.25.080 and 2015 1st sp.s. c 9 s 8 are each amended to read as follows:

(1) The ~~((duly authorized administrative official or committee of the))~~ city governing authority may approve the application if it finds that:

~~((1))~~ (a) A minimum of ~~((twenty-five))~~ 25 new family living wage jobs will be created on the subject site as a result of new construction of ~~((manufacturing/industrial industrial/manufacturing))~~ industrial/manufacturing facilities within one year of building occupancy;

~~((2))~~ (b) The proposed project is, or will be, at the time of completion, in conformance with all local plans and

regulations that apply at the time the application is approved; and

((3)) (c) The criteria of this chapter have been satisfied.

(2) Priority must be given to applications that meet the following labor specifications during the new construction and ongoing business of industrial/manufacturing facilities:

(a) Compensate workers at prevailing wage rates as determined by the department of labor and industries;

(b) Procure from, and contract with, women-owned, minority-owned, or veteran-owned businesses;

(c) Procure from, and contract with, entities that have a history of complying with federal and state wage and hour laws and regulations;

(d) Include apprenticeship utilization from state-registered apprenticeship programs;

(e) Provide for preferred entry for workers living in the area where the project is being constructed; and

(f) Maintain certain labor standards for workers employed primarily at the facility after construction, including production, maintenance, and operational employees.

Sec. 5. RCW 84.25.090 and 2015 1st sp.s. c 9 s 9 are each amended to read as follows:

(1) The city governing authority (~~or its authorized representative~~) must approve or deny an application filed under this chapter within ninety days after receipt of the application.

(2) If the application is approved, the city must issue the owner of the property a conditional certificate of acceptance of tax exemption. The certificate must contain a statement by a duly authorized administrative official of the governing authority that the property has complied with the required criteria of this chapter.

(3) If the application is denied by the city, the city must state in writing the reasons for denial and send the notice to the applicant at the applicant's last known address within ten days of the denial.

(4) Upon denial by the city, an applicant may appeal the denial to the

city's governing authority within thirty days after receipt of the denial. The appeal before the city's governing authority must be based upon the record made before the city with the burden of proof on the applicant to show that there was no substantial evidence to support the city's decision. The decision of the city in denying or approving the application is final.

Sec. 6. RCW 84.25.130 and 2015 1st sp.s. c 9 s 13 are each amended to read as follows:

(1) If the value of improvements have been exempted under this chapter, the improvements continue to be exempted for the applicable period under this chapter so long as they are not converted to another use and continue to satisfy all applicable conditions including, but not limited to, zoning, land use, building, and family-wage job creation.

(2) If an owner voluntarily opts to discontinue compliance with the requirements of this chapter, the owner must notify the assessor within ~~((sixty))~~ 60 days of the change in use or intended discontinuance.

(3) If, after a certificate of tax exemption has been filed with the county assessor, the city discovers that a portion of the property is changed or will be changed to disqualify the owner for exemption eligibility under this chapter, the tax exemption must be canceled and the following occurs:

(a) Additional real property tax must be imposed on the value of the nonqualifying improvements in the amount that would be imposed if an exemption had not been available under this chapter, plus a penalty equal to ~~((twenty))~~ 20 percent of the additional value. This additional tax is calculated based upon the difference between the property tax paid and the property tax that would have been paid if it had included the value of the nonqualifying improvements dated back to the date that the improvements were converted to a nonqualifying use;

(b) The tax must include interest upon the amounts of the additional tax 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 improvements had been assessed at a value without regard to this chapter; and

(c) The additional tax owed together with interest and penalty becomes a lien on the property and attaches at the time the property or portion of the property is removed from the qualifying use under this chapter or the amenities no longer meet the applicable requirements for exemption under this chapter. A lien under this section has priority to, and must be fully paid and satisfied before, a recognizance, mortgage, judgment, debt, obligation, or responsibility to or with which the property may become charged or liable. The 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. An additional tax unpaid on its due date is delinquent. From the date of delinquency until paid, interest must be charged at the same rate applied by law to delinquent property taxes.

(4) If, after a certificate of tax exemption has been filed with the county assessor, the city discovers that the facility maintains fewer than 25 family living wage jobs, the owner is considered ineligible for the exemption under this chapter, and the following must occur:

(a) The tax exemption must be canceled; and

(b) Additional real property tax must be imposed in the amount that would be imposed if an exemption had not been available under this chapter, dated back to the date that the facility last maintained a minimum of 25 family living wage jobs.

(5) Upon a determination that a tax exemption is to be terminated for a reason stated in this section, the city's governing authority must notify the record owner of the property as shown by the tax rolls by mail, return receipt requested, of the determination to terminate the exemption. The owner may appeal the determination to the city, within ~~((thirty))~~ 30 days by filing a notice of appeal with the city, which notice must specify the factual and legal basis on which the determination of termination is alleged to be erroneous. At an appeal hearing, all affected parties may be heard and all competent evidence received. After the hearing, the deciding body or officer must either affirm, modify, or repeal the decision of termination of exemption based on the evidence received. An aggrieved party may appeal the decision of the deciding body

or officer to the superior court as provided in RCW 34.05.510 through 34.05.598.

~~((5))~~ (6) Upon determination by the city to terminate an exemption, the county officials having possession of the assessment and tax rolls must correct the rolls in the manner provided for omitted property under RCW 84.40.080. The county assessor must make such a valuation of the property and improvements as is necessary to permit the correction of the rolls. The value of the new industrial/manufacturing facilities added to the rolls is considered new construction for the purposes of chapter 84.40 RCW. The owner may appeal the valuation to the county board of equalization as provided in chapter 84.40 RCW. If there has been a failure to comply with this chapter, the property must be listed as an omitted assessment for assessment years beginning January 1st of the calendar year in which the noncompliance first occurred, but the listing as an omitted assessment may not be for a period more than three calendar years preceding the year in which the failure to comply was discovered."

On page 1, line 3 of the title, after "areas;" strike the remainder of the title and insert "and amending RCW 84.25.030, 84.25.040, 84.25.050, 84.25.080, 84.25.090, and 84.25.130."

and the same is herewith transmitted.

Sarah Bannister, Deputy Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House refused to concur in the Senate amendment to ENGROSSED HOUSE BILL NO. 1386 and asked the Senate to recede therefrom.

MESSAGE FROM THE SENATE

April 6, 2021

Madame Speaker:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL NO. 1176 with the following amendment:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 28A.635.060 and 1997 c 266 s 13 are each amended to read as follows:

(1) Any pupil who defaces or otherwise injures any school property, or property belonging to a school contractor, employee, or another student, ~~((is))~~ may be subject to suspension and punishment. If any property of the school district, a contractor of the district, an employee, or another student has been lost or willfully cut, defaced, or injured, the school district may withhold the ~~((grades,))~~ diploma, ~~((and))~~ but not the grades or transcripts, of the ~~((pupil))~~ student responsible for the damage or loss until the ~~((pupil))~~ student or the ~~((pupil's))~~ student's parent or guardian has paid for the damages. ~~((If the student is suspended, the student may not be readmitted until the student or parents or legal guardian has made payment in full or until directed by the superintendent of schools. If the property damaged is a school bus owned and operated by or contracted to any school district, a student suspended for the damage may not be permitted to enter or ride any school bus until the student or parent or legal guardian has made payment in full or until directed by the superintendent.))~~ When the ~~((pupil))~~ student and parent or guardian are unable to pay for the damages, the school district shall provide a program of ~~((voluntary work))~~ community service for the ~~((pupil))~~ student in lieu of the payment of monetary damages. Upon completion of ~~((voluntary work))~~ community service the ~~((grades,))~~ diploma ~~((, and transcripts))~~ of the ~~((pupil shall))~~ student must be released. The parent or guardian of ~~((such pupil))~~ the student shall be liable for damages as otherwise provided by law.

(2) Before ~~((any penalties are assessed))~~ the diploma is withheld under this section, a school district board of directors shall adopt procedures which insure that ~~((pupils'))~~ students' rights to due process are protected.

(3) If the department of social and health services or a child-placing agency licensed by the department has been granted custody of a child, that child's records, if requested by the department or agency, are not to be withheld for nonpayment of school fees or any other reason.

(4)(a) Each school district that withholds a diploma under this section shall publish and maintain the following information on its website:

(i) The number of diplomas withheld under this section, by graduating class, during the previous three school years; and

(ii) The number of students with withheld diplomas who were eligible for free or reduced-price meals during their last two years of enrollment in the school district.

(b) To the extent practicable, school districts must publish the information required by this subsection (4) with the information published under RCW 28A.325.050.

Sec. 2. RCW 28A.225.330 and 2020 c 167 s 8 are each amended to read as follows:

(1) When enrolling a student who has attended school in another school district, the school enrolling the student may request the parent and the student to briefly indicate in writing whether or not the student has:

(a) Any history of placement in special educational programs;

(b) Any past, current, or pending disciplinary action;

(c) Any history of violent behavior, or behavior listed in RCW 13.04.155;

(d) Any unpaid fines or fees imposed by other schools; and

(e) Any health conditions affecting the student's educational needs.

(2) The school enrolling the student shall request the student's permanent record including records of disciplinary action, history of violent behavior or behavior listed in RCW 13.04.155, attendance, immunization records, and academic performance from the school the student previously attended. ~~((If the student has not paid a fine or fee under RCW 28A.635.060, or tuition, fees, or fines at approved private schools the school may withhold the student's official transcript, but shall transmit information about the student's academic performance, special placement, immunization records, records of disciplinary action, and history of violent behavior or behavior listed in RCW 13.04.155. If the official transcript is not sent due to unpaid tuition, fees, or fines, the enrolling school shall notify both the student and parent or guardian that the official transcript will not be sent until the obligation is~~

~~met, and failure to have an official transcript may result in exclusion from extracurricular activities or failure to graduate.)~~)

(3) Upon request, school districts shall furnish a set of unofficial educational records to a parent or guardian of a student who is transferring out of state and who meets the definition of a child of a military family in transition under Article II of RCW 28A.705.010. School districts may charge the parent or guardian the actual cost of providing the copies of the records.

(4) If information is requested under subsection (2) of this section, the information shall be transmitted within two school days after receiving the request and the records shall be sent as soon as possible. The records of a student who meets the definition of a child of a military family in transition under Article II of RCW 28A.705.010 shall be sent within ten days after receiving the request. Any school district or district employee who releases the information in compliance with this section is immune from civil liability for damages unless it is shown that the school district employee acted with gross negligence or in bad faith. The professional educator standards board shall provide by rule for the discipline under chapter 28A.410 RCW of a school principal or other chief administrator of a public school building who fails to make a good faith effort to assure compliance with this subsection.

(5) Any school district or district employee who releases the information in compliance with federal and state law is immune from civil liability for damages unless it is shown that the school district or district employee acted with gross negligence or in bad faith.

(6) A school may not prevent a student who is dependent pursuant to chapter 13.34 RCW from enrolling if there is incomplete information as enumerated in subsection (1) of this section during the ten business days that the department of social and health services has to obtain that information under RCW 74.13.631. In addition, upon enrollment of a student who is dependent pursuant to chapter 13.34 RCW, the school district must make reasonable efforts to obtain and assess that child's educational history in order to meet the child's unique needs within two business days."

On page 1, line 1 of the title, after "education;" strike the remainder of the title and insert "and amending RCW 28A.635.060 and 28A.225.330."

and the same is herewith transmitted.

Brad Hendrickson, Secretary

SENATE AMENDMENT TO HOUSE BILL

Representative Santos moved that the House concur in the Senate amendment to ENGROSSED SUBSTITUTE HOUSE BILL NO. 1176.

Representative Santos spoke in favor of the motion.

Representative Boehnke spoke against the motion.

The House concurred in the Senate amendment to ENGROSSED SUBSTITUTE HOUSE BILL NO. 1176 and advanced the bill, as amended by the Senate, to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representative Paul spoke in favor of the passage of the bill.

Representative Boehnke spoke against the passage of the bill.

The Speaker stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1176, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1176, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 58; Nays, 40; Absent, 0; Excused, 0.

Voting yea: Representatives Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chapman, Chopp, Cody, Davis, Dolan, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, J. Johnson, Kirby, Kloba, Leavitt, Lekanoff, Lovick, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Rule, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, Wylie, Young and Mme. Speaker.

Voting nay: Representatives Abbarno, Barkis, Boehnke, Caldier, Chambers, Chandler, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, MacEwen, Maycumber, McCaslin, McEntire, Mosbrucker, Orcutt, Robertson, Rude, Schmick, Steele, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox and Ybarra.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1176, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 11, 2021

Madame Speaker:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL NO. 1140 with the following amendment:

Strike everything after the enacting clause and insert the following:

"**NEW SECTION. Sec. 1.** A new section is added to chapter 13.40 RCW to read as follows:

(1) Except as provided in subsection (4) of this section, law enforcement shall provide a juvenile with access to an attorney for consultation, which may be provided in person, by telephone, or by video conference, before the juvenile waives any constitutional rights if a law enforcement officer:

(a) Questions a juvenile during a custodial interrogation;

(b) Detains a juvenile based on probable cause of involvement in criminal activity; or

(c) Requests that the juvenile provide consent to an evidentiary search of the juvenile or the juvenile's property, dwellings, or vehicles under the juvenile's control.

(2) The consultation required by subsection (1) of this section may not be waived.

(3) Statements made by a juvenile after the juvenile is contacted by a law enforcement officer in a manner described under subsection (1) of this section are not admissible in a juvenile offender or adult criminal court proceeding, unless:

(a) The juvenile has been provided with access to an attorney for consultation; and the juvenile provides an express waiver knowingly, intelligently, and voluntarily made by the juvenile after the juvenile has been fully informed of the rights being waived as required under RCW 13.40.140;

(b) The statement is for impeachment purposes; or

(c) The statement was made spontaneously.

(4) A law enforcement officer may question a juvenile without following the requirement in subsection (1) of this section if:

(a) The law enforcement officer believes the juvenile is a victim of trafficking as defined in RCW 9A.40.100; however, any information obtained from the juvenile by law enforcement pursuant to this subsection cannot be used in any prosecution of that juvenile; or

(b)(i) The law enforcement officer believes that the information sought is necessary to protect an individual's life from an imminent threat;

(ii) A delay to allow legal consultation would impede the protection of an individual's life from an imminent threat; and

(iii) Questioning by the law enforcement officer is limited to matters reasonably expected to obtain information necessary to protect an individual's life from an imminent threat.

(5) After the juvenile has consulted with legal counsel, the juvenile may advise, direct a parent or guardian to advise, or direct legal counsel to advise the law enforcement officer that the juvenile chooses to assert a constitutional right. Any assertion of constitutional rights by the juvenile through legal counsel must be treated by a law enforcement officer as though it came from the juvenile. The waiver of any constitutional rights of the juvenile may only be made according to the requirements of RCW 13.40.140.

(6) For purposes of this section, the following definitions apply:

(a) "Juvenile" means any individual who is under the chronological age of 18 years; and

(b) "Law enforcement officer" means any general authority, limited authority, or specially commissioned Washington peace officer or federal peace officer as those terms are defined in RCW 10.93.020, including school resource officers as defined in RCW 28A.320.124 and other public officers who are responsible for enforcement of fire, building, zoning, and life and safety codes.

Sec. 2. RCW 13.40.140 and 2014 c 110 s 2 are each amended to read as follows:

(1) A juvenile shall be advised of (~~his or her~~) the juvenile's rights when appearing before the court.

(2) A juvenile and (~~his or her~~) the juvenile's parent, guardian, or custodian shall be advised by the court or its representative that the juvenile has a right to be represented by counsel at all critical stages of the proceedings. Unless waived, counsel shall be provided to a juvenile who is financially unable to obtain counsel without causing substantial hardship to himself or herself or the juvenile's family, in any proceeding where the juvenile may be subject to transfer for criminal prosecution, or in any proceeding where the juvenile may be in danger of confinement. The ability to pay part of the cost of counsel does not preclude assignment. In no case may a juvenile be deprived of counsel because of a parent, guardian, or custodian refusing to pay therefor. The juvenile shall be fully advised of (~~his or her~~) the juvenile's right to an attorney and of the relevant services an attorney can provide.

(3) The right to counsel includes the right to the appointment of experts necessary, and the experts shall be required pursuant to the procedures and requirements established by the supreme court.

(4) Upon application of a party, the clerk of the court shall issue, and the court on its own motion may issue, subpoenas requiring attendance and testimony of witnesses and production of records, documents, or other tangible objects at any hearing, or such subpoenas may be issued by an attorney of record.

(5) All proceedings shall be transcribed verbatim by means which will provide an accurate record.

(6) The general public and press shall be permitted to attend any hearing unless the court, for good cause, orders a particular hearing to be closed. The presumption shall be that all such hearings will be open.

(7) In all adjudicatory proceedings before the court, all parties shall have the right to adequate notice, discovery as provided in criminal cases, opportunity to be heard, confrontation of witnesses except in such cases as this chapter expressly permits the use of hearsay testimony, findings based solely

upon the evidence adduced at the hearing, and an unbiased fact finder.

(8) A juvenile shall be accorded the same privilege against self-incrimination as an adult and the protections provided in section 1 of this act. An extrajudicial statement which would be constitutionally inadmissible in a criminal proceeding may not be received in evidence at an adjudicatory hearing over objection. Evidence illegally seized or obtained, including evidence obtained in violation of section 1 of this act, may not be received in evidence over objection at an adjudicatory hearing to prove the allegations against the juvenile if the evidence would be inadmissible in an adult criminal proceeding. An extrajudicial admission or confession made by the juvenile out of court is insufficient to support a finding that the juvenile committed the acts alleged in the information unless evidence of a corpus delicti is first independently established in the same manner as required in an adult criminal proceeding.

(9) Statements, admissions, or confessions made by a juvenile in the course of a mental health or chemical dependency screening or assessment, whether or not the screening or assessment was ordered by the court, shall not be admissible into evidence against the juvenile on the issue of guilt in any juvenile offense matter or adult criminal proceeding, unless the juvenile has placed (~~his or her~~) the juvenile's mental health at issue. The statement is admissible for any other purpose or proceeding allowed by law. This prohibition does not apply to statements, admissions, or confessions made to law enforcement, and may not be used to argue for derivative suppression of other evidence lawfully obtained as a result of an otherwise inadmissible statement, admission, or confession.

(10) Waiver of any right which a juvenile has under this chapter must be an express waiver intelligently made by the juvenile after the juvenile has been fully informed of the right being waived, including having access to an attorney for consultation if required under section 1 of this act.

(11) Whenever this chapter refers to waiver or objection by a juvenile, the word juvenile shall be construed to refer to a juvenile who is at least (~~twelve~~) 12 years of age. If a juvenile is under

(~~twelve~~) 12 years of age, the juvenile's parent, guardian, or custodian shall give any waiver or offer any objection contemplated by this chapter.

Sec. 3. RCW 2.70.020 and 2012 c 257 s 1 are each amended to read as follows:

The director shall:

(1) Administer all state-funded services in the following program areas:

(a) Trial court criminal indigent defense, as provided in chapter 10.101 RCW;

(b) Appellate indigent defense, as provided in this chapter;

(c) Representation of indigent parents qualified for appointed counsel in dependency and termination cases, as provided in RCW 13.34.090 and 13.34.092;

(d) Extraordinary criminal justice cost petitions, as provided in RCW 43.330.190;

(e) Compilation of copies of DNA test requests by persons convicted of felonies, as provided in RCW 10.73.170;

(f) Representation of indigent respondents qualified for appointed counsel in sexually violent predator civil commitment cases, as provided in chapter 71.09 RCW; and

(g) Provide access to attorneys for juveniles contacted by a law enforcement officer for whom a legal consultation is required under section 1 of this act;

(2) Submit a biennial budget for all costs related to the office's program areas;

(3) Establish administrative procedures, standards, and guidelines for the office's program areas, including cost-efficient systems that provide for authorized recovery of costs;

(4) Provide oversight and technical assistance to ensure the effective and efficient delivery of services in the office's program areas;

(5) Recommend criteria and standards for determining and verifying indigency. In recommending criteria for determining indigency, the director shall compile and review the indigency standards used by other state agencies and shall periodically submit the compilation and report to the legislature on the

appropriateness and consistency of such standards;

(6) Collect information regarding indigent defense services funded by the state and report annually to the advisory committee, the legislature, and the supreme court;

(7) Coordinate with the supreme court and the judges of each division of the court of appeals to determine how appellate attorney services should be provided.

The office of public defense shall not provide direct representation of clients.

NEW SECTION. Sec. 4. A new section is added to chapter 2.70 RCW to read as follows:

Subject to the rules of discovery, the office of public defense is authorized to collect identifying information for any youth who speaks with a consulting attorney pursuant to section 1 of this act; provided, however, that such records are exempt from public disclosure.

Sec. 5. RCW 13.40.020 and 2019 c 444 s 9 are each amended to read as follows:

For the purposes of this chapter:

(1) "Assessment" means an individualized examination of a child to determine the child's psychosocial needs and problems, including the type and extent of any mental health, substance abuse, or co-occurring mental health and substance abuse disorders, and recommendations for treatment. "Assessment" includes, but is not limited to, drug and alcohol evaluations, psychological and psychiatric evaluations, records review, clinical interview, and administration of a formal test or instrument;

(2) "Community-based rehabilitation" means one or more of the following: Employment; attendance of information classes; literacy classes; counseling, outpatient substance abuse treatment programs, outpatient mental health programs, anger management classes, education or outpatient treatment programs to prevent animal cruelty, or other services including, when appropriate, restorative justice programs; or attendance at school or other educational programs appropriate for the juvenile as determined by the school district. Placement in community-

based rehabilitation programs is subject to available funds;

(3) "Community-based sanctions" may include one or more of the following:

(a) A fine, not to exceed (~~five hundred dollars~~) \$500;

(b) Community restitution not to exceed (~~one hundred fifty~~) 150 hours of community restitution;

(4) "Community restitution" means compulsory service, without compensation, performed for the benefit of the community by the offender as punishment for committing an offense. Community restitution may be performed through public or private organizations or through work crews;

(5) "Community supervision" means an order of disposition by the court of an adjudicated youth not committed to the department or an order granting a deferred disposition. A community supervision order for a single offense may be for a period of up to two years for a sex offense as defined by RCW 9.94A.030 and up to one year for other offenses. As a mandatory condition of any term of community supervision, the court shall order the juvenile to refrain from committing new offenses. As a mandatory condition of community supervision, the court shall order the juvenile to comply with the mandatory school attendance provisions of chapter 28A.225 RCW and to inform the school of the existence of this requirement. Community supervision is an individualized program comprised of one or more of the following:

(a) Community-based sanctions;

(b) Community-based rehabilitation;

(c) Monitoring and reporting requirements;

(d) Posting of a probation bond;

(e) Residential treatment, where substance abuse, mental health, and/or co-occurring disorders have been identified in an assessment by a qualified mental health professional, psychologist, psychiatrist, co-occurring disorder specialist, or substance use disorder professional and a funded bed is available. If a child agrees to voluntary placement in a state-funded long-term evaluation and treatment facility, the case must follow the existing placement procedure including consideration of

less restrictive treatment options and medical necessity.

(i) A court may order residential treatment after consideration and findings regarding whether:

(A) The referral is necessary to rehabilitate the child;

(B) The referral is necessary to protect the public or the child;

(C) The referral is in the child's best interest;

(D) The child has been given the opportunity to engage in less restrictive treatment and has been unable or unwilling to comply; and

(E) Inpatient treatment is the least restrictive action consistent with the child's needs and circumstances.

(ii) In any case where a court orders a child to inpatient treatment under this section, the court must hold a review hearing no later than (~~sixty~~) 60 days after the youth begins inpatient treatment, and every (~~thirty~~) 30 days thereafter, as long as the youth is in inpatient treatment;

(6) "Confinement" means physical custody by the department of children, youth, and families in a facility operated by or pursuant to a contract with the state, or physical custody in a detention facility operated by or pursuant to a contract with any county. The county may operate or contract with vendors to operate county detention facilities. The department may operate or contract to operate detention facilities for juveniles committed to the department. Pretrial confinement or confinement of less than (~~thirty-one~~) 31 days imposed as part of a disposition or modification order may be served consecutively or intermittently, in the discretion of the court;

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

(8) "Criminal history" includes all criminal complaints against the respondent for which, prior to the commission of a current offense:

(a) The allegations were found correct by a court. If a respondent is convicted of two or more charges arising out of the same course of conduct, only the highest charge from among these shall count as an

offense for the purposes of this chapter;
or

(b) The criminal complaint was diverted by a prosecutor pursuant to the provisions of this chapter on agreement of the respondent and after an advisement to the respondent that the criminal complaint would be considered as part of the respondent's criminal history. A successfully completed deferred adjudication that was entered before July 1, 1998, or a deferred disposition shall not be considered part of the respondent's criminal history;

(9) "Custodial interrogation" means express questioning or other actions or words by a law enforcement officer which are reasonably likely to elicit an incriminating response from an individual and occurs when reasonable individuals in the same circumstances would consider themselves in custody;

(10) "Department" means the department of children, youth, and families;

~~((10))~~ (11) "Detention facility" means a county facility, paid for by the county, for the physical confinement of a juvenile alleged to have committed an offense or an adjudicated offender subject to a disposition or modification order. "Detention facility" includes county group homes, inpatient substance abuse programs, juvenile basic training camps, and electronic monitoring;

~~((11))~~ (12) "Diversion unit" means any probation counselor who enters into a diversion agreement with an alleged youthful offender, or any other person, community accountability board, youth court under the supervision of the juvenile court, or other entity with whom the juvenile court administrator has contracted to arrange and supervise such agreements pursuant to RCW 13.40.080, or any person, community accountability board, or other entity specially funded by the legislature to arrange and supervise diversion agreements in accordance with the requirements of this chapter. For purposes of this subsection, "community accountability board" means a board comprised of members of the local community in which the juvenile offender resides. The superior court shall appoint the members. The boards shall consist of at least three and not more than seven members. If possible, the board should include a variety of representatives from the community, such as a law enforcement officer, teacher or school

administrator, high school student, parent, and business owner, and should represent the cultural diversity of the local community;

~~((12))~~ (13) "Foster care" means temporary physical care in a foster family home or group care facility as defined in RCW 74.15.020 and licensed by the department, or other legally authorized care;

~~((13))~~ (14) "Institution" means a juvenile facility established pursuant to chapters 72.05 and 72.16 through 72.20 RCW;

~~((14))~~ (15) "Intensive supervision program" means a parole program that requires intensive supervision and monitoring, offers an array of individualized treatment and transitional services, and emphasizes community involvement and support in order to reduce the likelihood a juvenile offender will commit further offenses;

~~((15))~~ (16) "Juvenile," "youth," and "child" mean any individual who is under the chronological age of ~~((eighteen))~~ 18 years and who has not been previously transferred to adult court pursuant to RCW 13.40.110, unless the individual was convicted of a lesser charge or acquitted of the charge for which he or she was previously transferred pursuant to RCW 13.40.110 or who is not otherwise under adult court jurisdiction;

~~((16))~~ (17) "Juvenile offender" means any juvenile who has been found by the juvenile court to have committed an offense, including a person ~~((eighteen))~~ 18 years of age or older over whom jurisdiction has been extended under RCW 13.40.300;

~~((17))~~ (18) "Labor" means the period of time before a birth during which contractions are of sufficient frequency, intensity, and duration to bring about effacement and progressive dilation of the cervix;

~~((18))~~ (19) "Local sanctions" means one or more of the following: (a) 0-30 days of confinement; (b) 0-12 months of community supervision; (c) 0-150 hours of community restitution; or (d) \$0-\$500 fine;

~~((19))~~ (20) "Manifest injustice" means a disposition that would either impose an excessive penalty on the juvenile or would impose a serious, and

clear danger to society in light of the purposes of this chapter;

~~((20))~~ (21) "Monitoring and reporting requirements" means one or more of the following: Curfews; requirements to remain at home, school, work, or court-ordered treatment programs during specified hours; restrictions from leaving or entering specified geographical areas; requirements to report to the probation officer as directed and to remain under the probation officer's supervision; and other conditions or limitations as the court may require which may not include confinement;

~~((21))~~ (22) "Offense" means an act designated a violation or a crime if committed by an adult under the law of this state, under any ordinance of any city or county of this state, under any federal law, or under the law of another state if the act occurred in that state;

~~((22))~~ (23) "Physical restraint" means the use of any bodily force or physical intervention to control a juvenile offender or limit a juvenile offender's freedom of movement in a way that does not involve a mechanical restraint. Physical restraint does not include momentary periods of minimal physical restriction by direct person-to-person contact, without the aid of mechanical restraint, accomplished with limited force and designed to:

(a) Prevent a juvenile offender from completing an act that would result in potential bodily harm to self or others or damage property;

(b) Remove a disruptive juvenile offender who is unwilling to leave the area voluntarily; or

(c) Guide a juvenile offender from one location to another;

~~((23))~~ (24) "Postpartum recovery" means (a) the entire period a woman or youth is in the hospital, birthing center, or clinic after giving birth and (b) an additional time period, if any, a treating physician determines is necessary for healing after the youth leaves the hospital, birthing center, or clinic;

~~((24))~~ (25) "Probation bond" means a bond, posted with sufficient security by a surety justified and approved by the court, to secure the offender's appearance at required court proceedings

and compliance with court-ordered community supervision or conditions of release ordered pursuant to RCW 13.40.040 or 13.40.050. It also means a deposit of cash or posting of other collateral in lieu of a bond if approved by the court;

~~((25))~~ (26) "Respondent" means a juvenile who is alleged or proven to have committed an offense;

~~((26))~~ (27) "Restitution" means financial reimbursement by the offender to the victim, and shall be limited to easily ascertainable damages for injury to or loss of property, actual expenses incurred for medical treatment for physical injury to persons, lost wages resulting from physical injury, and costs of the victim's counseling reasonably related to the offense. Restitution shall not include reimbursement for damages for mental anguish, pain and suffering, or other intangible losses. Nothing in this chapter shall limit or replace civil remedies or defenses available to the victim or offender;

~~((27))~~ (28) "Restorative justice" means practices, policies, and programs informed by and sensitive to the needs of crime victims that are designed to encourage offenders to accept responsibility for repairing the harm caused by their offense by providing safe and supportive opportunities for voluntary participation and communication between the victim, the offender, their families, and relevant community members;

~~((28))~~ (29) "Restraints" means anything used to control the movement of a person's body or limbs and includes:

(a) Physical restraint; or

(b) Mechanical device including but not limited to: Metal handcuffs, plastic ties, ankle restraints, leather cuffs, other hospital-type restraints, tasers, or batons;

~~((29))~~ (30) "Screening" means a process that is designed to identify a child who is at risk of having mental health, substance abuse, or co-occurring mental health and substance abuse disorders that warrant immediate attention, intervention, or more comprehensive assessment. A screening may be undertaken with or without the administration of a formal instrument;

~~((30))~~ (31) "Secretary" means the secretary of the department;

~~((31))~~ (32) "Services" means services which provide alternatives to incarceration for those juveniles who have pleaded or been adjudicated guilty of an offense or have signed a diversion agreement pursuant to this chapter;

~~((32))~~ (33) "Sex offense" means an offense defined as a sex offense in RCW 9.94A.030;

~~((33))~~ (34) "Sexual motivation" means that one of the purposes for which the respondent committed the offense was for the purpose of ~~((his or her))~~ the respondent's sexual gratification;

~~((34))~~ (35) "Surety" means an entity licensed under state insurance laws or by the state department of licensing, to write corporate, property, or probation bonds within the state, and justified and approved by the superior court of the county having jurisdiction of the case;

~~((35))~~ (36) "Transportation" means the conveying, by any means, of an incarcerated pregnant youth from the institution or detention facility to another location from the moment she leaves the institution or detention facility to the time of arrival at the other location, and includes the escorting of the pregnant incarcerated youth from the institution or detention facility to a transport vehicle and from the vehicle to the other location;

~~((36))~~ (37) "Violation" means an act or omission, which if committed by an adult, must be proven beyond a reasonable doubt, and is punishable by sanctions which do not include incarceration;

~~((37))~~ (38) "Violent offense" means a violent offense as defined in RCW 9.94A.030;

~~((38))~~ (39) "Youth court" means a diversion unit under the supervision of the juvenile court.

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, 2021, in the omnibus appropriations act, this act is null and void.

NEW SECTION. Sec. 7. This act takes effect January 1, 2022."

On page 1, line 2 of the title, after "enforcement;" strike the remainder of the title and insert "amending RCW 13.40.140, 2.70.020, and 13.40.020; adding a new section to chapter 13.40

RCW; adding a new section to chapter 2.70 RCW; creating a new section; and providing an effective date."

and the same is herewith transmitted.

Sarah Bannister, Deputy, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SUBSTITUTE HOUSE BILL NO. 1140 and advanced the bill, as amended by the Senate, to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representative J. Johnson spoke in favor of the passage of the bill.

Representative Walsh spoke against the passage of the bill.

MOTION

On motion of Representative Riccelli, Representative Kloba was excused.

The Speaker stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1140, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1140, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 56; Nays, 41; Absent, 0; Excused, 1.

Voting yea: Representatives Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chapman, Chopp, Cody, Davis, Dolan, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, J. Johnson, Kirby, Leavitt, Lekanoff, Lovick, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Rule, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, Wylie and Mme. Speaker.

Voting nay: Representatives Abbarno, Barkis, Boehnke, Caldier, Chambers, Chandler, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, MacEwen, Maycumber, McCaslin, McEntire, Mosbrucker, Orcutt, Robertson, Rude, Schmick, Steele, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox, Ybarra and Young.

Excused: Representative Kloba.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1140, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 11, 2021

Madame Speaker:

The Senate has passed ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1152 with the following amendment:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** The legislature finds that everyone in Washington state, no matter what community they live in, should be able to rely on a public health system that is able to support a standard level of public health service. Like public safety, there is a foundational level of public health delivery that must exist everywhere for services to work. A strong public health system is only possible with intentional investments into our state's public health system. Services should be delivered efficiently, equitably, and effectively, in ways that make the best use of technology, science, expertise, and leveraged resources and in a manner that is responsive to local communities.

NEW SECTION. **Sec. 2.** A new section is added to chapter 43.70 RCW to read as follows:

(1) The public health advisory board is established within the department. The advisory board shall:

(a) Advise and provide feedback to the governmental public health system and provide formal public recommendations on public health;

(b) Monitor the performance of the governmental public health system;

(c) Develop goals and a direction for public health in Washington and provide recommendations to improve public health performance and to achieve the identified goals and direction;

(d) Advise and report to the secretary;

(e) Coordinate with the governor's office, department, state board of health, local health jurisdictions, and the secretary;

(f) Evaluate public health emergency response and provide recommendations for future response, including coordinating with relevant committees, task forces, and stakeholders to analyze the COVID-19 public health response; and

(g) Evaluate the use of foundational public health services funding by the governmental public health system.

(2) The public health advisory board shall consist of representatives from each of the following appointed by the governor:

(a) The governor's office;

(b) The director of the state board of health or the director's designee;

(c) The secretary of the department or the secretary's designee;

(d) The chair of the governor's interagency council on health disparities;

(e) Two representatives from the tribal government public health sector selected by the American Indian health commission;

(f) One member of the county legislative authority from a eastern Washington county selected by a statewide association representing counties;

(g) One member of the county legislative authority from a western Washington county selected by a statewide association representing counties;

(h) An organization representing businesses in a region of the state;

(i) A statewide association representing community and migrant health centers;

(j) A statewide association representing Washington cities;

(k) Four representatives from local health jurisdictions selected by a statewide association representing local public health officials, including one from a jurisdiction east of the Cascade mountains with a population between 200,000 and 600,000, one from a jurisdiction east of the Cascade mountains with a population under 200,000, one from a jurisdiction west of the Cascade mountains with a population between 200,000 and 600,000, and one from a jurisdiction west of the Cascade mountains with a population less than 200,000;

(l) A statewide association representing Washington hospitals;

(m) A statewide association representing Washington physicians;

(n) A statewide association representing Washington nurses;

(o) A statewide association representing Washington public health or public health professionals; and

(p) A consumer nonprofit organization representing marginalized populations.

(3) In addition to the members of the public health advisory board listed in subsection (2) of this section, there must be four nonvoting ex officio members from the legislature consisting of one legislator from each of the two largest caucuses in both the house of representatives and the senate.

(4) Staff support for the public health advisory board, including arranging meetings, must be provided by the department.

(5) Legislative members of the public health advisory board may be 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.

(6) The public health advisory board is a class one group under chapter 43.03 RCW.

Sec. 3. RCW 70.05.030 and 1995 c 43 s 6 are each amended to read as follows:

~~(In counties without a home rule charter, the board of county commissioners shall constitute the local board of health, unless the county is part of a health district pursuant to chapter 70.46 RCW. The jurisdiction of the local board of health shall be coextensive with the boundaries of said county. The board of county commissioners may, at its discretion, adopt an ordinance expanding the size and composition of the board of health to include elected officials from cities and towns and persons other than elected officials as members so long as persons other than elected officials do not constitute a majority. An ordinance adopted under this section shall include provisions for the appointment, term, and compensation, or reimbursement of expenses.)~~

(1) Except as provided in subsection (2) of this section, for counties without

a home rule charter, the board of county commissioners and the members selected under (a) and (e) of this subsection, shall constitute the local board of health, unless the county is part of a health district pursuant to chapter 70.46 RCW. The jurisdiction of the local board of health shall be coextensive with the boundaries of the county.

(a) The remaining board members must be persons who are not elected officials and must be selected from the following categories consistent with the requirements of this section and the rules adopted by the state board of health under section 8 of this act:

(i) Public health, health care facilities, and providers. This category consists of persons practicing or employed in the county who are:

(A) Medical ethicists;

(B) Epidemiologists;

(C) Experienced in environmental public health, such as a registered sanitarian;

(D) Community health workers;

(E) Holders of master's degrees or higher in public health or the equivalent;

(F) Employees of a hospital located in the county; or

(G) Any of the following providers holding an active or retired license in good standing under Title 18 RCW:

(I) Physicians or osteopathic physicians;

(II) Advanced registered nurse practitioners;

(III) Physician assistants or osteopathic physician assistants;

(IV) Registered nurses;

(V) Dentists;

(VI) Naturopaths; or

(VII) Pharmacists;

(ii) Consumers of public health. This category consists of county residents who have self-identified as having faced significant health inequities or as having lived experiences with public health-related programs such as: The special supplemental nutrition program for women, infants, and children; the supplemental nutrition program; home

visiting; or treatment services. It is strongly encouraged that individuals from historically marginalized and underrepresented communities are given preference. These individuals may not be elected officials and may not have any fiduciary obligation to a health facility or other health agency, and may not have a material financial interest in the rendering of health services; and

(iii) Other community stakeholders. This category consists of persons representing the following types of organizations located in the county:

(A) Community-based organizations or nonprofits that work with populations experiencing health inequities in the county;

(B) Active, reserve, or retired armed services members;

(C) The business community; or

(D) The environmental public health regulated community.

(b) The board members selected under (a) of this subsection must be approved by a majority vote of the board of county commissioners.

(c) If the number of board members selected under (a) of this subsection is evenly divisible by three, there must be an equal number of members selected from each of the three categories. If there are one or two members over the nearest multiple of three, those members may be selected from any of the three categories. However, if the board of health demonstrates that it attempted to recruit members from all three categories and was unable to do so, the board may select members only from the other two categories.

(d) There may be no more than one member selected under (a) of this subsection from one type of background or position.

(e) If a federally recognized Indian tribe holds reservation, trust lands, or has usual and accustomed areas within the county, or if a 501(c)(3) organization registered in Washington that serves American Indian and Alaska Native people and provides services within the county, the board of health must include a tribal representative selected by the American Indian health commission.

(f) The board of county commissioners may, at its discretion, adopt an

ordinance expanding the size and composition of the board of health to include elected officials from cities and towns and persons other than elected officials as members so long as the city and county elected officials do not constitute a majority of the total membership of the board.

(g) Except as provided in (a) and (e) of this subsection, an ordinance adopted under this section shall include provisions for the appointment, term, and compensation, or reimbursement of expenses.

(h) The jurisdiction of the local board of health shall be coextensive with the boundaries of the county.

(i) The local health officer, as described in RCW 70.05.050, shall be appointed by the official designated under the provisions of the county charter. The same official designated under the provisions of the county charter may appoint an administrative officer, as described in RCW 70.05.045.

(j) The number of members selected under (a) and (e) of this subsection must equal the number of city and county elected officials on the board of health.

(k) At the first meeting of a district board of health the members shall elect a chair to serve for a period of one year.

(l) Any decision by the board of health related to the setting or modification of permit, licensing, and application fees may only be determined by the city and county elected officials on the board.

(2) A local board of health comprised solely of elected officials may retain this composition if the local health jurisdiction had a public health advisory committee or board with its own bylaws established on January 1, 2021. By January 1, 2022, the public health advisory committee or board must meet the requirements established in section 7 of this act for community health advisory boards. Any future changes to local board of health composition must meet the requirements of subsection (1) of this section.

Sec. 4. RCW 70.05.035 and 1995 c 43 s 7 are each amended to read as follows:

((In counties with a home rule charter, the county legislative authority shall establish a local board of health and may prescribe the membership and selection process for the

~~board. The county legislative authority may appoint to the board of health elected officials from cities and towns and persons other than elected officials as members so long as persons other than elected officials do not constitute a majority. The county legislative authority shall specify the appointment, term, and compensation or reimbursement of expenses. The jurisdiction of the local board of health shall be cointensive with the boundaries of the county. The local health officer, as described in RCW 70.05.050, shall be appointed by the official designated under the provisions of the county charter. The same official designated under the provisions of the county charter may appoint an administrative officer, as described in RCW 70.05.045.)~~

(1) Except as provided in subsection (2) of this section, for home rule charter counties, the county legislative authority shall establish a local board of health and may prescribe the membership and selection process for the board. The membership of the local board of health must also include the members selected under (a) and (e) of this subsection.

(a) The remaining board members must be persons who are not elected officials and must be selected from the following categories consistent with the requirements of this section and the rules adopted by the state board of health under section 8 of this act:

(i) Public health, health care facilities, and providers. This category consists of persons practicing or employed in the county who are:

(A) Medical ethicists;

(B) Epidemiologists;

(C) Experienced in environmental public health, such as a registered sanitarian;

(D) Community health workers;

(E) Holders of master's degrees or higher in public health or the equivalent;

(F) Employees of a hospital located in the county; or

(G) Any of the following providers holding an active or retired license in good standing under Title 18 RCW:

(I) Physicians or osteopathic physicians;

(II) Advanced registered nurse practitioners;

(III) Physician assistants or osteopathic physician assistants;

(IV) Registered nurses;

(V) Dentists;

(VI) Naturopaths; or

(VII) Pharmacists;

(ii) Consumers of public health. This category consists of county residents who have self-identified as having faced significant health inequities or as having lived experiences with public health-related programs such as: The special supplemental nutrition program for women, infants, and children; the supplemental nutrition program; home visiting; or treatment services. It is strongly encouraged that individuals from historically marginalized and underrepresented communities are given preference. These individuals may not be elected officials and may not have any fiduciary obligation to a health facility or other health agency, and may not have a material financial interest in the rendering of health services; and

(iii) Other community stakeholders. This category consists of persons representing the following types of organizations located in the county:

(A) Community-based organizations or nonprofits that work with populations experiencing health inequities in the county;

(B) Active, reserve, or retired armed services members;

(C) The business community; or

(D) The environmental public health regulated community.

(b) The board members selected under (a) of this subsection must be approved by a majority vote of the board of county commissioners.

(c) If the number of board members selected under (a) of this subsection is evenly divisible by three, there must be an equal number of members selected from each of the three categories. If there are one or two members over the nearest multiple of three, those members may be selected from any of the three categories. However, if the board of health demonstrates that it attempted to recruit members from all three categories

and was unable to do so, the board may select members only from the other two categories.

(d) There may be no more than one member selected under (a) of this subsection from one type of background or position.

(e) If a federally recognized Indian tribe holds reservation, trust lands, or has usual and accustomed areas within the county, or if a 501(c)(3) organization registered in Washington that serves American Indian and Alaska Native people and provides services within the county, the board of health must include a tribal representative selected by the American Indian health commission.

(f) The county legislative authority may appoint to the board of health elected officials from cities and towns and persons other than elected officials as members so long as the city and county elected officials do not constitute a majority of the total membership of the board.

(g) Except as provided in (a) and (e) of this subsection, the county legislative authority shall specify the appointment, term, and compensation or reimbursement of expenses.

(h) The jurisdiction of the local board of health shall be coextensive with the boundaries of the county.

(i) The local health officer, as described in RCW 70.05.050, shall be appointed by the official designated under the provisions of the county charter. The same official designated under the provisions of the county charter may appoint an administrative officer, as described in RCW 70.05.045.

(j) The number of members selected under (a) and (e) of this subsection must equal the number of city and county elected officials on the board of health.

(k) At the first meeting of a district board of health the members shall elect a chair to serve for a period of one year.

(1) Any decision by the board of health related to the setting or modification of permit, licensing, and application fees may only be determined by the city and county elected officials on the board.

(2) A local board of health comprised solely of elected officials may retain this composition if the local health jurisdiction had a public health advisory

committee or board with its own bylaws established on January 1, 2021. By January 1, 2022, the public health advisory committee or board must meet the requirements established in section 7 of this act for community health advisory boards. Any future changes to local board of health composition must meet the requirements of subsection (1) of this section.

Sec. 5. RCW 70.46.020 and 1995 c 43 s 10 are each amended to read as follows:

~~((Health districts consisting of two or more counties may be created whenever two or more boards of county commissioners shall by resolution establish a district for such purpose. Such a district shall consist of all the area of the combined counties. The district board of health of such a district shall consist of not less than five members for districts of two counties and seven members for districts of more than two counties, including two representatives from each county who are members of the board of county commissioners and who are appointed by the board of county commissioners of each county within the district, and shall have a jurisdiction coextensive with the combined boundaries. The boards of county commissioners may by resolution or ordinance provide for elected officials from cities and towns and persons other than elected officials as members of the district board of health so long as persons other than elected officials do not constitute a majority. A resolution or ordinance adopted under this section must specify the provisions for the appointment, term, and compensation, or reimbursement of expenses. Any multicounty health district existing on the effective date of this act shall continue in existence unless and until changed by affirmative action of all boards of county commissioners or one or more counties withdraws [withdraw] pursuant to RCW 70.46.090.~~

~~At the first meeting of a district board of health the members shall elect a chair to serve for a period of one year.))~~

(1) Except as provided in subsections (2) and (3) of this section, health districts consisting of two or more counties may be created whenever two or more boards of county commissioners shall by resolution establish a district for such purpose. Such a district shall consist of all the area of the combined

counties. The district board of health of such a district shall consist of not less than five members for districts of two counties and seven members for districts of more than two counties, including two representatives from each county who are members of the board of county commissioners and who are appointed by the board of county commissioners of each county within the district, and members selected under (a) and (e) of this subsection, and shall have a jurisdiction coextensive with the combined boundaries.

(a) The remaining board members must be persons who are not elected officials and must be selected from the following categories consistent with the requirements of this section and the rules adopted by the state board of health under section 8 of this act:

(i) Public health, health care facilities, and providers. This category consists of persons practicing or employed in the health district who are:

(A) Medical ethicists;

(B) Epidemiologists;

(C) Experienced in environmental public health, such as a registered sanitarian;

(D) Community health workers;

(E) Holders of master's degrees or higher in public health or the equivalent;

(F) Employees of a hospital located in the health district; or

(G) Any of the following providers holding an active or retired license in good standing under Title 18 RCW:

(I) Physicians or osteopathic physicians;

(II) Advanced registered nurse practitioners;

(III) Physician assistants or osteopathic physician assistants;

(IV) Registered nurses;

(V) Dentists;

(VI) Naturopaths; or

(VII) Pharmacists;

(ii) Consumers of public health. This category consists of health district residents who have self-identified as having faced significant health

inequities or as having lived experiences with public health-related programs such as: The special supplemental nutrition program for women, infants, and children; the supplemental nutrition program; home visiting; or treatment services. It is strongly encouraged that individuals from historically marginalized and underrepresented communities are given preference. These individuals may not be elected officials, and may not have any fiduciary obligation to a health facility or other health agency, and may not have a material financial interest in the rendering of health services; and

(iii) Other community stakeholders. This category consists of persons representing the following types of organizations located in the health district:

(A) Community-based organizations or nonprofits that work with populations experiencing health inequities in the health district;

(B) Active, reserve, or retired armed services members;

(C) The business community; or

(D) The environmental public health regulated community.

(b) The board members selected under (a) of this subsection must be approved by a majority vote of the board of county commissioners.

(c) If the number of board members selected under (a) of this subsection is evenly divisible by three, there must be an equal number of members selected from each of the three categories. If there are one or two members over the nearest multiple of three, those members may be selected from any of the three categories. However, if the board of health demonstrates that it attempted to recruit members from all three categories and was unable to do so, the board may select members only from the other two categories.

(d) There may be no more than one member selected under (a) of this subsection from one type of background or position.

(e) If a federally recognized Indian tribe holds reservation, trust lands, or has usual and accustomed areas within the health district, or if a 501(c)(3) organization registered in Washington that serves American Indian and Alaska Native people and provides services

within the health district, the board of health must include a tribal representative selected by the American Indian health commission.

(f) The boards of county commissioners may by resolution or ordinance provide for elected officials from cities and towns and persons other than elected officials as members of the district board of health so long as the city and county elected officials do not constitute a majority of the total membership of the board.

(g) Except as provided in (a) and (e) of this subsection, a resolution or ordinance adopted under this section must specify the provisions for the appointment, term, and compensation, or reimbursement of expenses.

(h) At the first meeting of a district board of health the members shall elect a chair to serve for a period of one year.

(i) The jurisdiction of the local board of health shall be coextensive with the boundaries of the county.

(j) The local health officer, as described in RCW 70.05.050, shall be appointed by the official designated under the provisions of the county charter. The same official designated under the provisions of the county charter may appoint an administrative officer, as described in RCW 70.05.045.

(k) The number of members selected under (a) and (e) of this subsection must equal the number of city and county elected officials on the board of health.

(1) Any decision by the board of health related to the setting or modification of permit, licensing, and application fees may only be determined by the city and county elected officials on the board.

(2) A local board of health comprised solely of elected officials may retain this composition if the local health jurisdiction had a public health advisory committee or board with its own bylaws established on January 1, 2021. By January 1, 2022, the public health advisory committee or board must meet the requirements established in section 7 of this act for community health advisory boards. Any future changes to local board of health composition must meet the requirements of subsection (1) of this section.

(3) A local board of health comprised solely of elected officials and made up

of three counties east of the Cascade mountains may retain their current composition if the local health jurisdiction has a public health advisory committee or board that meets the requirements established in section 7 of this act for community health advisory boards by July 1, 2022. If such a local board of health does not establish the required community health advisory board by July 1, 2022, it must comply with the requirements of subsection (1) of this section. Any future changes to local board of health composition must meet the requirements of subsection (1) of this section.

Sec. 6. RCW 70.46.031 and 1995 c 43 s 11 are each amended to read as follows:

~~((A health district to consist of one county may be created whenever the county legislative authority of the county shall pass a resolution or ordinance to organize such a health district under chapter 70.05 RCW and this chapter.~~

~~The resolution or ordinance may specify the membership, representation on the district health board, or other matters relative to the formation or operation of the health district. The county legislative authority may appoint elected officials from cities and towns and persons other than elected officials as members of the health district board so long as persons other than elected officials do not constitute a majority.~~

~~Any single county health district existing on the effective date of this act shall continue in existence unless and until changed by affirmative action of the county legislative authority.))~~

(1) Except as provided in subsection (2) of this section, a health district to consist of one county may be created whenever the county legislative authority of the county shall pass a resolution or ordinance to organize such a health district under chapter 70.05 RCW and this chapter. The resolution or ordinance may specify the membership, representation on the district health board, or other matters relative to the formation or operation of the health district. In addition to the membership of the district health board determined through resolution or ordinance, the district health board must also include the members selected under (a) and (e) of this subsection.

(a) The remaining board members must be persons who are not elected officials

and must be selected from the following categories consistent with the requirements of this section and the rules adopted by the state board of health under section 8 of this act:

(i) Public health, health care facilities, and providers. This category consists of persons practicing or employed in the county who are:

(A) Medical ethicists;

(B) Epidemiologists;

(C) Experienced in environmental public health, such as a registered sanitarian;

(D) Community health workers;

(E) Holders of master's degrees or higher in public health or the equivalent;

(F) Employees of a hospital located in the county; or

(G) Any of the following providers holding an active or retired license in good standing under Title 18 RCW:

(I) Physicians or osteopathic physicians;

(II) Advanced registered nurse practitioners;

(III) Physician assistants or osteopathic physician assistants;

(IV) Registered nurses;

(V) Dentists;

(VI) Naturopaths; or

(VII) Pharmacists;

(ii) Consumers of public health. This category consists of county residents who have self-identified as having faced significant health inequities or as having lived experiences with public health-related programs such as: The special supplemental nutrition program for women, infants, and children; the supplemental nutrition program; home visiting; or treatment services. It is strongly encouraged that individuals from historically marginalized and underrepresented communities are given preference. These individuals may not be elected officials and may not have any fiduciary obligation to a health facility or other health agency, and may not have a material financial interest in the rendering of health services; and

(iii) Other community stakeholders. This category consists of persons representing the following types of organizations located in the county:

(A) Community-based organizations or nonprofits that work with populations experiencing health inequities in the county;

(B) The business community; or

(C) The environmental public health regulated community.

(b) The board members selected under (a) of this subsection must be approved by a majority vote of the board of county commissioners.

(c) If the number of board members selected under (a) of this subsection is evenly divisible by three, there must be an equal number of members selected from each of the three categories. If there are one or two members over the nearest multiple of three, those members may be selected from any of the three categories. If there are two members over the nearest multiple of three, each member over the nearest multiple of three must be selected from a different category. However, if the board of health demonstrates that it attempted to recruit members from all three categories and was unable to do so, the board may select members only from the other two categories.

(d) There may be no more than one member selected under (a) of this subsection from one type of background or position.

(e) If a federally recognized Indian tribe holds reservation, trust lands, or has usual and accustomed areas within the county, or if a 501(c)(3) organization registered in Washington that serves American Indian and Alaska Native people and provides services within the county, the board of health must include a tribal representative selected by the American Indian health commission.

(f) The county legislative authority may appoint elected officials from cities and towns and persons other than elected officials as members of the health district board so long as the city and county elected officials do not constitute a majority of the total membership of the board.

(g) Except as provided in (a) and (e) of this subsection, a resolution or ordinance adopted under this section must

specify the provisions for the appointment, term, and compensation, or reimbursement of expenses.

(h) The jurisdiction of the local board of health shall be coextensive with the boundaries of the county.

(i) The local health officer, as described in RCW 70.05.050, shall be appointed by the official designated under the provisions of the resolution or ordinance. The same official designated under the provisions of the resolution or ordinance may appoint an administrative officer, as described in RCW 70.05.045.

(j) At the first meeting of a district board of health the members shall elect a chair to serve for a period of one year.

(k) The number of members selected under (a) and (e) of this subsection must equal the number of city and county elected officials on the board of health.

(l) Any decision by the board of health related to the setting or modification of permit, licensing, and application fees may only be determined by the city and county elected officials on the board.

(2) A local board of health comprised solely of elected officials may retain this composition if the local health jurisdiction had a public health advisory committee or board with its own bylaws established on January 1, 2021. By January 1, 2022, the public health advisory committee or board must meet the requirements established in section 7 of this act for community health advisory boards. Any future changes to local board of health composition must meet the requirements of subsection (1) of this section.

NEW SECTION. Sec. 7. A new section is added to chapter 70.46 RCW to read as follows:

(1) A community health advisory board shall:

(a) Provide input to the local board of health in the recruitment and selection of an administrative officer, pursuant to RCW 70.05.045, and local health officer, pursuant to RCW 70.05.050;

(b) Use a health equity framework to conduct, assess, and identify the community health needs of the jurisdiction, and review and recommend public health policies and priorities for the local health jurisdiction and

advisory board to address community health needs;

(c) Evaluate the impact of proposed public health policies and programs, and assure identified health needs and concerns are being met;

(d) Promote public participation in and identification of local public health needs;

(e) Provide community forums and hearings as assigned by the local board of health;

(f) Establish community task forces as assigned by the local board of health;

(g) Review and make recommendations to the local health jurisdiction and local board of health for an annual budget and fees; and

(h) Review and advise on local health jurisdiction progress in achieving performance measures and outcomes to ensure continuous quality improvement and accountability.

(2) The advisory board shall consist of nine to 21 members appointed by the local board of health. The local health officer and a member of the local board of health shall serve as ex officio members of the board.

(3) The advisory board must be broadly representative of the character of the community. Membership preference shall be given to tribal, racial, ethnic, and other minorities. The advisory board must consist of a balance of members with expertise, career experience, and consumer experience in areas impacting public health and with populations served by the health department. The board's composition shall include:

(a) Members with expertise in and experience with:

(i) Health care access and quality;

(ii) Physical environment, including built and natural environments;

(iii) Social and economic sectors, including housing, basic needs, education, and employment;

(iv) Business and philanthropy;

(v) Communities that experience health inequities;

(vi) Government; and

(vii) Tribal communities and tribal government.

(b) Consumers of public health services;

(c) Community members with lived experience in any of the areas listed in (a) of this subsection; and

(d) Community stakeholders, including nonprofit organizations, the business community, and those regulated by public health.

(4) The local health jurisdiction and local board of health must actively recruit advisory board members in a manner that solicits broad diversity to assure representation from marginalized communities including tribal, racial, ethnic, and other minorities.

(5) Advisory board members shall serve for staggered three-year terms. This does not preclude any member from being reappointed.

(6) The advisory board shall, at the first meeting of each year, select a chair and vice chair. The chair shall preside over all advisory board meetings and work with the local health jurisdiction administrator, or their designee, to establish board meeting agendas.

(7) Staffing for the advisory board shall be provided by the local health jurisdiction.

(8) The advisory board shall hold meetings monthly, or as otherwise determined by the advisory board at a place and time to be decided by the advisory board. Special meetings may be held on call of the local board of health or the chairperson of the advisory board.

(9) Meetings of the advisory board are subject to the open public meetings act, chapter 42.30 RCW, and meeting minutes must be submitted to the local board of health.

NEW SECTION. **Sec. 8.** A new section is added to chapter 43.20 RCW to read as follows:

(1) The state board of health shall adopt rules establishing the appointment process for the members of local boards of health who are not elected officials. The selection process established by the rules must:

(a) Be fair and unbiased; and

(b) Ensure, to the extent practicable, that the membership of local boards of health include a balanced representation

of elected officials and nonelected people with a diversity of expertise and lived experience.

(2) The rules adopted under this section must go into effect no later than one year after the effective date of this section.

NEW SECTION. **Sec. 9.** Sections 3 through 6 of this act take effect July 1, 2022."

On page 1, line 2 of the title, after "districts;" strike the remainder of the title and insert "amending RCW 70.05.030, 70.05.035, 70.46.020, and 70.46.031; adding a new section to chapter 43.70 RCW; adding a new section to chapter 70.46 RCW; adding a new section to chapter 43.20 RCW; creating a new section; and providing an effective date."

and the same is herewith transmitted.

Sarah Bannister, Deputy, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1152 and advanced the bill, as amended by the Senate, to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Riccelli and Schmick spoke in favor of the passage of the bill.

The Speaker stated the question before the House to be the final passage of Engrossed Second Substitute House Bill No. 1152, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 1152, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 60; Nays, 37; Absent, 0; Excused, 1.

Voting yea: Representatives Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chapman, Chopp, Cody, Davis, Dolan, Duerr, Dye, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris, Harris-Talley, J. Johnson, Kirby, Leavitt, Lekanoff, Lovick, Macri, McCaslin, Morgan, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, Wylie and Mme. Speaker.

Voting nay: Representatives Abbarno, Barkis, Boehnke, Caldier, Chambers, Chandler, Chase, Corry, Dent, Dufault,

Eslick, Gilday, Goehner, Graham, Griffey, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, MacEwen, Maycumber, McEntire, Mosbrucker, Orcutt, Robertson, Rude, Steele, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox, Ybarra and Young.

Excused: Representative Kloba.

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1152, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 11, 2021

Madame Speaker:

The Senate has passed ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1186 with the following amendment:

Strike everything after the enacting clause and insert the following:

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

(1) The department of children, youth, and families seeks to expand trauma-informed, culturally relevant, racial equity-based, and developmentally appropriate therapeutic placement supports in less restrictive community settings. Under current law, these supports are limited to placement in community facilities—which are only available for about 25 percent of juvenile rehabilitation's population—and electronic home monitoring for persons serving adult sentences in the custody of the department of children, youth, and families' juvenile rehabilitation who have an earned release date between the ages of 25 and 26.

(2) To help reduce the bottleneck of youth and young adults placed in the department's juvenile rehabilitation institutions and enhance community-based, less restrictive options, this act creates a community transition services program, which utilizes electronic home monitoring as a tool embedded in a progressively supportive community-based approach with therapeutic supports for young people reentering the community. This approach considers developmentally appropriate programs for successful reentry by increasing access to community transition services, including housing assistance, behavioral health treatment, independent living, employment, education, and family and community connections.

Sec. 2. RCW 72.01.412 and 2019 c 322 s 6 are each amended to read as follows:

(1) A person in the custody of the department of children, youth, and families under RCW 72.01.410 (~~who has an earned release date that is after the person's twenty-fifth birthday but on or before the person's twenty-sixth birthday may, after turning twenty-five, serve the remainder of the person's term of confinement in partial confinement on electronic home monitoring~~) is eligible for community transition services under the authority and supervision of the department of children, youth, and families (~~(, provided that the)~~):

(a) After the person's 25th birthday:

(i) If the person's earned release date is after the person's 25th birthday but on or before the person's 26th birthday; and

(ii) The department of children, youth, and families determines that placement in community transition services is in the best interests of the person and the community; or

(b) After 60 percent of their term of confinement has been served, and no less than 15 weeks of total confinement served including time spent in detention prior to sentencing or the entry of a dispositional order if:

(i) The person has an earned release date that is before their 26th birthday; and

(ii) The department of children, youth, and families determines that such placement and retention by the department of children, youth, and families is in the best interests of the person and the community.

(2) "Term of confinement" as used in subsection (1)(a) of this section means the term of confinement ordered, reduced by the total amount of earned time eligible for the offense.

(3) The department's determination under subsection (1)(a)(ii) and (b)(ii) of this section must include consideration of the person's behavior while in confinement and any disciplinary considerations.

(4) The department of children, youth, and families retains the authority to transfer the person to the custody of the department of corrections under RCW 72.01.410.

~~((2))~~ (5) A person may only be placed in community transition services under this section for the remaining 18 months of their term of confinement.

(6) A person placed (~~on electronic home monitoring~~) in community transition services under this section must (~~otherwise continue to be subject to similar treatment, options, access to programs and resources, conditions, and restrictions applicable to other similarly situated persons under the jurisdiction of the department of children, youth, and families~~) have access to appropriate treatment and programming as determined by the department of children, youth, and families, including but not limited to:

(a) Behavioral health treatment;

(b) Independent living;

(c) Employment;

(d) Education;

(e) Connections to family and natural supports; and

(f) Community connections.

(7) If the person has a sentence that includes a term of community custody, this term of community custody must begin after the current term of confinement has ended.

~~((3))~~ (8) If a person placed on (~~electronic home monitoring~~) community transition services under this section commits a violation requiring the return of the person to total confinement after the person's 25th birthday, the person must be transferred to the custody and supervision of the department of corrections for the remainder of the sentence.

(9) The following persons are not eligible for community transition services under this section:

(a) Persons with pending charges or warrants;

(b) Persons who will be transferred to the department of corrections, who are in the custody of the department of corrections, or who are under the supervision of the department of corrections;

(c) Persons who were adjudicated or convicted of the crime of murder in the first or second degree;

(d) Persons who meet the definition of a "persistent offender" as defined under RCW 9.94A.030;

(e) Level III sex offenders; and

(f) Persons requiring out-of-state placement.

(10) As used in this section, "community transition services" means a therapeutic and supportive community-based custody option in which:

(a) A person serves a portion of his or her term of confinement residing in the community, outside of the department of children, youth, and families institutions and community facilities;

(b) The department of children, youth, and families supervises the person in part through the use of technology that is capable of determining or identifying the monitored person's presence or absence at a particular location;

(c) The department of children, youth, and families provides access to developmentally appropriate, trauma-informed, racial equity-based, and culturally relevant programs to promote successful reentry; and

(d) The department of children, youth, and families prioritizes the delivery of available programming from individuals who share characteristics with the individual being served related to: Race; ethnicity; sexual identity; and gender identity.

Sec. 3. RCW 13.40.020 and 2019 c 444 s 9 are each amended to read as follows:

For the purposes of this chapter:

(1) "Assessment" means an individualized examination of a child to determine the child's psychosocial needs and problems, including the type and extent of any mental health, substance abuse, or co-occurring mental health and substance abuse disorders, and recommendations for treatment. "Assessment" includes, but is not limited to, drug and alcohol evaluations, psychological and psychiatric evaluations, records review, clinical interview, and administration of a formal test or instrument;

(2) "Community-based rehabilitation" means one or more of the following: Employment; attendance of information classes; literacy classes; counseling, outpatient substance abuse treatment programs, outpatient mental health

programs, anger management classes, education or outpatient treatment programs to prevent animal cruelty, or other services including, when appropriate, restorative justice programs; or attendance at school or other educational programs appropriate for the juvenile as determined by the school district. Placement in community-based rehabilitation programs is subject to available funds;

(3) "Community-based sanctions" may include one or more of the following:

(a) A fine, not to exceed five hundred dollars;

(b) Community restitution not to exceed one hundred fifty hours of community restitution;

(4) "Community restitution" means compulsory service, without compensation, performed for the benefit of the community by the offender as punishment for committing an offense. Community restitution may be performed through public or private organizations or through work crews;

(5) "Community supervision" means an order of disposition by the court of an adjudicated youth not committed to the department or an order granting a deferred disposition. A community supervision order for a single offense may be for a period of up to two years for a sex offense as defined by RCW 9.94A.030 and up to one year for other offenses. As a mandatory condition of any term of community supervision, the court shall order the juvenile to refrain from committing new offenses. As a mandatory condition of community supervision, the court shall order the juvenile to comply with the mandatory school attendance provisions of chapter 28A.225 RCW and to inform the school of the existence of this requirement. Community supervision is an individualized program comprised of one or more of the following:

(a) Community-based sanctions;

(b) Community-based rehabilitation;

(c) Monitoring and reporting requirements;

(d) Posting of a probation bond;

(e) Residential treatment, where substance abuse, mental health, and/or co-occurring disorders have been identified in an assessment by a qualified mental health professional,

psychologist, psychiatrist, co-occurring disorder specialist, or substance use disorder professional and a funded bed is available. If a child agrees to voluntary placement in a state-funded long-term evaluation and treatment facility, the case must follow the existing placement procedure including consideration of less restrictive treatment options and medical necessity.

(i) A court may order residential treatment after consideration and findings regarding whether:

(A) The referral is necessary to rehabilitate the child;

(B) The referral is necessary to protect the public or the child;

(C) The referral is in the child's best interest;

(D) The child has been given the opportunity to engage in less restrictive treatment and has been unable or unwilling to comply; and

(E) Inpatient treatment is the least restrictive action consistent with the child's needs and circumstances.

(ii) In any case where a court orders a child to inpatient treatment under this section, the court must hold a review hearing no later than sixty days after the youth begins inpatient treatment, and every thirty days thereafter, as long as the youth is in inpatient treatment;

(6) "Community transition services" means a therapeutic and supportive community-based custody option in which:

(a) A person serves a portion of their term of confinement residing in the community, outside of department institutions and community facilities;

(b) The department supervises the person in part through the use of technology that is capable of determining or identifying the monitored person's presence or absence at a particular location;

(c) The department provides access to developmentally appropriate, trauma-informed, racial equity-based, and culturally relevant programs to promote successful reentry; and

(d) The department prioritizes the delivery of available programming from individuals who share characteristics with the individual being served related

to: Race, ethnicity, sexual identity, and gender identity;

~~(7)~~ (7) "Confinement" means physical custody by the department of children, youth, and families in a facility operated by or pursuant to a contract with the state, or physical custody in a detention facility operated by or pursuant to a contract with any county. The county may operate or contract with vendors to operate county detention facilities. The department may operate or contract to operate detention facilities for juveniles committed to the department. Pretrial confinement or confinement of less than thirty-one days imposed as part of a disposition or modification order may be served consecutively or intermittently, in the discretion of the court;

~~((7))~~ (8) "Court," when used without further qualification, means the juvenile court judge(s) or commissioner(s);

~~((8))~~ (9) "Criminal history" includes all criminal complaints against the respondent for which, prior to the commission of a current offense:

(a) The allegations were found correct by a court. If a respondent is convicted of two or more charges arising out of the same course of conduct, only the highest charge from among these shall count as an offense for the purposes of this chapter; or

(b) The criminal complaint was diverted by a prosecutor pursuant to the provisions of this chapter on agreement of the respondent and after an advisement to the respondent that the criminal complaint would be considered as part of the respondent's criminal history. A successfully completed deferred adjudication that was entered before July 1, 1998, or a deferred disposition shall not be considered part of the respondent's criminal history;

~~((9))~~ (10) "Department" means the department of children, youth, and families;

~~((10))~~ (11) "Detention facility" means a county facility, paid for by the county, for the physical confinement of a juvenile alleged to have committed an offense or an adjudicated offender subject to a disposition or modification order. "Detention facility" includes county group homes, inpatient substance

abuse programs, juvenile basic training camps, and electronic monitoring;

~~((11))~~ (12) "Diversion unit" means any probation counselor who enters into a diversion agreement with an alleged youthful offender, or any other person, community accountability board, youth court under the supervision of the juvenile court, or other entity with whom the juvenile court administrator has contracted to arrange and supervise such agreements pursuant to RCW 13.40.080, or any person, community accountability board, or other entity specially funded by the legislature to arrange and supervise diversion agreements in accordance with the requirements of this chapter. For purposes of this subsection, "community accountability board" means a board comprised of members of the local community in which the juvenile offender resides. The superior court shall appoint the members. The boards shall consist of at least three and not more than seven members. If possible, the board should include a variety of representatives from the community, such as a law enforcement officer, teacher or school administrator, high school student, parent, and business owner, and should represent the cultural diversity of the local community;

~~((12))~~ (13) "Foster care" means temporary physical care in a foster family home or group care facility as defined in RCW 74.15.020 and licensed by the department, or other legally authorized care;

~~((13))~~ (14) "Institution" means a juvenile facility established pursuant to chapters 72.05 and 72.16 through 72.20 RCW;

~~((14))~~ (15) "Intensive supervision program" means a parole program that requires intensive supervision and monitoring, offers an array of individualized treatment and transitional services, and emphasizes community involvement and support in order to reduce the likelihood a juvenile offender will commit further offenses;

~~((15))~~ (16) "Juvenile," "youth," and "child" mean any individual who is under the chronological age of eighteen years and who has not been previously transferred to adult court pursuant to RCW 13.40.110, unless the individual was convicted of a lesser charge or acquitted of the charge for which he or she was previously transferred pursuant to RCW

13.40.110 or who is not otherwise under adult court jurisdiction;

~~((16))~~ (17) "Juvenile offender" means any juvenile who has been found by the juvenile court to have committed an offense, including a person eighteen years of age or older over whom jurisdiction has been extended under RCW 13.40.300;

~~((17))~~ (18) "Labor" means the period of time before a birth during which contractions are of sufficient frequency, intensity, and duration to bring about effacement and progressive dilation of the cervix;

~~((18))~~ (19) "Local sanctions" means one or more of the following: (a) 0-30 days of confinement; (b) 0-12 months of community supervision; (c) 0-150 hours of community restitution; or (d) \$0-\$500 fine;

~~((19))~~ (20) "Manifest injustice" means a disposition that would either impose an excessive penalty on the juvenile or would impose a serious, and clear danger to society in light of the purposes of this chapter;

~~((20))~~ (21) "Monitoring and reporting requirements" means one or more of the following: Curfews; requirements to remain at home, school, work, or court-ordered treatment programs during specified hours; restrictions from leaving or entering specified geographical areas; requirements to report to the probation officer as directed and to remain under the probation officer's supervision; and other conditions or limitations as the court may require which may not include confinement;

~~((21))~~ (22) "Offense" means an act designated a violation or a crime if committed by an adult under the law of this state, under any ordinance of any city or county of this state, under any federal law, or under the law of another state if the act occurred in that state;

~~((22))~~ (23) "Physical restraint" means the use of any bodily force or physical intervention to control a juvenile offender or limit a juvenile offender's freedom of movement in a way that does not involve a mechanical restraint. Physical restraint does not include momentary periods of minimal physical restriction by direct person-to-person contact, without the aid of

mechanical restraint, accomplished with limited force and designed to:

(a) Prevent a juvenile offender from completing an act that would result in potential bodily harm to self or others or damage property;

(b) Remove a disruptive juvenile offender who is unwilling to leave the area voluntarily; or

(c) Guide a juvenile offender from one location to another;

~~((23))~~ (24) "Postpartum recovery" means (a) the entire period a woman or youth is in the hospital, birthing center, or clinic after giving birth and (b) an additional time period, if any, a treating physician determines is necessary for healing after the youth leaves the hospital, birthing center, or clinic;

~~((24))~~ (25) "Probation bond" means a bond, posted with sufficient security by a surety justified and approved by the court, to secure the offender's appearance at required court proceedings and compliance with court-ordered community supervision or conditions of release ordered pursuant to RCW 13.40.040 or 13.40.050. It also means a deposit of cash or posting of other collateral in lieu of a bond if approved by the court;

~~((25))~~ (26) "Respondent" means a juvenile who is alleged or proven to have committed an offense;

~~((26))~~ (27) "Restitution" means financial reimbursement by the offender to the victim, and shall be limited to easily ascertainable damages for injury to or loss of property, actual expenses incurred for medical treatment for physical injury to persons, lost wages resulting from physical injury, and costs of the victim's counseling reasonably related to the offense. Restitution shall not include reimbursement for damages for mental anguish, pain and suffering, or other intangible losses. Nothing in this chapter shall limit or replace civil remedies or defenses available to the victim or offender;

~~((27))~~ (28) "Restorative justice" means practices, policies, and programs informed by and sensitive to the needs of crime victims that are designed to encourage offenders to accept responsibility for repairing the harm caused by their offense by providing safe and supportive opportunities for

voluntary participation and communication between the victim, the offender, their families, and relevant community members;

~~((29))~~ (29) "Restraints" means anything used to control the movement of a person's body or limbs and includes:

(a) Physical restraint; or

(b) Mechanical device including but not limited to: Metal handcuffs, plastic ties, ankle restraints, leather cuffs, other hospital-type restraints, tasers, or batons;

~~((29))~~ (30) "Risk assessment tool" means the statistically valid tool used by the department to inform release or placement decisions related to security level, release within the sentencing range, community facility eligibility, community transition services eligibility, and parole. The "risk assessment tool" is used by the department to predict the likelihood of successful reentry and future criminal behavior;

(31) "Screening" means a process that is designed to identify a child who is at risk of having mental health, substance abuse, or co-occurring mental health and substance abuse disorders that warrant immediate attention, intervention, or more comprehensive assessment. A screening may be undertaken with or without the administration of a formal instrument;

~~((30))~~ (32) "Secretary" means the secretary of the department;

~~((31))~~ (33) "Services" means services which provide alternatives to incarceration for those juveniles who have pleaded or been adjudicated guilty of an offense or have signed a diversion agreement pursuant to this chapter;

~~((32))~~ (34) "Sex offense" means an offense defined as a sex offense in RCW 9.94A.030;

~~((33))~~ (35) "Sexual motivation" means that one of the purposes for which the respondent committed the offense was for the purpose of his or her sexual gratification;

~~((34))~~ (36) "Surety" means an entity licensed under state insurance laws or by the state department of licensing, to write corporate, property, or probation bonds within the state, and justified and

approved by the superior court of the county having jurisdiction of the case;

~~((35))~~ (37) "Transportation" means the conveying, by any means, of an incarcerated pregnant youth from the institution or detention facility to another location from the moment she leaves the institution or detention facility to the time of arrival at the other location, and includes the escorting of the pregnant incarcerated youth from the institution or detention facility to a transport vehicle and from the vehicle to the other location;

~~((36))~~ (38) "Violation" means an act or omission, which if committed by an adult, must be proven beyond a reasonable doubt, and is punishable by sanctions which do not include incarceration;

~~((37))~~ (39) "Violent offense" means a violent offense as defined in RCW 9.94A.030;

~~((38))~~ (40) "Youth court" means a diversion unit under the supervision of the juvenile court.

Sec. 4. RCW 13.40.205 and 2019 c 468 s 1 are each amended to read as follows:

(1) A juvenile sentenced to a term of confinement to be served under the supervision of the department shall not be released from the physical custody of the department prior to the release date established under RCW 13.40.210 except as otherwise provided in this section.

(2) A juvenile serving a term of confinement under the supervision of the department may be released on authorized leave from the physical custody of the department only if consistent with public safety and if:

(a) Sixty percent of the minimum term of confinement has been served; and

(b) The purpose of the leave is to enable the juvenile:

(i) To visit the juvenile's family for the purpose of strengthening or preserving family relationships;

(ii) To make plans for parole or release which require the juvenile's personal appearance in the community and which will facilitate the juvenile's reintegration into the community; or

(iii) To make plans for a residential placement out of the juvenile's home which requires the juvenile's personal appearance in the community.

(3) No authorized leave may exceed seven consecutive days. The total of all preminimum term authorized leaves granted to a juvenile prior to final discharge from confinement shall not exceed thirty days.

(4) Prior to authorizing a leave, the secretary shall require a written leave plan, which shall detail the purpose of the leave and how it is to be achieved, the address at which the juvenile shall reside, the identity of the person responsible for supervising the juvenile during the leave, and a statement by such person acknowledging familiarity with the leave plan and agreeing to supervise the juvenile and to notify the secretary immediately if the juvenile violates any terms or conditions of the leave. The leave plan shall include such terms and conditions as the secretary deems appropriate and shall be signed by the juvenile.

(5) Upon authorizing a leave, the secretary shall issue to the juvenile an authorized leave order which shall contain the name of the juvenile, the fact that the juvenile is on leave from a designated facility, the time period of the leave, and the identity of an appropriate official of the department to contact when necessary. The authorized leave order shall be carried by the juvenile at all times while on leave.

(6) Prior to the commencement of any authorized leave, the secretary shall give notice of the leave to the appropriate law enforcement agency in the jurisdiction in which the juvenile will reside during the leave period. The notice shall include the identity of the juvenile, the time period of the leave, the residence of the juvenile during the leave, and the identity of the person responsible for supervising the juvenile during the leave.

(7) The secretary may authorize a leave, which shall not exceed forty-eight hours plus travel time, to meet an emergency situation such as a death or critical illness of a member of the juvenile's family. The secretary may authorize a leave, which shall not exceed the period of time medically necessary, to obtain medical care not available in a juvenile facility maintained by the department. In cases of emergency or medical leave the secretary may waive all or any portions of subsections (2) (a), (3), (4), (5), and (6) of this section.

(8) If requested by the juvenile's victim or the victim's immediate family, the secretary shall give notice of any leave or community transition services under subsection (13) of this section to the victim or the victim's immediate family.

(9) A juvenile who violates any condition of an authorized leave plan or community transition services under subsection (13) of this section may be taken into custody and returned to the department in the same manner as an adult in identical circumstances.

(10) Community transition services is an electronic monitoring program as that term is used in RCW 9A.76.130.

(11) Notwithstanding the provisions of this section, a juvenile placed in minimum security status or in community transition services under subsection (13) of this section may participate in work, educational, community restitution, or treatment programs in the community up to twelve hours a day if approved by the secretary. Such a release shall not be deemed a leave of absence. This authorization may be increased to more than twelve hours a day up to sixteen hours a day if approved by the secretary and operated within the department's appropriations.

~~((11))~~ (12) Subsections (6), (7), and (8) of this section do not apply to juveniles covered by RCW 13.40.215.

(13) (a) The department may require a person in its custody to serve the remainder of the person's sentence in community transition services if the department determines that such placement is in the best interest of the person and the community using the risk assessment tool and considering the availability of appropriate placements, treatment, and programming. The department's determination described under this subsection must include consideration of the person's behavior while in confinement and any disciplinary considerations. The department shall establish appropriate conditions the person must comply with to remain in community transition services. A person must have served 60 percent of their minimum term of confinement and no less than 15 weeks of total confinement including time spent in detention prior to sentencing or the entry of a dispositional order before becoming eligible for community transition

services under the authority and supervision of the department.

(b) A person placed in community transition services under this section must have access to appropriate treatment and programming as determined by the department, including but not limited to:

(i) Behavioral health treatment;

(ii) Independent living;

(iii) Employment;

(iv) Education;

(v) Connections to family and natural supports; and

(vi) Community connections.

(c) Community transition services under this section is in lieu of confinement in an institution or community facility operated by the department, and will not fulfill any period of parole required under RCW 13.40.210.

(d) If a person placed in community transition services under this section violates a condition of participation in the community transition services program, or if the department determines that placement in the program is no longer in the best interests of the person or community, the person may be returned to an institution operated by the department at the department's discretion.

(e) The following persons are not eligible for community transition services under this section:

(i) Persons with pending charges or warrants;

(ii) Persons who will be transferred to the department of corrections, who are in the custody of the department of corrections, or who are under the supervision of the department of corrections;

(iii) Persons who were adjudicated or convicted of the crime of murder in the first or second degree;

(iv) Persons who meet the definition of a "persistent offender" as defined under RCW 9.94A.030;

(v) Level III sex offenders; and

(vi) Persons requiring out-of-state placement.

(14) The department shall design, or contract for the design, and implement a risk assessment tool. The tool must be designed to limit bias related to race, ethnicity, gender, and age. The risk assessment tool must be certified at least every three years based on current academic standards for assessment validation, and can be certified by the office of innovation, alignment, and accountability or an outside researcher.

Sec. 5. RCW 13.40.215 and 2020 c 167 s 7 are each amended to read as follows:

(1) (a) Except as provided in subsection (2) of this section, at the earliest practicable date, and in no event later than thirty days before discharge, parole, or any other authorized leave or release, or before transfer to a community residential facility or community transition services program, the secretary shall send written notice of the discharge, parole, authorized leave or release, or transfer of a juvenile found to have committed a violent offense, a sex offense, or stalking, to the following:

(i) The chief of police of the city, if any, in which the juvenile will reside; and

(ii) The sheriff of the county in which the juvenile will reside.

(b) (i) Except as provided in subsection (2) of this section, at the earliest practicable date, and in no event later than thirty days before discharge, parole, or any other authorized leave or release, or before transfer to a community residential facility or community transition services program, the secretary shall send written notice of the discharge, parole, authorized leave or release, or transfer of an individual who is found to have committed a violent offense or a sex offense, is twenty-one years of age or younger, and has not received a high school diploma or its equivalent, to the designated recipient of the school where the juvenile either: (A) Was enrolled prior to incarceration or detention; or (B) has expressed an intention to enroll following his or her release. This notice must also include the restrictions described in subsection (5) of this section.

(ii) The community residential facility shall provide written notice of the offender's criminal history to the designated recipient of any school that

the offender attends while residing at the community residential facility and to any employer that employs the offender while residing at the community residential facility.

(iii) As used in this subsection, "designated recipient" means: (A) The superintendent of the school district, or his or her designee, of a common school as defined in RCW 28A.150.020 or a school that is the subject of a state-tribal education compact under chapter 28A.715 RCW; (B) the administrator of a charter public school governed by chapter 28A.710 RCW; or (C) the administrator of a private school approved under chapter 28A.195 RCW.

(c) The same notice as required by (a) of this subsection shall be sent to the following, if such notice has been requested in writing about a specific juvenile:

(i) The victim of the offense for which the juvenile was found to have committed or the victim's next of kin if the crime was a homicide;

(ii) Any witnesses who testified against the juvenile in any court proceedings involving the offense; and

(iii) Any person specified in writing by the prosecuting attorney.

Information regarding victims, next of kin, or witnesses requesting the notice, information regarding any other person specified in writing by the prosecuting attorney to receive the notice, and the notice are confidential and shall not be available to the juvenile. The notice to the chief of police or the sheriff shall include the identity of the juvenile, the residence where the juvenile will reside, the identity of the person, if any, responsible for supervising the juvenile, and the time period of any authorized leave.

(d) The thirty-day notice requirements contained in this subsection shall not apply to emergency medical furloughs.

(e) The existence of the notice requirements in this subsection will not require any extension of the release date in the event the release plan changes after notification.

(2)(a) If a juvenile found to have committed a violent offense, a sex offense, or stalking escapes from a facility of the department, the secretary shall immediately notify, by the most

reasonable and expedient means available, the chief of police of the city and the sheriff of the county in which the juvenile resided immediately before the juvenile's arrest. If previously requested, the secretary shall also notify the witnesses and the victim of the offense which the juvenile was found to have committed or the victim's next of kin if the crime was a homicide. If the juvenile is recaptured, the secretary shall send notice to the persons designated in this subsection as soon as possible but in no event later than two working days after the department learns of such recapture.

(b) The secretary may authorize a leave, for a juvenile found to have committed a violent offense, a sex offense, or stalking, which shall not exceed forty-eight hours plus travel time, to meet an emergency situation such as a death or critical illness of a member of the juvenile's family. The secretary may authorize a leave, which shall not exceed the time medically necessary, to obtain medical care not available in a juvenile facility maintained by the department. Prior to the commencement of an emergency or medical leave, the secretary shall give notice of the leave to the appropriate law enforcement agency in the jurisdiction in which the juvenile will be during the leave period. The notice shall include the identity of the juvenile, the time period of the leave, the residence of the juvenile during the leave, and the identity of the person responsible for supervising the juvenile during the leave. If previously requested, the department shall also notify the witnesses and victim of the offense which the juvenile was found to have committed or the victim's next of kin if the offense was a homicide.

In case of an emergency or medical leave the secretary may waive all or any portion of the requirements for leaves pursuant to RCW 13.40.205 (2)(a), (3), (4), and (5).

(3) If the victim, the victim's next of kin, or any witness is under the age of sixteen, the notice required by this section shall be sent to the parents or legal guardian of the child.

(4) The secretary shall send the notices required by this chapter to the last address provided to the department by the requesting party. The requesting

party shall furnish the department with a current address.

(5) Upon discharge, parole, transfer to a community residential facility, or other authorized leave or release, a convicted juvenile sex offender shall not attend a public or approved private elementary, middle, or high school that is attended by a victim or a sibling of a victim of the sex offender. The parents or legal guardians of the convicted juvenile sex offender shall be responsible for transportation or other costs associated with or required by the sex offender's change in school that otherwise would be paid by a school district.

(6) For purposes of this section the following terms have the following meanings:

(a) "Violent offense" means a violent offense under RCW 9.94A.030;

(b) "Sex offense" means a sex offense under RCW 9.94A.030;

(c) "Stalking" means the crime of stalking as defined in RCW 9A.46.110;

(d) "Next of kin" means a person's spouse, parents, siblings, and children.

Sec. 6. RCW 13.40.220 and 2017 3rd sp.s. c 6 s 610 are each amended to read as follows:

(1) Whenever legal custody of a child is vested in someone other than his or her parents, under this chapter, and not vested in the department, after due notice to the parents or other persons legally obligated to care for and support the child, and after a hearing, the court may order and decree that the parent or other legally obligated person shall pay in such a manner as the court may direct a reasonable sum representing in whole or in part the costs of support, treatment, and confinement of the child after the decree is entered.

(2) If the parent or other legally obligated person willfully fails or refuses to pay such sum, the court may proceed against such person for contempt.

(3) Whenever legal custody of a child is vested in the department under this chapter, the parents or other persons legally obligated to care for and support the child shall be liable for the costs of support, treatment, and confinement of the child, in accordance with the department's reimbursement of cost

schedule. The department shall adopt a reimbursement of cost schedule based on the costs of providing such services, and shall determine an obligation based on the responsible parents' or other legally obligated person's ability to pay. The department is authorized to adopt additional rules as appropriate to enforce this section.

(4) To enforce subsection (3) of this section, the department shall serve on the parents or other person legally obligated to care for and support the child a notice and finding of financial responsibility requiring the parents or other legally obligated person to appear and show cause in an adjudicative proceeding why the finding of responsibility and/or the amount thereof is incorrect and should not be ordered. This notice and finding shall relate to the costs of support, treatment, and confinement of the child in accordance with the department's reimbursement of cost schedule adopted under this section, including periodic payments to be made in the future. The hearing shall be held pursuant to chapter 34.05 RCW, the administrative procedure act, and the rules of the department.

(5) The notice and finding of financial responsibility shall be served in the same manner prescribed for the service of a summons in a civil action or may be served on the parent or legally obligated person by certified mail, return receipt requested. The receipt shall be prima facie evidence of service.

(6) If the parents or other legally obligated person objects to the notice and finding of financial responsibility, then an application for an adjudicative hearing may be filed within twenty days of the date of service of the notice. If an application for an adjudicative proceeding is filed, the presiding or reviewing officer shall determine the past liability and responsibility, if any, of the parents or other legally obligated person and shall also determine the amount of periodic payments to be made in the future. If the parents or other legally responsible person fails to file an application within twenty days, the notice and finding of financial responsibility shall become a final administrative order.

(7) Debts determined pursuant to this section are subject to collection action without further necessity of action by a presiding or reviewing officer. The

department may collect the debt in accordance with RCW 43.20B.635, 43.20B.640, 74.20A.060, and 74.20A.070. The department shall exempt from payment parents receiving adoption support under RCW 74.13A.005 through 74.13A.080, parents eligible to receive adoption support under RCW 74.13A.085, and a parent or other legally obligated person when the parent or other legally obligated person, or such person's child, spouse, or spouse's child, was the victim of the offense for which the child was committed.

(8) An administrative order entered pursuant to this section shall supersede any court order entered prior to June 13, 1994.

(9) The department shall be subrogated to the right of the child and his or her parents or other legally responsible person to receive support payments for the benefit of the child from any parent or legally obligated person pursuant to a support order established by a superior court or pursuant to RCW 74.20A.055. The department's right of subrogation under this section is limited to the liability established in accordance with its cost schedule for support, treatment, and confinement, except as addressed in subsection (10) of this section.

(10) Nothing in this section precludes the department from recouping such additional support payments from the child's parents or other legally obligated person as required to qualify for receipt of federal funds. The department may adopt such rules dealing with liability for recoupment of support, treatment, or confinement costs as may become necessary to entitle the state to participate in federal funds unless such rules would be expressly prohibited by law. If any law dealing with liability for recoupment of support, treatment, or confinement costs is ruled to be in conflict with federal requirements which are a prescribed condition of the allocation of federal funds, such conflicting law is declared to be inoperative solely to the extent of the conflict.

(11) This section does not apply to juveniles or young adults in a community transition services program.

NEW SECTION. Sec. 7. The department of children, youth, and families shall adopt rules, policies, and procedures as may be needed to implement a community

transition services program required by this act, to include the following:

(1) Identification and regular monitoring of metrics of quality implementation for the community transition program, and regularly publishing outcome analyses for program participants; and

(2) Allowing for the use of new electronic home monitoring equipment and technologies as they become available that eliminate or minimize trauma, social stigma, and racial injustice, and imposing penalties for the knowing or intentional tampering, damaging, or destruction of equipment that renders it not fully functional.

NEW SECTION. Sec. 8. Subject to the availability of amounts appropriated for this specific purpose, the department of children, youth, and families may issue rental vouchers for a period not to exceed six months for those transferring to community transition services under this act if an approved address cannot be obtained without the assistance of a voucher.

Sec. 9. RCW 13.04.800 and 2019 c 322 s 5 are each amended to read as follows:

(1) The Washington state institute for public policy must:

(a) Assess the impact of chapter 162, Laws of 2018, (~~and~~) sections 2 through 6, chapter 322, Laws of 2019, and sections 2 and 3, chapter . . . , Laws of 2021 (sections 2 and 3 of this act) on community safety, racial disproportionality, recidivism, state expenditures, and youth rehabilitation, to the extent possible; and

(b) Conduct a cost-benefit analysis, including health impacts and recidivism effects, of extending RCW 72.01.410 to include all offenses committed under the age of twenty-one.

(2) The institute shall submit, in compliance with RCW 43.01.036, a preliminary report on the requirements listed in subsection (1) of this section to the governor and the appropriate committees of the legislature by December 1, 2023, and a final report to the governor and the appropriate committees of the legislature by December 1, 2031.

NEW SECTION. Sec. 10. (1) The secretary of the department of children, youth, and families, or the secretary's designee, shall convene a stakeholder

group to develop recommendations regarding improving outcomes for individuals exiting juvenile rehabilitation with a focus on:

(a) Increasing community involvement before and after the individual's exit from a juvenile rehabilitation facility;

(b) A landscape analysis of community-based, reentry-related services available to individuals exiting a juvenile rehabilitation facility by geographic region and service type;

(c) Community-based, reentry-related service gaps that should be addressed to ensure a successful community transition services program across the state.

(2) The secretary of the department of children, youth, and families, or the secretary's designee shall include, at a minimum, the following stakeholders in the requirements included in this section:

(a) Two individuals who were or are currently confined in a juvenile rehabilitation facility;

(b) A family member of an individual who was or is currently confined in a juvenile rehabilitation facility;

(c) A representative of the Washington partnership council on juvenile justice;

(d) A representative of the Washington association of prosecuting attorneys;

(e) A representative of the Washington association of sheriffs and police chiefs;

(f) A representative of a statewide organization representing criminal defense attorneys;

(g) A representative of a statewide organization representing public defenders;

(h) A representative of a statewide organization providing legal services to youth;

(i) A representative from the office of the superintendent of public instruction;

(j) A representative from the state board for community and technical colleges;

(k) A representative from the health care authority;

(l) A representative from the Washington student achievement council;

(m) A representative from the Washington association of juvenile court administrators; and

(n) Two representatives from service providers that assist individuals when exiting from a juvenile rehabilitation facility by providing mentoring or other community involvement opportunities to that individual.

(3) The department of children, youth, and families shall provide administrative and staff support to the stakeholder group.

(4) Nonlegislative members of the stakeholder group who demonstrate financial hardship must be reimbursed for travel expenses as provided in RCW 43.03.050 and 43.03.060, as well as other expenses as needed for each day a nonlegislative stakeholder group member attends a stakeholder group meeting to provide consultative assistance.

(5) (a) By November 1, 2021, and in compliance with RCW 43.01.036, an initial report shall be submitted to the appropriate committees of the legislature and the governor related to improving outcomes for individuals exiting juvenile rehabilitation facilities.

(b) By June 1, 2022, the department of children, youth, and families shall submit a report to the appropriate committees of the legislature and the governor that describes recommendations related to improving outcomes for individuals exiting a juvenile rehabilitation facility as provided in this section.

(6) This section expires January 1, 2023.

NEW SECTION. Sec. 11. (1) Sections 1 through 6, 8, and 9 of this act take effect six months after the department of children, youth, and families designs and implements a risk assessment tool as defined in RCW 13.40.020 used to determine eligibility for "community transition services" as provided under RCW 13.40.205(13) and provides notice as required under subsection (2) of this section.

(2) The department of children, youth, and families must provide notice of the implementation of a risk assessment tool described under subsection (1) of this section to affected parties, the chief clerk of the house of representatives,

the secretary of the senate, the office of the code reviser, and others as deemed appropriate by the department of children, youth, and families.

NEW SECTION. **Sec. 12.** If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2021, in the omnibus appropriations act, this act is null and void."

On page 1, line 1 of the title, after "rehabilitation;" strike the remainder of the title and insert "amending RCW 72.01.412, 13.40.020, 13.40.205, 13.40.215, 13.40.220, and 13.04.800; creating new sections; providing a contingent effective date; and providing an expiration date."

and the same is herewith transmitted.

Sarah Bannister, Deputy, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1186 and advanced the bill, as amended by the Senate, to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representative Goodman spoke in favor of the passage of the bill.

Representative Dent spoke against the passage of the bill.

MOTION

On motion of Representative Riccelli, Representative Fey was excused.

The Speaker stated the question before the House to be the final passage of Engrossed Second Substitute House Bill No. 1186, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 1186, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 60; Nays, 36; Absent, 0; Excused, 2.

Voting yea: Representatives Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chapman, Chase, Chopp, Cody, Davis, Dolan, Duerr, Entenman, Fitzgibbon, Frame, Goodman, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, J. Johnson, Kirby, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Rule, Ryu,

Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, Wylie and Mme. Speaker.

Voting nay: Representatives Abbarno, Barkis, Boehnke, Caldier, Chambers, Chandler, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, Maycumber, McCaslin, McEntire, Mosbrucker, Orcutt, Robertson, Rude, Schmick, Steele, Stokesbary, Vick, Volz, Walsh, Wilcox, Ybarra and Young.

Excused: Representatives Fey and Kloba.

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1186, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 3, 2021

Madame Speaker:

The Senate has passed SUBSTITUTE HOUSE BILL NO. 1193 with the following amendment:

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 90.58.355 and 2020 c 20 s 1506 are each amended to read as follows:

Requirements to obtain a substantial development permit, conditional use permit, variance, letter of exemption, or other review conducted by a local government to implement this chapter do not apply to:

(1) Any person conducting a remedial action at a facility pursuant to a consent decree, order, or agreed order issued pursuant to chapter 70A.305 RCW, or to the department of ecology when it conducts a remedial action under chapter 70A.305 RCW. The department must ensure compliance with the substantive requirements of this chapter through the consent decree, order, or agreed order issued pursuant to chapter 70A.305 RCW, or during the department-conducted remedial action, through the procedures developed by the department pursuant to RCW 70A.305.090;

(2) Any person installing site improvements for stormwater treatment in an existing boatyard facility to meet requirements of a national pollutant discharge elimination system stormwater general permit. The department must ensure compliance with the substantive requirements of this chapter through the review of engineering reports, site plans, and other documents related to the

installation of boatyard stormwater treatment facilities; (~~or~~)

(3) The department of transportation projects and activities that meet the conditions of RCW 90.58.356; or

(4) Actions taken on the Columbia river by the United States army corps of engineers, under the authority of United States Code Titles 33 and 42 and 33 C.F.R. Sec. 335, to maintain and improve federal navigation channels in accordance with federally mandated dredged material management and improvement project plans, provided the project: (a) Has undergone environmental review under both the national environmental policy act, 42 U.S.C. Sec. 4321-4370h and the state environmental policy act, chapter 43.21C RCW; and (b) has applied for federal clean water act section 401 water quality certifications issued by the department."

On page 1, line 2 of the title, after "improvement;" strike the remainder of the title and insert "and amending RCW 90.58.355."

and the same is herewith transmitted.

Sarah Bannister, Deputy, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 1193 and advanced the bill, as amended by the Senate, to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Hoff and Fitzgibbon spoke in favor of the passage of the bill.

The Speaker stated the question before the House to be the final passage of Substitute House Bill No. 1193, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1193, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 96; Nays, 0; Absent, 0; Excused, 2.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dufault, Dye, Entenman, Eslick, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris,

Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Klippert, Kraft, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McCaslin, McEntire, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Excused: Representatives Fey and Kloba.

SUBSTITUTE HOUSE BILL NO. 1193, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 7, 2021

Madame Speaker:

The Senate has passed ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1194 with the following amendment:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 13.34.065 and 2019 c 172 s 11 are each amended to read as follows:

(1)(a) When a child is taken into custody, the court shall hold a shelter care hearing within (~~(seventy-two)~~) 72 hours, excluding Saturdays, Sundays, and holidays. The primary purpose of the shelter care hearing is to determine whether the child can be immediately and safely returned home while the adjudication of the dependency is pending.

(b) Any parent, guardian, or legal custodian who for good cause is unable to attend the shelter care hearing may request that a subsequent shelter care hearing be scheduled. The request shall be made to the clerk of the court where the petition is filed prior to the initial shelter care hearing. Upon the request of the parent, the court shall schedule the hearing within (~~(seventy-two)~~) 72 hours of the request, excluding Saturdays, Sundays, and holidays. The clerk shall notify all other parties of the hearing by any reasonable means.

(2)(a) If it is likely that the child will remain in shelter care longer than (~~(seventy-two)~~) 72 hours, the department shall submit a recommendation to the court as to the further need for shelter care in all cases in which the child will

remain in shelter care longer than the (~~seventy-two~~) 72 hour period. In all other cases, the recommendation shall be submitted by the juvenile court probation counselor.

(b) All parties have the right to present testimony to the court regarding the need or lack of need for shelter care.

(c) Hearsay evidence before the court regarding the need or lack of need for shelter care must be supported by sworn testimony, affidavit, or declaration of the person offering such evidence.

(3)(a) At the commencement of the hearing, the court shall notify the parent, guardian, or custodian of the following:

(i) The parent, guardian, or custodian has the right to a shelter care hearing;

(ii) The nature of the shelter care hearing, the rights of the parents, and the proceedings that will follow; and

(iii) If the parent, guardian, or custodian is not represented by counsel, the right to be represented. If the parent, guardian, or custodian is indigent, the court shall appoint counsel as provided in RCW 13.34.090; and

(b) If a parent, guardian, or legal custodian desires to waive the shelter care hearing, the court shall determine, on the record and with the parties present, whether such waiver is knowing and voluntary. A parent may not waive his or her right to the shelter care hearing unless he or she appears in court and the court determines that the waiver is knowing and voluntary. Regardless of whether the court accepts the parental waiver of the shelter care hearing, the court must provide notice to the parents of their rights required under (a) of this subsection and make the finding required under subsection (4) of this section.

(4) At the shelter care hearing the court shall examine the need for shelter care and inquire into the status of the case. The paramount consideration for the court shall be the health, welfare, and safety of the child. At a minimum, the court shall inquire into the following:

(a) Whether the notice required under RCW 13.34.062 was given to all known parents, guardians, or legal custodians of the child. The court shall make an express finding as to whether the notice

required under RCW 13.34.062 was given to the parent, guardian, or legal custodian. If actual notice was not given to the parent, guardian, or legal custodian and the whereabouts of such person is known or can be ascertained, the court shall order the department to make reasonable efforts to advise the parent, guardian, or legal custodian of the status of the case, including the date and time of any subsequent hearings, and their rights under RCW 13.34.090;

(b) Whether the child can be safely returned home while the adjudication of the dependency is pending;

(c) What efforts have been made to place the child with a relative. The court shall ask the parents whether the department discussed with them the placement of the child with a relative or other suitable person described in RCW 13.34.130(1)(b) and shall determine what efforts have been made toward such a placement;

(d) What services were provided to the family to prevent or eliminate the need for removal of the child from the child's home. If the dependency petition or other information before the court alleges that homelessness or the lack of suitable housing was a significant factor contributing to the removal of the child, the court shall inquire as to whether housing assistance was provided to the family to prevent or eliminate the need for removal of the child or children;

(e) Is the placement proposed by the department the least disruptive and most family-like setting that meets the needs of the child;

(f) Whether it is in the best interest of the child to remain enrolled in the school, developmental program, or child care the child was in prior to placement and what efforts have been made to maintain the child in the school, program, or child care if it would be in the best interest of the child to remain in the same school, program, or child care;

(g) Appointment of a guardian ad litem or attorney;

(h) Whether the child is or may be an Indian child as defined in RCW 13.38.040, whether the provisions of the federal Indian child welfare act or chapter 13.38 RCW apply, and whether there is compliance with the federal Indian child

welfare act and chapter 13.38 RCW, including notice to the child's tribe;

(i) Whether, as provided in RCW 26.44.063, restraining orders, or orders expelling an allegedly abusive household member from the home of a nonabusive parent, guardian, or legal custodian, will allow the child to safely remain in the home;

(j) Whether any orders for examinations, evaluations, or immediate services are needed. The court may not order a parent to undergo examinations, evaluation, or services at the shelter care hearing unless the parent agrees to the examination, evaluation, or service;

(k) The terms and conditions for parental, sibling, and family visitation.

(5) (a) The court shall release a child alleged to be dependent to the care, custody, and control of the child's parent, guardian, or legal custodian unless the court finds there is reasonable cause to believe that:

(i) After consideration of the specific services that have been provided, reasonable efforts have been made to prevent or eliminate the need for removal of the child from the child's home and to make it possible for the child to return home; and

(ii) (A) The child has no parent, guardian, or legal custodian to provide supervision and care for such child; or

(B) The release of such child would present a serious threat of substantial harm to such child, notwithstanding an order entered pursuant to RCW 26.44.063; or

(C) The parent, guardian, or custodian to whom the child could be released has been charged with violating RCW 9A.40.060 or 9A.40.070.

(b) If the court does not release the child to his or her parent, guardian, or legal custodian, the court shall order placement with a relative or other suitable person as described in RCW 13.34.130(1)(b), unless there is reasonable cause to believe the health, safety, or welfare of the child would be jeopardized or that the efforts to reunite the parent and child will be hindered. If such relative or other suitable person appears otherwise suitable and competent to provide care and treatment, the fingerprint-based

background check need not be completed before placement, but as soon as possible after placement. The court must also determine whether placement with the relative or other suitable person is in the child's best interests. The relative or other suitable person must be willing and available to:

(i) Care for the child and be able to meet any special needs of the child;

(ii) Facilitate the child's visitation with siblings, if such visitation is part of the department's plan or is ordered by the court; and

(iii) Cooperate with the department in providing necessary background checks and home studies.

(c) If the child was not initially placed with a relative or other suitable person, and the court does not release the child to his or her parent, guardian, or legal custodian, the department shall make reasonable efforts to locate a relative or other suitable person pursuant to RCW 13.34.060(1). In determining placement, the court shall weigh the child's length of stay and attachment to the current provider in determining what is in the best interest of the child.

(d) If a relative or other suitable person is not available, the court shall order continued shelter care and shall set forth its reasons for the order. If the court orders placement of the child with a person not related to the child and not licensed to provide foster care, the placement is subject to all terms and conditions of this section that apply to relative placements.

(e) Any placement with a relative, or other suitable person approved by the court pursuant to this section, shall be contingent upon cooperation with the department's or agency's case plan and compliance with court orders related to the care and supervision of the child including, but not limited to, court orders regarding parent-child contacts, sibling contacts, and any other conditions imposed by the court. Noncompliance with the case plan or court order is grounds for removal of the child from the home of the relative or other suitable person, subject to review by the court.

(f) If the child is placed in a qualified residential treatment program as defined in this chapter, the court

shall, within (~~sixty~~) 60 days of placement, hold a hearing to:

(i) Consider the assessment required under RCW 13.34.420 and submitted as part of the department's social study, and any related documentation;

(ii) Determine whether placement in foster care can meet the child's needs or if placement in another available placement setting best meets the child's needs in the least restrictive environment; and

(iii) Approve or disapprove the child's placement in the qualified residential treatment program.

(g) Uncertainty by a parent, guardian, legal custodian, relative, or other suitable person that the alleged abuser has in fact abused the child shall not, alone, be the basis upon which a child is removed from the care of a parent, guardian, or legal custodian under (a) of this subsection, nor shall it be a basis, alone, to preclude placement with a relative or other suitable person under (b) of this subsection.

(6)(a) A shelter care order issued pursuant to this section shall include the requirement for a case conference as provided in RCW 13.34.067. However, if the parent is not present at the shelter care hearing, or does not agree to the case conference, the court shall not include the requirement for the case conference in the shelter care order.

(b) If the court orders a case conference, the shelter care order shall include notice to all parties and establish the date, time, and location of the case conference which shall be no later than (~~thirty~~) 30 days before the fact-finding hearing.

(c) The court may order another conference, case staffing, or hearing as an alternative to the case conference required under RCW 13.34.067 so long as the conference, case staffing, or hearing ordered by the court meets all requirements under RCW 13.34.067, including the requirement of a written agreement specifying the services to be provided to the parent.

(7)(a)(i) A shelter care order issued pursuant to this section may be amended at any time with notice and hearing thereon. The shelter care decision of placement shall be modified only upon a showing of change in circumstances. No

child may be placed in shelter care for longer than thirty days without an order, signed by the judge, authorizing continued shelter care.

(ii) If the court previously ordered that visitation between a parent and child be supervised or monitored, there shall be a presumption that such supervision or monitoring will no longer be necessary following a continued shelter care order under (a)(i) of this subsection. To overcome this presumption, a party must provide a report to the court including evidence establishing that removing visit supervision or monitoring would create a risk to the child's safety, and the court shall make a determination as to whether visit supervision or monitoring must continue.

(b)(i) An order releasing the child on any conditions specified in this section may at any time be amended, with notice and hearing thereon, so as to return the child to shelter care for failure of the parties to conform to the conditions originally imposed.

(ii) The court shall consider whether nonconformance with any conditions resulted from circumstances beyond the control of the parent, guardian, or legal custodian and give weight to that fact before ordering return of the child to shelter care.

(8)(a) If a child is returned home from shelter care a second time in the case, or if the supervisor of the caseworker deems it necessary, the multidisciplinary team may be reconvened.

(b) If a child is returned home from shelter care a second time in the case a law enforcement officer must be present and file a report to the department.

(9)(a) If a child is placed out of the home of a parent, guardian, or legal custodian following a shelter care hearing, the court shall order the petitioner to provide regular visitation with the parent, guardian, or legal custodian, and siblings. Early, consistent, and frequent visitation is crucial for maintaining parent-child relationships and allowing family reunification. The court shall order a visitation plan individualized to the needs of the family with a goal of providing the maximum parent, child, and sibling contact possible.

(b) Visitation under this subsection shall not be limited as a sanction for a parent's failure to comply with recommended services during shelter care.

(c) Visitation under this subsection may only be limited where necessary to ensure the health, safety, or welfare of the child.

(d) The first visit must take place within 72 hours of the child being delivered into the custody of the department, unless the court finds that extraordinary circumstances require delay.

(e) If the first visit under (d) of this subsection occurs in an in-person format, this first visit must be supervised unless the department determines that visit supervision is not necessary.

Sec. 2. RCW 13.34.136 and 2020 c 312 s 117 are each amended to read as follows:

(1) Whenever a child is ordered to be removed from the home, a permanency plan shall be developed no later than ~~((sixty))~~ 60 days from the time the department assumes responsibility for providing services, including placing the child, or at the time of a hearing under RCW 13.34.130, whichever occurs first. The permanency planning process continues until a permanency planning goal is achieved or dependency is dismissed. The planning process shall include reasonable efforts to return the child to the parent's home.

(2) The department shall submit a written permanency plan to all parties and the court not less than ~~((fourteen))~~ 14 days prior to the scheduled hearing. Responsive reports of parties not in agreement with the department's proposed permanency plan must be provided to the department, all other parties, and the court at least seven days prior to the hearing.

The permanency plan shall include:

(a) A permanency plan of care that shall identify one of the following outcomes as a primary goal and may identify additional outcomes as alternative goals: Return of the child to the home of the child's parent, guardian, or legal custodian; adoption, including a tribal customary adoption as defined in RCW 13.38.040; guardianship pursuant to

chapter 13.36 RCW; guardianship of a minor pursuant to RCW 11.130.215; long-term relative or foster care, if the child is between ages ~~((sixteen))~~ 16 and ~~((eighteen))~~ 18, with a written agreement between the parties and the care provider; successful completion of a responsible living skills program; or independent living, if appropriate and if the child is age ~~((sixteen))~~ 16 or older. Although a permanency plan of care may only identify long-term relative or foster care for children between ages ~~((sixteen))~~ 16 and ~~((eighteen))~~ 18, children under ~~((sixteen))~~ 16 may remain placed with relatives or in foster care. The department shall not discharge a child to an independent living situation before the child is ~~((eighteen))~~ 18 years of age unless the child becomes emancipated pursuant to chapter 13.64 RCW;

(b) Unless the court has ordered, pursuant to RCW 13.34.130(8), that a termination petition be filed, a specific plan as to where the child will be placed, what steps will be taken to return the child home, what steps the department will take to promote existing appropriate sibling relationships and/or facilitate placement together or contact in accordance with the best interests of each child, and what actions the department will take to maintain parent-child ties. All aspects of the plan shall include the goal of achieving permanence for the child.

(i) The department's plan shall specify what services the parents will be offered to enable them to resume custody, what requirements the parents must meet to resume custody, and a time limit for each service plan and parental requirement.

(A) If the parent is incarcerated, the plan must address how the parent will participate in the case conference and permanency planning meetings and, where possible, must include treatment that reflects the resources available at the facility where the parent is confined. The plan must provide for visitation opportunities, unless visitation is not in the best interests of the child.

(B) If a parent has a developmental disability according to the definition provided in RCW 71A.10.020, and that individual is eligible for services provided by the department of social and health services developmental disabilities administration, the

department shall make reasonable efforts to consult with the department of social and health services developmental disabilities administration to create an appropriate plan for services. For individuals who meet the definition of developmental disability provided in RCW 71A.10.020 and who are eligible for services through the developmental disabilities administration, the plan for services must be tailored to correct the parental deficiency taking into consideration the parent's disability and the department shall also determine an appropriate method to offer those services based on the parent's disability.

(ii) (A) Visitation is the right of the family, including the child and the parent, in cases in which visitation is in the best interest of the child. Early, consistent, and frequent visitation is crucial for maintaining parent-child relationships and making it possible for parents and children to safely reunify. The department shall encourage the maximum parent and child and sibling contact possible, when it is in the best interest of the child, including regular visitation and participation by the parents in the care of the child while the child is in placement.

(B) Visitation shall not be limited as a sanction for a parent's failure to comply with court orders or services where the health, safety, or welfare of the child is not at risk as a result of the visitation.

(C) Visitation may be limited or denied only if the court determines that such limitation or denial is necessary to protect the child's health, safety, or welfare. Visitation must occur in the least restrictive setting and be unsupervised unless the presence of threats or danger to the child requires the constant presence of an adult to ensure the safety of the child. When a parent or sibling has been identified as a suspect in an active criminal investigation for a violent crime that, if the allegations are true, would impact the safety of the child, the department shall make a concerted effort to consult with the assigned law enforcement officer in the criminal case before recommending any changes in parent/child or child/sibling contact. In the event that the law enforcement officer has information pertaining to the criminal case that may have serious implications

for child safety or well-being, the law enforcement officer shall provide this information to the department during the consultation. The department may only use the information provided by law enforcement during the consultation to inform family visitation plans and may not share or otherwise distribute the information to any person or entity. Any information provided to the department by law enforcement during the consultation is considered investigative information and is exempt from public inspection pursuant to RCW 42.56.240. The results of the consultation shall be communicated to the court.

(D) The court and the department should rely upon community resources, relatives, foster parents, and other appropriate persons to provide transportation and supervision for visitation to the extent that such resources are available, and appropriate, and the child's safety would not be compromised.

(E) If the court previously ordered that visitation between a parent and child be supervised or monitored, there shall be a presumption that such supervision or monitoring will no longer be necessary when the permanency plan is entered. To overcome this presumption, a party must provide a report to the court including evidence establishing that removing visit supervision or monitoring would create a risk to the child's safety, and the court shall make a determination as to whether visit supervision or monitoring must continue.

(F) The court shall advise the petitioner that the failure to provide court-ordered visitation may result in a finding that the petitioner failed to make reasonable efforts to finalize the permanency plan. The lack of sufficient contracted visitation providers will not excuse the failure to provide court-ordered visitation.

(iii) (A) The department, court, or caregiver in the out-of-home placement may not limit visitation or contact between a child and sibling as a sanction for a child's behavior or as an incentive to the child to change his or her behavior.

(B) Any exceptions, limitation, or denial of contacts or visitation must be approved by the supervisor of the department caseworker and documented. The child, parent, department, guardian

ad litem, or court-appointed special advocate may challenge the denial of visits in court.

(iv) A child shall be placed as close to the child's home as possible, preferably in the child's own neighborhood, unless the court finds that placement at a greater distance is necessary to promote the child's or parents' well-being.

(v) The plan shall state whether both in-state and, where appropriate, out-of-state placement options have been considered by the department.

(vi) Unless it is not in the best interests of the child, whenever practical, the plan should ensure the child remains enrolled in the school the child was attending at the time the child entered foster care.

(vii) The department shall provide all reasonable services that are available within the department, or within the community, or those services which the department has existing contracts to purchase. It shall report to the court if it is unable to provide such services; and

(c) If the court has ordered, pursuant to RCW 13.34.130(9), that a termination petition be filed, a specific plan as to where the child will be placed, what steps will be taken to achieve permanency for the child, services to be offered or provided to the child, and, if visitation would be in the best interests of the child, a recommendation to the court regarding visitation between parent and child pending a fact-finding hearing on the termination petition. The department shall not be required to develop a plan of services for the parents or provide services to the parents if the court orders a termination petition be filed. However, reasonable efforts to ensure visitation and contact between siblings shall be made unless there is reasonable cause to believe the best interests of the child or siblings would be jeopardized.

(3) Permanency planning goals should be achieved at the earliest possible date. If the child has been in out-of-home care for ~~((fifteen))~~ 15 of the most recent ~~((twenty-two))~~ 22 months, and the court has not made a good cause exception, the court shall require the department to file a petition seeking termination of parental rights in accordance with RCW 13.34.145(4)(b)(vi).

In cases where parental rights have been terminated, the child is legally free for adoption, and adoption has been identified as the primary permanency planning goal, it shall be a goal to complete the adoption within six months following entry of the termination order.

(4) If the court determines that the continuation of reasonable efforts to prevent or eliminate the need to remove the child from his or her home or to safely return the child home should not be part of the permanency plan of care for the child, reasonable efforts shall be made to place the child in a timely manner and to complete whatever steps are necessary to finalize the permanent placement of the child.

(5) The identified outcomes and goals of the permanency plan may change over time based upon the circumstances of the particular case.

(6) The court shall consider the child's relationships with the child's siblings in accordance with RCW 13.34.130(7). Whenever the permanency plan for a child is adoption, the court shall encourage the prospective adoptive parents, birth parents, foster parents, kinship caregivers, and the department or other agency to seriously consider the long-term benefits to the child adoptee and his or her siblings of providing for and facilitating continuing postadoption contact between the siblings. To the extent that it is feasible, and when it is in the best interests of the child adoptee and his or her siblings, contact between the siblings should be frequent and of a similar nature as that which existed prior to the adoption. If the child adoptee or his or her siblings are represented by an attorney or guardian ad litem in a proceeding under this chapter or in any other child custody proceeding, the court shall inquire of each attorney and guardian ad litem regarding the potential benefits of continuing contact between the siblings and the potential detriments of severing contact. This section does not require the department or other agency to agree to any specific provisions in an open adoption agreement and does not create a new obligation for the department to provide supervision or transportation for visits between siblings separated by adoption from foster care.

(7) For purposes related to permanency planning, "guardianship" means a guardianship pursuant to chapter 13.36

RCW or a guardianship of a minor pursuant to RCW 11.130.215, or equivalent laws of another state or a federally recognized Indian tribe.

Sec. 3. RCW 13.34.138 and 2019 c 172 s 13 are each amended to read as follows:

(1) The status of all children found to be dependent shall be reviewed by the court at least every six months from the beginning date of the placement episode or the date dependency is established, whichever is first. The purpose of the hearing shall be to review the progress of the parties and determine whether court supervision should continue.

(a) The initial review hearing shall be an in-court review and shall be set six months from the beginning date of the placement episode or no more than ~~((ninety))~~ 90 days from the entry of the disposition order, whichever comes first. The requirements for the initial review hearing, including the in-court review requirement, shall be accomplished within existing resources.

(b) The initial review hearing may be a permanency planning hearing when necessary to meet the time frames set forth in RCW 13.34.145(1)(a) or 13.34.134.

(2)(a) A child shall not be returned home at the review hearing unless the court finds that a reason for removal as set forth in RCW 13.34.130 no longer exists. The parents, guardian, or legal custodian shall report to the court the efforts they have made to correct the conditions which led to removal. If a child is returned, casework supervision by the department shall continue for a period of six months, at which time there shall be a hearing on the need for continued intervention.

(b) Prior to the child returning home, the department must complete the following:

(i) Identify all adults residing in the home and conduct background checks on those persons;

(ii) Identify any persons who may act as a caregiver for the child in addition to the parent with whom the child is being placed and determine whether such persons are in need of any services in order to ensure the safety of the child, regardless of whether such persons are a party to the dependency. The department may recommend to the court and the court

may order that placement of the child in the parent's home be contingent on or delayed based on the need for such persons to engage in or complete services to ensure the safety of the child prior to placement. If services are recommended for the caregiver, and the caregiver fails to engage in or follow through with the recommended services, the department must promptly notify the court; and

(iii) Notify the parent with whom the child is being placed that he or she has an ongoing duty to notify the department of all persons who reside in the home or who may act as a caregiver for the child both prior to the placement of the child in the home and subsequent to the placement of the child in the home as long as the court retains jurisdiction of the dependency proceeding or the department is providing or monitoring either remedial services to the parent or services to ensure the safety of the child to any caregivers.

Caregivers may be required to engage in services under this subsection solely for the purpose of ensuring the present and future safety of a child who is a ward of the court. This subsection does not grant party status to any individual not already a party to the dependency proceeding, create an entitlement to services or a duty on the part of the department to provide services, or create judicial authority to order the provision of services to any person other than for the express purposes of this section or RCW 13.34.025 or if the services are unavailable or unsuitable or the person is not eligible for such services.

(c) If the child is not returned home, the court shall establish in writing:

(i) Whether the department is making reasonable efforts to provide services to the family and eliminate the need for placement of the child. If additional services, including housing assistance, are needed to facilitate the return of the child to the child's parents, the court shall order that reasonable services be offered specifying such services;

(ii) Whether there has been compliance with the case plan by the child, the child's parents, and the agency supervising the placement;

(iii) Whether progress has been made toward correcting the problems that necessitated the child's placement in out-of-home care;

(iv) Whether the services set forth in the case plan and the responsibilities of the parties need to be clarified or modified due to the availability of additional information or changed circumstances;

(v) Whether there is a continuing need for placement;

(vi) Within (~~sixty~~) 60 days of the placement of a child in a qualified residential treatment program as defined in this chapter, and at each review hearing thereafter if the child remains in such a program, the following:

(A) Whether ongoing assessment of the child's strengths and needs continues to support the determination that the child's needs cannot be met through placement in a foster family home;

(B) Whether the child's placement provides the most effective and appropriate level of care in the least restrictive environment;

(C) Whether the placement is consistent with the child's permanency plan;

(D) What specific treatment or service needs will be met in the placement, and how long the child is expected to need the treatment or services; and

(E) What efforts the department has made to prepare the child to return home or be placed with a fit and willing relative as defined in RCW 13.34.030, a Title 13 RCW legal guardian, an adoptive parent, or in a foster family home.

(vii) Whether a parent's homelessness or lack of suitable housing is a significant factor delaying permanency for the child by preventing the return of the child to the home of the child's parent and whether housing assistance should be provided by the department;

(viii) Whether the child is in an appropriate placement which adequately meets all physical, emotional, and educational needs;

(ix) Whether preference has been given to placement with the child's relatives if such placement is in the child's best interests;

(x) Whether both in-state and, where appropriate, out-of-state placements have been considered;

(xi) Whether the parents have visited the child and any reasons why visitation has not occurred or has been infrequent;

(xii) Whether terms of visitation need to be modified. If the court previously ordered that visitation between a parent and child must be supervised or monitored, there shall be a presumption that such supervision or monitoring will no longer be necessary after the review hearing. To overcome this presumption, a party must provide a report to the court including evidence establishing that removing visit supervision or monitoring would create a risk to the child's safety, and the court shall make a determination as to whether visit supervision or monitoring must continue;

(xiii) Whether the court-approved long-term permanent plan for the child remains the best plan for the child;

(xiv) Whether any additional court orders need to be made to move the case toward permanency; and

(xv) The projected date by which the child will be returned home or other permanent plan of care will be implemented.

(d) The court at the review hearing may order that a petition seeking termination of the parent and child relationship be filed.

(3) (a) In any case in which the court orders that a dependent child may be returned to or remain in the child's home, the in-home placement shall be contingent upon the following:

(i) The compliance of the parents with court orders related to the care and supervision of the child, including compliance with the department's case plan; and

(ii) The continued participation of the parents, if applicable, in available substance abuse or mental health treatment if substance abuse or mental illness was a contributing factor to the removal of the child.

(b) The following may be grounds for removal of the child from the home, subject to review by the court:

(i) Noncompliance by the parents with the department's case plan or court order;

(ii) The parent's inability, unwillingness, or failure to participate in available services or treatment for

themselves or the child, including substance abuse treatment if a parent's substance abuse was a contributing factor to the abuse or neglect; or

(iii) The failure of the parents to successfully and substantially complete available services or treatment for themselves or the child, including substance abuse treatment if a parent's substance abuse was a contributing factor to the abuse or neglect.

(c) In a pending dependency case in which the court orders that a dependent child may be returned home and that child is later removed from the home, the court shall hold a review hearing within thirty days from the date of removal to determine whether the permanency plan should be changed, a termination petition should be filed, or other action is warranted. The best interests of the child shall be the court's primary consideration in the review hearing.

(4) The court's authority to order housing assistance under this chapter is: (a) Limited to cases in which a parent's homelessness or lack of suitable housing is a significant factor delaying permanency for the child and housing assistance would aid the parent in providing an appropriate home for the child; and (b) subject to the availability of funds appropriated for this specific purpose. Nothing in this chapter shall be construed to create an entitlement to housing assistance nor to create judicial authority to order the provision of such assistance to any person or family if the assistance or funding are unavailable or the child or family are not eligible for such assistance.

(5) The court shall consider the child's relationship with siblings in accordance with RCW 13.34.130(~~(6)~~) (7).

(6) The court shall advise the petitioner that the failure to provide court-ordered visitation may result in a finding that the petitioner failed to make reasonable efforts to finalize the permanency plan. The lack of sufficient contracted visitation providers will not excuse the failure to provide court-ordered visitation.

NEW SECTION. **Sec. 4.** If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2021,

in the omnibus appropriations act, this act is null and void."

On page 1, line 2 of the title, after "proceedings;" strike the remainder of the title and insert "amending RCW 13.34.065, 13.34.136, and 13.34.138; and creating a new section."

and the same is herewith transmitted.

Brad Hendrickson, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1194 and advanced the bill, as amended by the Senate, to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Ortiz-Self and Dent spoke in favor of the passage of the bill.

The Speaker stated the question before the House to be the final passage of Engrossed Second Substitute House Bill No. 1194, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 1194, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 96; Nays, 0; Absent, 0; Excused, 2.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dufault, Dye, Entenman, Eslick, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Klippert, Kraft, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McCaslin, McEntire, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Excused: Representatives Fey and Kloba.

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1194, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 10, 2021

Madame Speaker:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL NO. 1196 with the following amendment:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 41.05.700 and 2020 c 92 s 2 are each amended to read as follows:

(1)(a) A health plan offered to employees, school employees, and their covered dependents under this chapter issued or renewed on or after January 1, 2017, shall reimburse a provider for a health care service provided to a covered person through telemedicine or store and forward technology if:

(i) The plan provides coverage of the health care service when provided in person by the provider;

(ii) The health care service is medically necessary;

(iii) The health care service is a service recognized as an essential health benefit under section 1302(b) of the federal patient protection and affordable care act in effect on January 1, 2015; ~~(and)~~

(iv) The health care service is determined to be safely and effectively provided through telemedicine or store and forward technology according to generally accepted health care practices and standards, and the technology used to provide the health care service meets the standards required by state and federal laws governing the privacy and security of protected health information; and

(v) Beginning January 1, 2023, for audio-only telemedicine, the covered person has an established relationship with the provider.

(b)(i) Except as provided in (b)(ii) of this subsection, a health plan offered to employees, school employees, and their covered dependents under this chapter issued or renewed on or after January 1, 2021, shall reimburse a provider for a health care service provided to a covered person through telemedicine ~~((at))~~ the same ~~((rate as))~~ amount of compensation the carrier would pay the provider if the health care service was provided in person by the provider.

(ii) Hospitals, hospital systems, telemedicine companies, and provider groups consisting of eleven or more providers may elect to negotiate ~~((a~~

~~reimbursement rate))~~ an amount of compensation for telemedicine services that differs from the ~~((reimbursement rate))~~ amount of compensation for in-person services.

(iii) For purposes of this subsection (1)(b), the number of providers in a provider group refers to all providers within the group, regardless of a provider's location.

(2) For purposes of this section, reimbursement of store and forward technology is available only for those covered services specified in the negotiated agreement between the health plan and health care provider.

(3) An originating site for a telemedicine health care service subject to subsection (1) of this section includes a:

(a) Hospital;

(b) Rural health clinic;

(c) Federally qualified health center;

(d) Physician's or other health care provider's office;

(e) ~~((Community mental health center))~~ Licensed or certified behavioral health agency;

(f) Skilled nursing facility;

(g) Home or any location determined by the individual receiving the service; or

(h) Renal dialysis center, except an independent renal dialysis center.

(4) Except for subsection (3)(g) of this section, any originating site under subsection (3) of this section may charge a facility fee for infrastructure and preparation of the patient. Reimbursement for a facility fee must be subject to a negotiated agreement between the originating site and the health plan. A distant site, a hospital that is an originating site for audio-only telemedicine, or any other site not identified in subsection (3) of this section may not charge a facility fee.

(5) The plan may not distinguish between originating sites that are rural and urban in providing the coverage required in subsection (1) of this section.

(6) The plan may subject coverage of a telemedicine or store and forward technology health service under subsection (1) of this section to all

terms and conditions of the plan including, but not limited to, utilization review, prior authorization, deductible, copayment, or coinsurance requirements that are applicable to coverage of a comparable health care service provided in person.

(7) This section does not require the plan to reimburse:

(a) An originating site for professional fees;

(b) A provider for a health care service that is not a covered benefit under the plan; or

(c) An originating site or health care provider when the site or provider is not a contracted provider under the plan.

(8)(a) If a provider intends to bill a patient or the patient's health plan for an audio-only telemedicine service, the provider must obtain patient consent for the billing in advance of the service being delivered.

(b) If the health care authority has cause to believe that a provider has engaged in a pattern of unresolved violations of this subsection (8), the health care authority may submit information to the appropriate disciplining authority, as defined in RCW 18.130.020, for action. Prior to submitting information to the appropriate disciplining authority, the health care authority may provide the provider with an opportunity to cure the alleged violations or explain why the actions in question did not violate this subsection (8).

(c) If the provider has engaged in a pattern of unresolved violations of this subsection (8), the appropriate disciplining authority may levy a fine or cost recovery upon the provider in an amount not to exceed the applicable statutory amount per violation and take other action as permitted under the authority of the disciplining authority. Upon completion of its review of any potential violation submitted by the health care authority or initiated directly by an enrollee, the disciplining authority shall notify the health care authority of the results of the review, including whether the violation was substantiated and any enforcement action taken as a result of a finding of a substantiated violation.

(9) For purposes of this section:

(a) (i) "Audio-only telemedicine" means the delivery of health care services through the use of audio-only technology, permitting real-time communication between the patient at the originating site and the provider, for the purpose of diagnosis, consultation, or treatment.

(ii) For purposes of this section only, "audio-only telemedicine" does not include:

(A) The use of facsimile or email; or

(B) The delivery of health care services that are customarily delivered by audio-only technology and customarily not billed as separate services by the provider, such as the sharing of laboratory results.

(b) "Disciplining authority" has the same meaning as in RCW 18.130.020;

(c) "Distant site" means the site at which a physician or other licensed provider, delivering a professional service, is physically located at the time the service is provided through telemedicine;

~~((b))~~ (d) "Established relationship" means the covered person has had at least one in-person appointment within the past year with the provider providing audio-only telemedicine or with a provider employed at the same clinic as the provider providing audio-only telemedicine or the covered person was referred to the provider providing audio-only telemedicine by another provider who has had at least one in-person appointment with the covered person within the past year and has provided relevant medical information to the provider providing audio-only telemedicine.

(e) "Health care service" has the same meaning as in RCW 48.43.005;

~~((e))~~ (f) "Hospital" means a facility licensed under chapter 70.41, 71.12, or 72.23 RCW;

~~((d))~~ (g) "Originating site" means the physical location of a patient receiving health care services through telemedicine;

~~((e))~~ (h) "Provider" has the same meaning as in RCW 48.43.005;

~~((f))~~ (i) "Store and forward technology" means use of an asynchronous transmission of a covered person's medical information from an originating site to the health care provider at a

distant site which results in medical diagnosis and management of the covered person, and does not include the use of audio-only telephone, facsimile, or email; and

~~((g))~~ (j) "Telemedicine" means the delivery of health care services through the use of interactive audio and video technology, permitting real-time communication between the patient at the originating site and the provider, for the purpose of diagnosis, consultation, or treatment. For purposes of this section only, "telemedicine" ~~((does not include the use of))~~ includes audio-only ~~((telephone))~~ telemedicine, but does not include facsimile~~((r))~~ or email.

Sec. 2. RCW 48.43.735 and 2020 c 92 s 1 are each amended to read as follows:

(1)(a) For health plans issued or renewed on or after January 1, 2017, a health carrier shall reimburse a provider for a health care service provided to a covered person through telemedicine or store and forward technology if:

(i) The plan provides coverage of the health care service when provided in person by the provider;

(ii) The health care service is medically necessary;

(iii) The health care service is a service recognized as an essential health benefit under section 1302(b) of the federal patient protection and affordable care act in effect on January 1, 2015; ~~((and))~~

(iv) The health care service is determined to be safely and effectively provided through telemedicine or store and forward technology according to generally accepted health care practices and standards, and the technology used to provide the health care service meets the standards required by state and federal laws governing the privacy and security of protected health information; and

(v) Beginning January 1, 2023, for audio-only telemedicine, the covered person has an established relationship with the provider.

(b)(i) Except as provided in (b)(ii) of this subsection, for health plans issued or renewed on or after January 1, 2021, a health carrier shall reimburse a provider for a health care service provided to a covered person through telemedicine ~~((at))~~ the same ~~((rate as))~~ amount of compensation the carrier would

pay the provider if the health care service was provided in person by the provider.

(ii) Hospitals, hospital systems, telemedicine companies, and provider groups consisting of eleven or more providers may elect to negotiate ~~((a reimbursement rate))~~ an amount of compensation for telemedicine services that differs from the ~~((reimbursement rate))~~ amount of compensation for in-person services.

(iii) For purposes of this subsection (1)(b), the number of providers in a provider group refers to all providers within the group, regardless of a provider's location.

(2) For purposes of this section, reimbursement of store and forward technology is available only for those covered services specified in the negotiated agreement between the health carrier and the health care provider.

(3) An originating site for a telemedicine health care service subject to subsection (1) of this section includes a:

(a) Hospital;

(b) Rural health clinic;

(c) Federally qualified health center;

(d) Physician's or other health care provider's office;

(e) ~~((Community mental health center))~~ Licensed or certified behavioral health agency;

(f) Skilled nursing facility;

(g) Home or any location determined by the individual receiving the service; or

(h) Renal dialysis center, except an independent renal dialysis center.

(4) Except for subsection (3)(g) of this section, any originating site under subsection (3) of this section may charge a facility fee for infrastructure and preparation of the patient. Reimbursement for a facility fee must be subject to a negotiated agreement between the originating site and the health carrier. A distant site, a hospital that is an originating site for audio-only telemedicine, or any other site not identified in subsection (3) of this section may not charge a facility fee.

(5) A health carrier may not distinguish between originating sites

that are rural and urban in providing the coverage required in subsection (1) of this section.

(6) A health carrier may subject coverage of a telemedicine or store and forward technology health service under subsection (1) of this section to all terms and conditions of the plan in which the covered person is enrolled including, but not limited to, utilization review, prior authorization, deductible, copayment, or coinsurance requirements that are applicable to coverage of a comparable health care service provided in person.

(7) This section does not require a health carrier to reimburse:

(a) An originating site for professional fees;

(b) A provider for a health care service that is not a covered benefit under the plan; or

(c) An originating site or health care provider when the site or provider is not a contracted provider under the plan.

(8) (a) If a provider intends to bill a patient or the patient's health plan for an audio-only telemedicine service, the provider must obtain patient consent for the billing in advance of the service being delivered.

(b) If the commissioner has cause to believe that a provider has engaged in a pattern of unresolved violations of this subsection (8), the commissioner may submit information to the appropriate disciplining authority, as defined in RCW 18.130.020, for action. Prior to submitting information to the appropriate disciplining authority, the commissioner may provide the provider with an opportunity to cure the alleged violations or explain why the actions in question did not violate this subsection (8).

(c) If the provider has engaged in a pattern of unresolved violations of this subsection (8), the appropriate disciplining authority may levy a fine or cost recovery upon the provider in an amount not to exceed the applicable statutory amount per violation and take other action as permitted under the authority of the disciplining authority. Upon completion of its review of any potential violation submitted by the commissioner or initiated directly by an enrollee, the disciplining authority

shall notify the commissioner of the results of the review, including whether the violation was substantiated and any enforcement action taken as a result of a finding of a substantiated violation.

(9) For purposes of this section:

(a) (i) "Audio-only telemedicine" means the delivery of health care services through the use of audio-only technology, permitting real-time communication between the patient at the originating site and the provider, for the purpose of diagnosis, consultation, or treatment.

(ii) For purposes of this section only, "audio-only telemedicine" does not include:

(A) The use of facsimile or email; or

(B) The delivery of health care services that are customarily delivered by audio-only technology and customarily not billed as separate services by the provider, such as the sharing of laboratory results.

(b) "Disciplining authority" has the same meaning as in RCW 18.130.020;

(c) "Distant site" means the site at which a physician or other licensed provider, delivering a professional service, is physically located at the time the service is provided through telemedicine;

~~((b))~~ (d) "Established relationship" means the covered person has had at least one in-person appointment within the past year with the provider providing audio-only telemedicine or with a provider employed at the same clinic as the provider providing audio-only telemedicine or the covered person was referred to the provider providing audio-only telemedicine by another provider who has had at least one in-person appointment with the covered person within the past year and has provided relevant medical information to the provider providing audio-only telemedicine.

(e) "Health care service" has the same meaning as in RCW 48.43.005;

~~((c))~~ (f) "Hospital" means a facility licensed under chapter 70.41, 71.12, or 72.23 RCW;

~~((d))~~ (g) "Originating site" means the physical location of a patient receiving health care services through telemedicine;

~~((e))~~ (h) "Provider" has the same meaning as in RCW 48.43.005;

~~((f))~~ (i) "Store and forward technology" means use of an asynchronous transmission of a covered person's medical information from an originating site to the health care provider at a distant site which results in medical diagnosis and management of the covered person, and does not include the use of audio-only telephone, facsimile, or email; and

~~((g))~~ (j) "Telemedicine" means the delivery of health care services through the use of interactive audio and video technology, permitting real-time communication between the patient at the originating site and the provider, for the purpose of diagnosis, consultation, or treatment. For purposes of this section only, "telemedicine" ~~((does not include the use of))~~ includes audio-only ~~((telephone))~~ telemedicine, but does not include facsimile ~~((r))~~ or email.

(9) The commissioner may adopt any rules necessary to implement this section.

Sec. 3. RCW 70.41.020 and 2016 c 226 s 1 are each amended to read as follows:

Unless the context clearly indicates otherwise, the following terms, whenever used in this chapter, shall be deemed to have the following meanings:

(1) "Aftercare" means the assistance provided by a lay caregiver to a patient under this chapter after the patient's discharge from a hospital. The assistance may include, but is not limited to, assistance with activities of daily living, wound care, medication assistance, and the operation of medical equipment. "Aftercare" includes assistance only for conditions that were present at the time of the patient's discharge from the hospital. "Aftercare" does not include:

(a) Assistance related to conditions for which the patient did not receive medical care, treatment, or observation in the hospital; or

(b) Tasks the performance of which requires licensure as a health care provider.

(2)(a) "Audio-only telemedicine" means the delivery of health care services through the use of audio-only technology, permitting real-time communication between the patient at the originating

site and the provider, for the purpose of diagnosis, consultation, or treatment.

(b) "Audio-only telemedicine" does not include:

(i) The use of facsimile or email; or

(ii) The delivery of health care services that are customarily delivered by audio-only technology and customarily not billed as separate services by the provider, such as the sharing of laboratory results.

(3) "Department" means the Washington state department of health.

~~((3))~~ (4) "Discharge" means a patient's release from a hospital following the patient's admission to the hospital.

~~((4))~~ (5) "Distant site" means the site at which a physician or other licensed provider, delivering a professional service, is physically located at the time the service is provided through telemedicine.

~~((5))~~ (6) "Emergency care to victims of sexual assault" means medical examinations, procedures, and services provided by a hospital emergency room to a victim of sexual assault following an alleged sexual assault.

~~((6))~~ (7) "Emergency contraception" means any health care treatment approved by the food and drug administration that prevents pregnancy, including but not limited to administering two increased doses of certain oral contraceptive pills within seventy-two hours of sexual contact.

~~((7))~~ (8) "Hospital" means any institution, place, building, or agency which provides accommodations, facilities and services over a continuous period of twenty-four hours or more, for observation, diagnosis, or care, of two or more individuals not related to the operator who are suffering from illness, injury, deformity, or abnormality, or from any other condition for which obstetrical, medical, or surgical services would be appropriate for care or diagnosis. "Hospital" as used in this chapter does not include hotels, or similar places furnishing only food and lodging, or simply domiciliary care; nor does it include clinics, or physician's offices where patients are not regularly kept as bed patients for twenty-four hours or more; nor does it include nursing homes, as defined and which come

within the scope of chapter 18.51 RCW; nor does it include birthing centers, which come within the scope of chapter 18.46 RCW; nor does it include psychiatric hospitals, which come within the scope of chapter 71.12 RCW; nor any other hospital, or institution specifically intended for use in the diagnosis and care of those suffering from mental illness, intellectual disability, convulsive disorders, or other abnormal mental condition. Furthermore, nothing in this chapter or the rules adopted pursuant thereto shall be construed as authorizing the supervision, regulation, or control of the remedial care or treatment of residents or patients in any hospital conducted for those who rely primarily upon treatment by prayer or spiritual means in accordance with the creed or tenets of any well recognized church or religious denominations.

~~((8))~~ (9) "Lay caregiver" means any individual designated as such by a patient under this chapter who provides aftercare assistance to a patient in the patient's residence. "Lay caregiver" does not include a long-term care worker as defined in RCW 74.39A.009.

~~((9))~~ (10) "Originating site" means the physical location of a patient receiving health care services through telemedicine.

~~((10))~~ (11) "Person" means any individual, firm, partnership, corporation, company, association, or joint stock association, and the legal successor thereof.

~~((11))~~ (12) "Secretary" means the secretary of health.

~~((12))~~ (13) "Sexual assault" has the same meaning as in RCW 70.125.030.

~~((13))~~ (14) "Telemedicine" means the delivery of health care services through the use of interactive audio and video technology, permitting real-time communication between the patient at the originating site and the provider, for the purpose of diagnosis, consultation, or treatment. "Telemedicine" ~~((does not include the use of))~~ includes audio-only ((telephone)) telemedicine, but does not include facsimile((r)) or email.

~~((14))~~ (15) "Victim of sexual assault" means a person who alleges or is alleged to have been sexually assaulted and who presents as a patient.

Sec. 4. RCW 71.24.335 and 2019 c 325 s 1019 are each amended to read as follows:

(1) Upon initiation or renewal of a contract with the authority, behavioral health administrative services organizations and managed care organizations shall reimburse a provider for a behavioral health service provided to a covered person who is under eighteen years old through telemedicine or store and forward technology if:

(a) The behavioral health administrative services organization or managed care organization in which the covered person is enrolled provides coverage of the behavioral health service when provided in person by the provider; ~~((and))~~

(b) The behavioral health service is medically necessary; and

(c) Beginning January 1, 2023, for audio-only telemedicine, the covered person has an established relationship with the provider.

(2)(a) If the service is provided through store and forward technology there must be an associated visit between the covered person and the referring provider. Nothing in this section prohibits the use of telemedicine for the associated office visit.

(b) For purposes of this section, reimbursement of store and forward technology is available only for those services specified in the negotiated agreement between the behavioral health administrative services organization, or managed care organization, and the provider.

(3) An originating site for a telemedicine behavioral health service subject to subsection (1) of this section means an originating site as defined in rule by the department or the health care authority.

(4) Any originating site, other than a home, under subsection (3) of this section may charge a facility fee for infrastructure and preparation of the patient. Reimbursement must be subject to a negotiated agreement between the originating site and the behavioral health administrative services organization, or managed care organization, as applicable. A distant site, a hospital that is an originating site for audio-only telemedicine, or any

other site not identified in subsection (3) of this section may not charge a facility fee.

(5) Behavioral health administrative services organizations and managed care organizations may not distinguish between originating sites that are rural and urban in providing the coverage required in subsection (1) of this section.

(6) Behavioral health administrative services organizations and managed care organizations may subject coverage of a telemedicine or store and forward technology behavioral health service under subsection (1) of this section to all terms and conditions of the behavioral health administrative services organization or managed care organization in which the covered person is enrolled, including, but not limited to, utilization review, prior authorization, deductible, copayment, or coinsurance requirements that are applicable to coverage of a comparable behavioral health care service provided in person.

(7) This section does not require a behavioral health administrative services organization or a managed care organization to reimburse:

(a) An originating site for professional fees;

(b) A provider for a behavioral health service that is not a covered benefit; or

(c) An originating site or provider when the site or provider is not a contracted provider.

(8) (a) If a provider intends to bill a patient, a behavioral health administrative services organization, or a managed care organization for an audio-only telemedicine service, the provider must obtain patient consent for the billing in advance of the service being delivered.

(b) If the health care authority has cause to believe that a provider has engaged in a pattern of unresolved violations of this subsection (8), the health care authority may submit information to the appropriate disciplining authority, as defined in RCW 18.130.020, for action. Prior to submitting information to the appropriate disciplining authority, the health care authority may provide the provider with an opportunity to cure the

alleged violations or explain why the actions in question did not violate this subsection (8).

(c) If the provider has engaged in a pattern of unresolved violations of this subsection (8), the appropriate disciplining authority may levy a fine or cost recovery upon the provider in an amount not to exceed the applicable statutory amount per violation and take other action as permitted under the authority of the disciplining authority. Upon completion of its review of any potential violation submitted by the health care authority or initiated directly by an enrollee, the disciplining authority shall notify the health care authority of the results of the review, including whether the violation was substantiated and any enforcement action taken as a result of a finding of a substantiated violation.

(9) For purposes of this section:

(a) (i) "Audio-only telemedicine" means the delivery of health care services through the use of audio-only technology, permitting real-time communication between the patient at the originating site and the provider, for the purpose of diagnosis, consultation, or treatment.

(ii) For purposes of this section only, "audio-only telemedicine" does not include:

(A) The use of facsimile or email; or

(B) The delivery of health care services that are customarily delivered by audio-only technology and customarily not billed as separate services by the provider, such as the sharing of laboratory results.

(b) "Disciplining authority" has the same meaning as in RCW 18.130.020;

(c) "Distant site" means the site at which a physician or other licensed provider, delivering a professional service, is physically located at the time the service is provided through telemedicine;

~~((b))~~ (d) "Established relationship" means the covered person has had at least one in-person appointment within the past year with the provider providing audio-only telemedicine or with a provider employed at the same clinic as the provider providing audio-only telemedicine or the covered person was referred to the provider providing audio-only telemedicine by another provider who

has had at least one in-person appointment with the covered person within the past year and has provided relevant medical information to the provider providing audio-only telemedicine.

(e) "Hospital" means a facility licensed under chapter 70.41, 71.12, or 72.23 RCW;

~~((e))~~ (f) "Originating site" means the physical location of a patient receiving behavioral health services through telemedicine;

~~((d))~~ (g) "Provider" has the same meaning as in RCW 48.43.005;

~~((e))~~ (h) "Store and forward technology" means use of an asynchronous transmission of a covered person's medical or behavioral health information from an originating site to the provider at a distant site which results in medical or behavioral health diagnosis and management of the covered person, and does not include the use of audio-only telephone, facsimile, or email; and

~~((f))~~ (i) "Telemedicine" means the delivery of health care or behavioral health services through the use of interactive audio and video technology, permitting real-time communication between the patient at the originating site and the provider, for the purpose of diagnosis, consultation, or treatment. For purposes of this section only, "telemedicine" ~~((does not include the use of))~~ includes audio-only ~~((telephone))~~ telemedicine, but does not include facsimile~~((r))~~ or email.

(9) The authority must adopt rules as necessary to implement the provisions of this section.

Sec. 5. RCW 74.09.325 and 2020 c 92 s 3 are each amended to read as follows:

(1)(a) Upon initiation or renewal of a contract with the Washington state health care authority to administer a medicaid managed care plan, a managed health care system shall reimburse a provider for a health care service provided to a covered person through telemedicine or store and forward technology if:

(i) The medicaid managed care plan in which the covered person is enrolled provides coverage of the health care service when provided in person by the provider;

(ii) The health care service is medically necessary;

(iii) The health care service is a service recognized as an essential health benefit under section 1302(b) of the federal patient protection and affordable care act in effect on January 1, 2015; ~~((and))~~

(iv) The health care service is determined to be safely and effectively provided through telemedicine or store and forward technology according to generally accepted health care practices and standards, and the technology used to provide the health care service meets the standards required by state and federal laws governing the privacy and security of protected health information; and

(v) Beginning January 1, 2023, for audio-only telemedicine, the covered person has an established relationship with the provider.

(b)(i) Except as provided in (b)(ii) of this subsection, upon initiation or renewal of a contract with the Washington state health care authority to administer a medicaid managed care plan, a managed health care system shall reimburse a provider for a health care service provided to a covered person through telemedicine ~~((at))~~ the same ~~((rate as))~~ amount of compensation the managed health care system would pay the provider if the health care service was provided in person by the provider.

(ii) Hospitals, hospital systems, telemedicine companies, and provider groups consisting of eleven or more providers may elect to negotiate ~~((a reimbursement rate))~~ an amount of compensation for telemedicine services that differs from the ~~((reimbursement rate))~~ amount of compensation for in-person services.

(iii) For purposes of this subsection (1)(b), the number of providers in a provider group refers to all providers within the group, regardless of a provider's location.

(iv) A rural health clinic shall be reimbursed for audio-only telemedicine at the rural health clinic encounter rate.

(2) For purposes of this section, reimbursement of store and forward technology is available only for those services specified in the negotiated

agreement between the managed health care system and health care provider.

(3) An originating site for a telemedicine health care service subject to subsection (1) of this section includes a:

- (a) Hospital;
- (b) Rural health clinic;
- (c) Federally qualified health center;
- (d) Physician's or other health care provider's office;
- (e) ~~((Community mental health center))~~ licensed or certified behavioral health agency;
- (f) Skilled nursing facility;
- (g) Home or any location determined by the individual receiving the service; or
- (h) Renal dialysis center, except an independent renal dialysis center.

(4) Except for subsection (3)(g) of this section, any originating site under subsection (3) of this section may charge a facility fee for infrastructure and preparation of the patient. Reimbursement for a facility fee must be subject to a negotiated agreement between the originating site and the managed health care system. A distant site, a hospital that is an originating site for audio-only telemedicine, or any other site not identified in subsection (3) of this section may not charge a facility fee.

(5) A managed health care system may not distinguish between originating sites that are rural and urban in providing the coverage required in subsection (1) of this section.

(6) A managed health care system may subject coverage of a telemedicine or store and forward technology health service under subsection (1) of this section to all terms and conditions of the plan in which the covered person is enrolled including, but not limited to, utilization review, prior authorization, deductible, copayment, or coinsurance requirements that are applicable to coverage of a comparable health care service provided in person.

(7) This section does not require a managed health care system to reimburse:

- (a) An originating site for professional fees;

(b) A provider for a health care service that is not a covered benefit under the plan; or

(c) An originating site or health care provider when the site or provider is not a contracted provider under the plan.

(8)(a) If a provider intends to bill a patient or a managed health care system for an audio-only telemedicine service, the provider must obtain patient consent for the billing in advance of the service being delivered and comply with all rules created by the authority related to restrictions on billing medicaid recipients. The authority may submit information on any potential violations of this subsection to the appropriate disciplining authority, as defined in RCW 18.130.020 or take contractual actions against the provider's agreement for participation in the medicaid program, or both.

(b) If the health care authority has cause to believe that a provider has engaged in a pattern of unresolved violations of this subsection (8), the health care authority may submit information to the appropriate disciplining authority for action. Prior to submitting information to the appropriate disciplining authority, the health care authority may provide the provider with an opportunity to cure the alleged violations or explain why the actions in question did not violate this subsection (8).

(c) If the provider has engaged in a pattern of unresolved violations of this subsection (8), the appropriate disciplining authority may levy a fine or cost recovery upon the provider in an amount not to exceed the applicable statutory amount per violation and take other action as permitted under the authority of the disciplining authority. Upon completion of its review of any potential violation submitted by the health care authority or initiated directly by an enrollee, the disciplining authority shall notify the health care authority of the results of the review, including whether the violation was substantiated and any enforcement action taken as a result of a finding of a substantiated violation.

(9) For purposes of this section:

(a) (i) "Audio-only telemedicine" means the delivery of health care services through the use of audio-only technology, permitting real-time communication

between the patient at the originating site and the provider, for the purpose of diagnosis, consultation, or treatment.

(ii) For purposes of this section only, "audio-only telemedicine" does not include:

(A) The use of facsimile or email; or

(B) The delivery of health care services that are customarily delivered by audio-only technology and customarily not billed as separate services by the provider, such as the sharing of laboratory results.

(b) "Disciplining authority" has the same meaning as in RCW 18.130.020;

(c) "Distant site" means the site at which a physician or other licensed provider, delivering a professional service, is physically located at the time the service is provided through telemedicine;

~~((b))~~ (d) "Established relationship" means the covered person has had at least one in-person appointment within the past year with the provider providing audio-only telemedicine or with a provider employed at the same clinic as the provider providing audio-only telemedicine or the covered person was referred to the provider providing audio-only telemedicine by another provider who has had at least one in-person appointment with the covered person within the past year and has provided relevant medical information to the provider providing audio-only telemedicine.

(e) "Health care service" has the same meaning as in RCW 48.43.005;

~~((e))~~ (f) "Hospital" means a facility licensed under chapter 70.41, 71.12, or 72.23 RCW;

~~((d))~~ (g) "Managed health care system" means any health care organization, including health care providers, insurers, health care service contractors, health maintenance organizations, health insuring organizations, or any combination thereof, that provides directly or by contract health care services covered under this chapter and rendered by licensed providers, on a prepaid capitated basis and that meets the requirements of section 1903(m)(1)(A) of Title XIX of the federal social security act or federal demonstration waivers

granted under section 1115(a) of Title XI of the federal social security act;

~~((e))~~ (h) "Originating site" means the physical location of a patient receiving health care services through telemedicine;

~~((f))~~ (i) "Provider" has the same meaning as in RCW 48.43.005;

~~((g))~~ (j) "Store and forward technology" means use of an asynchronous transmission of a covered person's medical information from an originating site to the health care provider at a distant site which results in medical diagnosis and management of the covered person, and does not include the use of audio-only telephone, facsimile, or email; and

~~((h))~~ (k) "Telemedicine" means the delivery of health care services through the use of interactive audio and video technology, permitting real-time communication between the patient at the originating site and the provider, for the purpose of diagnosis, consultation, or treatment. For purposes of this section only, "telemedicine" ~~((does not include the use of))~~ includes audio-only ~~((telephone))~~ telemedicine, but does not include facsimile~~((r))~~ or email.

~~((9) To measure the impact on access to care for underserved communities and costs to the state and the medicaid managed health care system for reimbursement of telemedicine services, the Washington state health care authority, using existing data and resources, shall provide a report to the appropriate policy and fiscal committees of the legislature no later than December 31, 2018.)~~

NEW SECTION. Sec. 6. A new section is added to chapter 74.09 RCW to read as follows:

(1) The authority shall adopt rules regarding medicaid fee-for-service reimbursement for services delivered through audio-only telemedicine. Except as provided in subsection (2) of this section, the rules must establish a manner of reimbursement for audio-only telemedicine that is consistent with RCW 74.09.325.

(2) The rules shall require rural health clinics to be reimbursed for audio-only telemedicine at the rural health clinic encounter rate.

(3) (a) For purposes of this section, "audio-only telemedicine" means the delivery of health care services through the use of audio-only technology, permitting real-time communication between a patient at the originating site and the provider, for the purpose of diagnosis, consultation, or treatment.

(b) For purposes of this section only, "audio-only telemedicine" does not include:

(i) The use of facsimile or email; or

(ii) The delivery of health care services that are customarily delivered by audio-only technology and customarily not billed as separate services by the provider, such as the sharing of laboratory results.

Sec. 7. RCW 18.130.180 and 2020 c 187 s 2 are each amended to read as follows:

The following conduct, acts, or conditions constitute unprofessional conduct for any license holder under the jurisdiction of this chapter:

(1) The commission of any act involving moral turpitude, dishonesty, or corruption relating to the practice of the person's profession, whether the act constitutes a crime or not. If the act constitutes a crime, conviction in a criminal proceeding is not a condition precedent to disciplinary action. Upon such a conviction, however, the judgment and sentence is conclusive evidence at the ensuing disciplinary hearing of the guilt of the license holder of the crime described in the indictment or information, and of the person's violation of the statute on which it is based. For the purposes of this section, conviction includes all instances in which a plea of guilty or nolo contendere is the basis for the conviction and all proceedings in which the sentence has been deferred or suspended. Nothing in this section abrogates rights guaranteed under chapter 9.96A RCW;

(2) Misrepresentation or concealment of a material fact in obtaining a license or in reinstatement thereof;

(3) All advertising which is false, fraudulent, or misleading;

(4) Incompetence, negligence, or malpractice which results in injury to a patient or which creates an unreasonable risk that a patient may be harmed. The use of a nontraditional treatment by itself shall not constitute

unprofessional conduct, provided that it does not result in injury to a patient or create an unreasonable risk that a patient may be harmed;

(5) Suspension, revocation, or restriction of the individual's license to practice any health care profession by competent authority in any state, federal, or foreign jurisdiction, a certified copy of the order, stipulation, or agreement being conclusive evidence of the revocation, suspension, or restriction;

(6) Except when authorized by RCW 18.130.345, the possession, use, prescription for use, or distribution of controlled substances or legend drugs in any way other than for legitimate or therapeutic purposes, diversion of controlled substances or legend drugs, the violation of any drug law, or prescribing controlled substances for oneself;

(7) Violation of any state or federal statute or administrative rule regulating the profession in question, including any statute or rule defining or establishing standards of patient care or professional conduct or practice;

(8) Failure to cooperate with the disciplining authority by:

(a) Not furnishing any papers, documents, records, or other items;

(b) Not furnishing in writing a full and complete explanation covering the matter contained in the complaint filed with the disciplining authority;

(c) Not responding to subpoenas issued by the disciplining authority, whether or not the recipient of the subpoena is the accused in the proceeding; or

(d) Not providing reasonable and timely access for authorized representatives of the disciplining authority seeking to perform practice reviews at facilities utilized by the license holder;

(9) Failure to comply with an order issued by the disciplining authority or a stipulation for informal disposition entered into with the disciplining authority;

(10) Aiding or abetting an unlicensed person to practice when a license is required;

(11) Violations of rules established by any health agency;

(12) Practice beyond the scope of practice as defined by law or rule;

(13) Misrepresentation or fraud in any aspect of the conduct of the business or profession;

(14) Failure to adequately supervise auxiliary staff to the extent that the consumer's health or safety is at risk;

(15) Engaging in a profession involving contact with the public while suffering from a contagious or infectious disease involving serious risk to public health;

(16) Promotion for personal gain of any unnecessary or inefficacious drug, device, treatment, procedure, or service;

(17) Conviction of any gross misdemeanor or felony relating to the practice of the person's profession. For the purposes of this subsection, conviction includes all instances in which a plea of guilty or nolo contendere is the basis for conviction and all proceedings in which the sentence has been deferred or suspended. Nothing in this section abrogates rights guaranteed under chapter 9.96A RCW;

(18) The procuring, or aiding or abetting in procuring, a criminal abortion;

(19) The offering, undertaking, or agreeing to cure or treat disease by a secret method, procedure, treatment, or medicine, or the treating, operating, or prescribing for any health condition by a method, means, or procedure which the licensee refuses to divulge upon demand of the disciplining authority;

(20) The willful betrayal of a practitioner-patient privilege as recognized by law;

(21) Violation of chapter 19.68 RCW or a pattern of violations of RCW 41.05.700(8), 48.43.735(8), 48.49.020 (~~(8)~~), 48.49.030, 71.24.335(8), or 74.09.325(8);

(22) Interference with an investigation or disciplinary proceeding by willful misrepresentation of facts before the disciplining authority or its authorized representative, or by the use of threats or harassment against any patient or witness to prevent them from providing evidence in a disciplinary proceeding or any other legal action, or by the use of financial inducements to

any patient or witness to prevent or attempt to prevent him or her from providing evidence in a disciplinary proceeding;

(23) Current misuse of:

(a) Alcohol;

(b) Controlled substances; or

(c) Legend drugs;

(24) Abuse of a client or patient or sexual contact with a client or patient;

(25) Acceptance of more than a nominal gratuity, hospitality, or subsidy offered by a representative or vendor of medical or health-related products or services intended for patients, in contemplation of a sale or for use in research publishable in professional journals, where a conflict of interest is presented, as defined by rules of the disciplining authority, in consultation with the department, based on recognized professional ethical standards;

(26) Violation of RCW 18.130.420;

(27) Performing conversion therapy on a patient under age eighteen;

(28) Violation of RCW 18.130.430.

NEW SECTION. Sec. 8. (1) The insurance commissioner, in collaboration with the Washington state telehealth collaborative and the health care authority, shall study and make recommendations regarding:

(a) Preliminary utilization trends for audio-only telemedicine;

(b) Qualitative data from health carriers, including medicaid managed care organizations, on the burden of compliance and enforcement requirements for audio-only telemedicine;

(c) Preliminary information regarding whether requiring reimbursement for audio-only telemedicine has affected the incidence of fraud;

(d) Proposed methods to measure the impact of audio-only telemedicine on access to health care services for historically underserved communities and geographic areas;

(e) An evaluation of the relative costs to providers and facilities of providing audio-only telemedicine services as compared to audio-video telemedicine services and in-person services; and

(f) Any other issues the insurance commissioner deems appropriate.

(2) The insurance commissioner must report his or her findings and recommendations to the appropriate committees of the legislature by November 15, 2023.

(3) This section expires January 1, 2024.

Sec. 9. RCW 28B.20.830 and 2020 c 92 s 4 are each amended to read as follows:

(1) The collaborative for the advancement of telemedicine is created to enhance the understanding and use of health services provided through telemedicine and other similar models in Washington state. The collaborative shall be hosted by the University of Washington telehealth services and shall be comprised of one member from each of the two largest caucuses of the senate and the house of representatives, and representatives from the academic community, hospitals, clinics, and health care providers in primary care and specialty practices, carriers, and other interested parties.

(2) By July 1, 2016, the collaborative shall be convened. The collaborative shall develop recommendations on improving reimbursement and access to services, including originating site restrictions, provider to provider consultative models, and technologies and models of care not currently reimbursed; identify the existence of telemedicine best practices, guidelines, billing requirements, and fraud prevention developed by recognized medical and telemedicine organizations; and explore other priorities identified by members of the collaborative. After review of existing resources, the collaborative shall explore and make recommendations on whether to create a technical assistance center to support providers in implementing or expanding services delivered through telemedicine technologies.

(3) The collaborative must submit an initial progress report by December 1, 2016, with follow-up policy reports including recommendations by December 1, 2017, December 1, 2018, and December 1, 2021. The reports shall be shared with the relevant professional associations, governing boards or commissions, and the health care committees of the legislature.

(4) The collaborative shall study store and forward technology, with a focus on:

(a) Utilization;

(b) Whether store and forward technology should be paid for at parity with in-person services;

(c) The potential for store and forward technology to improve rural health outcomes in Washington state; and

(d) Ocular services.

(5) The meetings of the board shall be open public meetings, with meeting summaries available on a web page.

(6) The collaborative must study the need for an established patient/provider relationship before providing audio-only telemedicine, including considering what types of services may be provided without an established relationship. By December 1, 2021, the collaborative must submit a report to the legislature on its recommendations regarding the need for an established relationship for audio-only telemedicine.

(7) The future of the collaborative shall be reviewed by the legislature with consideration of ongoing technical assistance needs and opportunities. The collaborative terminates December 31, (~~2021~~) 2023.

NEW SECTION. Sec. 10. If any part of this act is found to be in conflict with federal requirements that are a prescribed condition to the allocation of federal funds to the state, the conflicting part of this act is inoperative solely to the extent of the conflict and with respect to the agencies directly affected, and this finding does not affect the operation of the remainder of this act in its application to the agencies concerned. Rules adopted under this act must meet federal requirements that are a necessary condition to the receipt of federal funds by the state. Nothing in this act alters the requirement for the health care authority to report potential fraud to the medicaid fraud control division of the Washington attorney general's office under 42 C.F.R. 455.21."

On page 1, line 1 of the title, after "telemedicine;" strike the remainder of the title and insert "amending RCW 41.05.700, 48.43.735, 70.41.020, 71.24.335, 74.09.325, 18.130.180, and 28B.20.830; adding a new section to

chapter 74.09 RCW; creating new sections; and providing an expiration date."

and the same is herewith transmitted.

Sarah Bannister, Deputy, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SUBSTITUTE HOUSE BILL NO. 1196 and advanced the bill, as amended by the Senate, to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Riccelli and Schmick spoke in favor of the passage of the bill.

The Speaker stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1196, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1196, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 96; Nays, 0; Absent, 0; Excused, 2.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dufault, Dye, Entenman, Eslick, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Klippert, Kraft, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McCaslin, McEntire, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Excused: Representatives Fey and Kloba.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1196, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 7, 2021

Madame Speaker:

The Senate has passed ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1227 with the following amendment:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** This act may be known and cited as the keeping families together act.

NEW SECTION. **Sec. 2.** (1) The legislature recognizes that children and families are better served when the state provides support to allow children to be cared for by their loved ones and in their communities. The legislature finds that decades of research show that Black and Indigenous children are still disproportionately removed from their families and communities despite reform efforts.

(2) For these reasons, it is the intent of the legislature to safely reduce the number of children in foster care and reduce racial bias in the system by applying a standard criteria for determining whether to remove a child from a parent when necessary to prevent imminent physical harm to the child due to child abuse or neglect, including that which results from sexual abuse, sexual exploitation, or a pattern of severe neglect.

Sec. 3. RCW 13.34.040 and 2018 c 17 s 1 are each amended to read as follows:

(1) Any person may file with the clerk of the superior court a petition showing that there is within the county, or residing within the county, a dependent child and requesting that the superior court deal with such child as provided in this chapter. There shall be no fee for filing such petitions.

(2) Except where the department is the petitioner, in counties having paid probation officers, these officers shall, to the extent possible, first determine if a petition is reasonably justifiable. (~~Each petition shall be verified and contain a statement of facts constituting a dependency, and the names and residence, if known to the petitioner, of the parents, guardian, or custodian of the alleged dependent child.~~)

(3) Every petition filed in proceedings under this chapter shall contain a statement alleging whether there is a reason to know that the child is or may be an Indian child as defined in RCW 13.38.040. If there is a reason to know that the child is or may be an Indian child chapter 13.38 RCW shall apply.

(4) Every order or decree entered under this chapter shall contain a finding that the federal Indian child welfare act or chapter 13.38 RCW does or does not apply. Where there is a finding that the federal Indian child welfare act or chapter 13.38 RCW does apply, the decree or order must also contain a finding that all notice requirements and evidentiary requirements under the federal Indian child welfare act and chapter 13.38 RCW have been satisfied.

(5) Each petition shall be verified and contain a statement constituting a dependency, including the names, residence, and contact information, if known to the petitioner, of each parent, guardian, or custodian of the alleged dependent child. If the petitioner is seeking removal of the child from a parent, guardian, or custodian the petition shall contain a clear and specific statement as to the harm that will occur if the child remains in the care of the parent, guardian, or custodian, and the facts that support that conclusion.

Sec. 4. RCW 26.44.056 and 1983 c 246 s 3 are each amended to read as follows:

(1) An administrator of a hospital or similar institution or any physician, licensed pursuant to chapters 18.71 or 18.57 RCW, may detain a child without consent of a person legally responsible for the child whether or not medical treatment is required, if ((the circumstances or conditions of the child are such that the detaining individual has reasonable cause to believe that permitting the child to continue in his or her place of residence or in the care and custody of the parent, guardian, custodian or other person legally responsible for the child's care would present an imminent danger to that child's safety)) there is probable cause to believe that detaining the child is necessary to prevent imminent physical harm to the child due to child abuse or neglect, including that which results from sexual abuse, sexual exploitation, or a pattern of severe neglect, and the child would be seriously injured or could not be taken into custody if it were necessary to first obtain a court order under RCW 13.34.050: PROVIDED, That such administrator or physician shall notify or cause to be notified the appropriate law enforcement agency or child protective services pursuant to RCW 26.44.040. Such notification shall be

made as soon as possible and in no case longer than seventy-two hours. Such temporary protective custody by an administrator or doctor shall not be deemed an arrest. Child protective services may detain the child until the court assumes custody, but in no case longer than seventy-two hours, excluding Saturdays, Sundays, and holidays.

~~(2) ((Whenever an administrator or physician has reasonable cause to believe that a child would be in imminent danger if released to a parent, guardian, custodian, or other person or is in imminent danger if left in the custody of a parent, guardian, custodian, or other person, the administrator or physician may notify a law enforcement agency and the law enforcement agency shall take the child into custody or cause the child to be taken into custody. The law enforcement agency shall release the child to the custody of child protective services. Child protective services shall detain the child until the court assumes custody or upon a documented and substantiated record that in the professional judgment of the child protective services the child's safety will not be endangered if the child is returned. If the child is returned, the department shall establish a six-month plan to monitor and assure the continued safety of the child's life or health. The monitoring period may be extended for good cause.~~

~~(3))~~ A child protective services employee, an administrator, doctor, or law enforcement officer shall not be held liable in any civil action for the decision for taking the child into custody, if done in good faith under this section.

Sec. 5. RCW 26.44.050 and 2020 c 71 s 1 are each amended to read as follows:

Except as provided in RCW 26.44.030 ~~((11))~~ (12), upon the receipt of a report alleging that abuse or neglect has occurred, the law enforcement agency or the department must investigate and provide the protective services section with a report in accordance with chapter 74.13 RCW, and where necessary to refer such report to the court.

A law enforcement officer may take, or cause to be taken, a child into custody without a court order if there is probable cause to believe that ~~((the child is abused or neglected and that the child would be))~~ taking the child into

custody is necessary to prevent imminent physical harm to the child due to child abuse or neglect, including that which results from sexual abuse, sexual exploitation, or a pattern of severe neglect, and the child would be seriously injured or could not be taken into custody if it were necessary to first obtain a court order pursuant to RCW 13.34.050. The law enforcement agency or the department investigating such a report is hereby authorized to photograph such a child for the purpose of providing documentary evidence of the physical condition of the child.

Sec. 6. RCW 13.34.050 and 2005 c 512 s 9 are each amended to read as follows:

(1) The court may enter an order directing a law enforcement officer, probation counselor, or child protective services official to take a child into custody if: (a) A petition is filed with the juvenile court ((alleging)) with sufficient corroborating evidence to establish that the child is dependent ((and that the child's health, safety, and welfare will be seriously endangered if not taken into custody)); (b) the allegations contained in the petition, if true, establish that there are reasonable grounds to believe that removal is necessary to prevent imminent physical harm to the child due to child abuse or neglect, including that which results from sexual abuse, sexual exploitation, or a pattern of severe neglect; and (c) an affidavit or declaration is filed by the department in support of the petition setting forth specific factual information evidencing ((reasonable grounds that the child's health, safety, and welfare will be seriously endangered if not taken into custody and at least one of the grounds set forth demonstrates a risk of imminent harm to the child. "Imminent harm" for purposes of this section shall include, but not be limited to, circumstances of sexual abuse, sexual exploitation as defined in RCW 26.44.020, and a parent's failure to perform basic parental functions, obligations, and duties as the result of substance abuse, and (c) the court finds reasonable grounds to believe the child is dependent and that the child's health, safety, and welfare will be seriously endangered if not taken into custody)) insufficient time to serve a parent with a dependency petition and hold a hearing prior to removal.

(2) Any petition that does not have the necessary affidavit or declaration demonstrating a risk of imminent harm requires that the parents are provided notice and an opportunity to be heard before the order may be entered.

(3) The petition and supporting documentation must be served on the parent, and if the child is in custody at the time the child is removed, on the entity with custody other than the parent. If the court orders that a child be taken into custody under subsection (1) of this section, the petition and supporting documentation must be served on the parent at the time of the child's removal unless, after diligent efforts, the parents cannot be located at the time of removal. If the parent is not served at the time of removal, the department shall make diligent efforts to personally serve the parent. Failure to effect service does not invalidate the petition if service was attempted and the parent could not be found.

Sec. 7. RCW 13.34.062 and 2020 c 312 s 115 are each amended to read as follows:

(1) (a) Whenever a child is taken into custody by child protective services pursuant to a court order issued under RCW 13.34.050 or when child protective services is notified that a child has been taken into custody pursuant to RCW 26.44.050 or 26.44.056, child protective services shall make ((reasonable)) diligent efforts to inform the parent, guardian, or legal custodian of the fact that the child has been taken into custody, the reasons why the child was taken into custody, and their legal rights under this title, including the right to a shelter care hearing, as soon as possible. Notice must be provided in an understandable manner and take into consideration the parent's, guardian's, or legal custodian's primary language, level of education, and cultural issues.

(b) In no event shall the notice required by this section be provided to the parent, guardian, or legal custodian more than twenty-four hours after the child has been taken into custody or twenty-four hours after child protective services has been notified that the child has been taken into custody.

(2) (a) The notice of custody and rights may be given by any means reasonably certain of notifying the parents including, but not limited to,

written, telephone, or in person oral notification. If the initial notification is provided by a means other than writing, child protective services shall make reasonable efforts to also provide written notification.

(b) The written notice of custody and rights required by this section shall be in substantially the following form:

"NOTICE

Your child has been placed in temporary custody under the supervision of Child Protective Services (or other person or agency). You have important legal rights and you must take steps to protect your interests.

1. A court hearing will be held before a judge within 72 hours of the time your child is taken into custody excluding Saturdays, Sundays, and holidays. You should call the court at . . . (insert appropriate phone number here) for specific information about the date, time, and location of the court hearing.

2. You have the right to have a lawyer represent you at the hearing. Your right to representation continues after the shelter care hearing. You have the right to records the department intends to rely upon. A lawyer can look at the files in your case, talk to child protective services and other agencies, tell you about the law, help you understand your rights, and help you at hearings. If you cannot afford a lawyer, the court will appoint one to represent you. To get a court-appointed lawyer you must contact: . . . (explain local procedure).

3. At the hearing, you have the right to speak on your own behalf, to introduce evidence, to examine witnesses, and to receive a decision based solely on the evidence presented to the judge.

4. If your hearing occurs before a court commissioner, you have the right to have the decision of the court commissioner reviewed by a superior court judge. To obtain that review, you must, within ten days after the entry of the decision of the court commissioner, file with the court a motion for revision of the decision, as provided in RCW 2.24.050.

You should be present at any shelter care hearing. If you do not come, the judge will not hear what you have to say.

You may call the Child Protective Services' caseworker for more

information about your child. The caseworker's name and telephone number are: . . . (insert name and telephone number).

5. You have a right to a case conference to develop a written service agreement following the shelter care hearing. The service agreement may not conflict with the court's order of shelter care. You may request that a multidisciplinary team, family group conference, or prognostic staffing be convened for your child's case. You may participate in these processes with your counsel present.

6. If your child is placed in the custody of the department of children, youth, and families or other ((supervising)) agency, immediately following the shelter care hearing, the court will enter an order granting the department or other ((supervising)) agency the right to inspect and copy all health, medical, mental health, and education records of the child, directing health care providers to release such information without your further consent, and granting the department or ((supervising)) agency or its designee the authority and responsibility, where applicable, to:

- (1) Notify the child's school that the child is in out-of-home placement;
- (2) Enroll the child in school;
- (3) Request the school transfer records;
- (4) Request and authorize evaluation of special needs;
- (5) Attend parent or teacher conferences;
- (6) Excuse absences;
- (7) Grant permission for extracurricular activities;
- (8) Authorize medications which need to be administered during school hours and sign for medical needs that arise during school hours; and
- (9) Complete or update school emergency records.

7. If the court decides to place your child in the custody of the department of children, youth, and families or other ((supervising)) agency, the department or agency will create a permanency plan for your child, including a primary placement goal and secondary placement

goal. The department or agency also will recommend that the court order services for your child and for you, if needed. The department or agency is required to make reasonable efforts to provide you with services to address your parenting problems, and to provide you with visitation with your child according to court orders. Failure to promptly engage in services or to maintain contact with your child may lead to the filing of a petition to terminate your parental rights.

8. Primary and secondary permanency plans are intended to run at the same time so that your child will have a permanent home as quickly as possible. Absent good cause, and when appropriate, the department or other ((~~supervising~~)) agency must follow the wishes of a natural parent regarding placement of a child. You should tell your lawyer and the court where you wish your child placed immediately, including whether you want your child placed with you, with a relative, or with another suitable person. You also should tell your lawyer and the court what services you feel are necessary and your wishes regarding visitation with your child. Even if you want another parent or person to be the primary placement choice for your child, you should tell your lawyer, the department or other ((~~supervising~~)) agency, and the court if you want to be a secondary placement option, and you should comply with court orders for services and participate in visitation with your child. Early and consistent involvement in your child's case plan is important for the well-being of your child.

9. A dependency petition begins a judicial process, which, if the court finds your child dependent, could result in substantial restrictions including, the entry or modification of a parenting plan or residential schedule, previously existing nonparental custody order or decree, guardianship order, or permanent loss of your parental rights."

Upon receipt of the written notice, the parent, guardian, or legal custodian shall acknowledge such notice by signing a receipt prepared by child protective services. If the parent, guardian, or legal custodian does not sign the receipt, the reason for lack of a signature shall be written on the receipt. The receipt shall be made a part

of the court's file in the dependency action.

If after making reasonable efforts to provide notification, child protective services is unable to determine the whereabouts of the parents, guardian, or legal custodian, the notice shall be delivered or sent to the last known address of the parent, guardian, or legal custodian.

(3) If child protective services is not required to give notice under this section, the juvenile court counselor assigned to the matter shall make all ((~~reasonable~~)) diligent efforts to advise the parents, guardian, or legal custodian of the time and place of any shelter care hearing, request that they be present, and inform them of their basic rights as provided in RCW 13.34.090.

(4) ((~~Reasonable~~)) Diligent efforts to advise and to give notice, as required in this section, shall include, at a minimum, investigation of the whereabouts of the parent, guardian, or legal custodian. If such ((~~reasonable~~)) diligent efforts are not successful, or the parent, guardian, or legal custodian does not appear at the shelter care hearing, the petitioner shall testify at the hearing or state in a declaration:

(a) The efforts made to investigate the whereabouts of, and to advise, the parent, guardian, or custodian; and

(b) Whether actual advice of rights was made, to whom it was made, and how it was made, including the substance of any oral communication or copies of written materials used.

Sec. 8. RCW 13.34.060 and 2007 c 413 s 3 are each amended to read as follows:

(1) A child taken into custody pursuant to RCW 13.34.050 or 26.44.050 shall be immediately placed in shelter care. A child taken by a relative of the child in violation of RCW 9A.40.060 or 9A.40.070 shall be placed in shelter care only when permitted under RCW 13.34.055. No child may be held longer than seventy-two hours, excluding Saturdays, Sundays, and holidays, after such child is taken into custody unless a court order has been entered for continued shelter care. In no case may a child who is taken into custody pursuant to RCW 13.34.055, 13.34.050, or 26.44.050 be detained in a secure detention facility.

(2) Unless there is reasonable cause based on specific evidence to believe that the health, safety, or welfare of the child would be jeopardized or that the efforts to reunite the parent and child will be hindered, priority placement for a child in shelter care, pending a court hearing, shall be with any person described in RCW 74.15.020(2)(a) or 13.34.130(1)(b). The person must be willing and available to care for the child and be able to meet any special needs of the child and the court must ~~((find that such placement is in the best interests of the child))~~ complete the inquiry required under RCW 13.34.065 to establish whether continued placement with the relative is appropriate. The person must be willing to facilitate the child's visitation with siblings, if such visitation is part of the ~~((supervising agency's))~~ department's plan or is ordered by the court. If a child is not initially placed with a relative or other suitable person requested by the parent pursuant to this section, the ~~((supervising agency))~~ department shall make ~~((an effort within available resources))~~ continuing efforts to place the child with a relative or other suitable person requested by the parent on the next business day after the child is taken into custody. The ~~((supervising agency))~~ department shall document its effort to place the child with a relative or other suitable person requested by the parent pursuant to this section. Nothing within this subsection (2) establishes an entitlement to services or a right to a particular placement.

(3) Whenever a child is taken into custody pursuant to this section, the ~~((supervising agency))~~ department may authorize evaluations of the child's physical or emotional condition, routine medical and dental examination and care, and all necessary emergency care, after informing the child's parent, guardian, or legal custodian, unless the parent, guardian, or legal custodian cannot be reached. The child's parent, guardian, or legal custodian must be provided the opportunity to attend any appointments authorized under this subsection, unless prohibited by court order.

Sec. 9. RCW 13.34.065 and 2019 c 172 s 11 are each amended to read as follows:

(1)(a) When a child is ~~((taken into custody))~~ removed or when the petitioner is seeking the removal of a child from

the child's parent, guardian, or legal custodian, the court shall hold a shelter care hearing within seventy-two hours, excluding Saturdays, Sundays, and holidays. The primary purpose of the shelter care hearing is to determine whether the child can be immediately and safely returned home while the adjudication of the dependency is pending. The court shall hold an additional shelter care hearing within 72 hours, excluding Saturdays, Sundays, and holidays if the child is removed from the care of a parent, guardian, or legal custodian at any time after an initial shelter care hearing under this section.

(b) Any child's attorney, parent, guardian, or legal custodian who for good cause is unable to attend or adequately prepare for the shelter care hearing may request that the initial shelter care hearing be continued or that a subsequent shelter care hearing be scheduled. The request shall be made to the clerk of the court where the petition is filed prior to the initial shelter care hearing. Upon the request of the child's attorney, parent, guardian, or legal custodian, the court shall schedule the hearing within seventy-two hours of the request, excluding Saturdays, Sundays, and holidays. The clerk shall notify all other parties of the hearing by any reasonable means. If the parent, guardian, or legal custodian is not represented by counsel, the clerk shall provide information to the parent, guardian, or legal custodian regarding how to obtain counsel.

(2)(a) If it is likely that the child will remain in shelter care longer than seventy-two hours, the department shall submit a recommendation to the court as to the further need for shelter care in all cases in which the child will remain in shelter care longer than the seventy-two hour period. In all other cases, the recommendation shall be submitted by the juvenile court probation counselor.

(b) All parties have the right to present testimony to the court regarding the need or lack of need for shelter care.

(c) Hearsay evidence before the court regarding the need or lack of need for shelter care must be supported by sworn testimony, affidavit, or declaration of the person offering such evidence.

(3)(a) At the commencement of the hearing, the court shall notify the

parent, guardian, or custodian of the following:

(i) The parent, guardian, or custodian has the right to a shelter care hearing;

(ii) The nature of the shelter care hearing, the rights of the parents, and the proceedings that will follow; and

(iii) If the parent, guardian, or custodian is not represented by counsel, the right to be represented. If the parent, guardian, or custodian is indigent, the court shall appoint counsel as provided in RCW 13.34.090; and

(b) If a parent, guardian, or legal custodian desires to waive the shelter care hearing, the court shall determine, on the record and with the parties present, whether such waiver is knowing and voluntary. A parent may not waive his or her right to the shelter care hearing unless he or she appears in court, in person, or by remote means, and the court determines that the waiver is knowing and voluntary. Regardless of whether the court accepts the parental waiver of the shelter care hearing, the court must provide notice to the parents of their rights required under (a) of this subsection and make the finding required under subsection (4) of this section.

(4) At the shelter care hearing the court shall examine the need for shelter care and inquire into the status of the case. The paramount consideration for the court shall be the health, welfare, and safety of the child. At a minimum, the court shall inquire into the following:

(a) Whether the notice required under RCW 13.34.062 was given to all known parents, guardians, or legal custodians of the child. The court shall make an express finding as to whether the notice required under RCW 13.34.062 was given to the parent, guardian, or legal custodian. If actual notice was not given to the parent, guardian, or legal custodian and the whereabouts of such person is known or can be ascertained, the court shall order the department to make ~~((reasonable))~~ diligent efforts to advise the parent, guardian, or legal custodian of the status of the case, including the date and time of any subsequent hearings, and their rights under RCW 13.34.090;

(b) Whether the child can be safely returned home while the adjudication of the dependency is pending;

(c) What efforts have been made to place the child with a relative. The court shall ask the parents whether the department discussed with them the placement of the child with a relative or other suitable person described in RCW 13.34.130(1)(b) and shall determine what efforts have been made toward such a placement;

(d) What services were provided to the family to prevent or eliminate the need for removal of the child from the child's home. If the dependency petition or other information before the court alleges that homelessness or the lack of suitable housing was a significant factor contributing to the removal of the child, the court shall inquire as to whether housing assistance was provided to the family to prevent or eliminate the need for removal of the child or children;

(e) Is the placement proposed by the department the least disruptive and most family-like setting that meets the needs of the child;

(f) Whether it is in the best interest of the child to remain enrolled in the school, developmental program, or child care the child was in prior to placement and what efforts have been made to maintain the child in the school, program, or child care if it would be in the best interest of the child to remain in the same school, program, or child care;

(g) Appointment of a guardian ad litem or attorney;

(h) Whether the child is or may be an Indian child as defined in RCW 13.38.040, whether the provisions of the federal Indian child welfare act or chapter 13.38 RCW apply, and whether there is compliance with the federal Indian child welfare act and chapter 13.38 RCW, including notice to the child's tribe;

(i) Whether, as provided in RCW 26.44.063, restraining orders, or orders expelling an allegedly abusive household member from the home of a nonabusive parent, guardian, or legal custodian, will allow the child to safely remain in the home;

(j) Whether any orders for examinations, evaluations, or immediate services are needed. The court may not order a parent to undergo examinations, evaluation, or services at the shelter care hearing unless the parent agrees to the examination, evaluation, or service;

(k) The terms and conditions for parental, sibling, and family visitation.

(5) (a) The court shall release a child alleged to be dependent to the care, custody, and control of the child's parent, guardian, or legal custodian unless the court finds there is reasonable cause to believe that:

(i) After consideration of the specific services that have been provided, reasonable efforts have been made to prevent or eliminate the need for removal of the child from the child's home and to make it possible for the child to return home; and

(ii) (A) The child has no parent, guardian, or legal custodian to provide supervision and care for such child; or

(B) ~~((The release of such child would present a serious threat of substantial harm to such child))~~ (I) Removal of the child is necessary to prevent imminent physical harm due to child abuse or neglect, including that which results from sexual abuse, sexual exploitation, or a pattern of severe neglect, notwithstanding an order entered pursuant to RCW 26.44.063. The evidence must show a causal relationship between the particular conditions in the home and imminent physical harm to the child. The existence of community or family poverty, isolation, single parenthood, age of the parent, crowded or inadequate housing, substance abuse, prenatal drug or alcohol exposure, mental illness, disability or special needs of the parent or child, or nonconforming social behavior does not by itself constitute imminent physical harm;

(II) It is contrary to the welfare of the child to be returned home; and

(III) After considering the particular circumstances of the child, any imminent physical harm to the child outweighs the harm the child will experience as a result of removal; or

(C) The parent, guardian, or custodian to whom the child could be released has been charged with violating RCW 9A.40.060 or 9A.40.070.

(b) If the court finds that the elements of (a) (ii) (B) of this subsection require removal of the child, the court shall further consider:

(i) Whether participation by the parents, guardians, or legal custodians

in any prevention services would prevent or eliminate the need for removal and, if so, shall inquire of the parent whether they are willing to participate in such services. If the parent agrees to participate in the prevention services identified by the court that would prevent or eliminate the need for removal, the court shall place the child with the parent. The court shall not order a parent to participate in prevention services over the objection of the parent, however, parents shall have the opportunity to consult with counsel prior to deciding whether to agree to proposed prevention services as a condition of having the child return to or remain in the care of the parent; and

(ii) Whether the issuance of a temporary order of protection directing the removal of a person or persons from the child's residence would prevent the need for removal of the child.

(c) (i) If the court does not release the child to his or her parent, guardian, or legal custodian, the court shall order placement with a relative or other suitable person as described in RCW 13.34.130(1) (b), unless ~~((there is reasonable cause to believe the health, safety, or welfare of the child would be jeopardized or that the))~~ the petitioner establishes that there is reasonable cause to believe that:

(A) Placement in licensed foster care is necessary to prevent imminent physical harm to the child due to child abuse or neglect, including that which results from sexual abuse, sexual exploitation, or a pattern of severe neglect, because no relative or other suitable person is capable of ensuring the basic safety of the child; or

(B) The efforts to reunite the parent and child will be hindered. ~~((If such relative or other suitable person appears otherwise suitable and competent to provide care and treatment, the fingerprint-based background check need not be completed before placement, but as soon as possible after placement. The court must also determine whether placement with the relative or other suitable person is in the child's best interests. The relative or other suitable person must be willing and available to:~~

(i) Care for the child and be able to meet any special needs of the child;

(ii) Facilitate the child's visitation with siblings, if such visitation is part

~~of the department's plan or is ordered by the court; and~~

~~(iii) Cooperate with the department in providing necessary background checks and home studies.~~

~~(e)) (ii) In making the determination in (c)(i) of this subsection, the court shall:~~

~~(A) Inquire of the petitioner and any other person present at the hearing for the child whether there are any relatives or other suitable persons who are willing to care for the child. This inquiry must include whether any relative or other suitable person:~~

~~(I) Has expressed an interest in becoming a caregiver for the child;~~

~~(II) Is able to meet any special needs of the child;~~

~~(III) Is willing to facilitate the child's sibling and parent visitation if such visitation is ordered by the court; and~~

~~(IV) Supports reunification of the parent and child once reunification can safely occur; and~~

~~(B) Give great weight to the stated preference of the parent, guardian, or legal custodian, and the child.~~

~~(iii) If a relative or other suitable person expressed an interest in caring for the child, can meet the child's special needs, can support parent-child reunification, and will facilitate court-ordered sibling or parent visitation, the following must not prevent the child's placement with such relative or other suitable person:~~

~~(A) An incomplete department or fingerprint-based background check, if such relative or other suitable person appears otherwise suitable and competent to provide care and treatment, but the background checks must be completed as soon as possible after placement;~~

~~(B) Uncertainty on the part of the relative or other suitable person regarding potential adoption of the child;~~

~~(C) Disbelief on the part of the relative or other suitable person that the parent, guardian, or legal custodian presents a danger to the child, provided the caregiver will protect the safety of the child and comply with court orders~~

regarding contact with a parent, guardian, or legal custodian; or

(D) The conditions of the relative or other suitable person's home are not sufficient to satisfy the requirements of a licensed foster home. The court may order the department to provide financial or other support to the relative or other suitable person necessary to ensure safe conditions in the home.

(d) If the child was not initially placed with a relative or other suitable person, and the court does not release the child to his or her parent, guardian, or legal custodian, the department shall make reasonable efforts to locate a relative or other suitable person pursuant to RCW 13.34.060(1). ~~((In determining placement, the court shall weigh the child's length of stay and attachment to the current provider in determining what is in the best interest of the child.~~

~~(d) If a relative or other suitable person is not available, the court shall order continued shelter care)) (e) If the court does not order placement with a relative or other suitable person, the court shall place the child in licensed foster care and shall set forth its reasons for the order. If the court orders placement of the child with a person not related to the child and not licensed to provide foster care, the placement is subject to all terms and conditions of this section that apply to relative placements.~~

~~((e)) (f) Any placement with a relative, or other suitable person approved by the court pursuant to this section, shall be contingent upon cooperation with the department's or agency's case plan and compliance with court orders related to the care and supervision of the child including, but not limited to, court orders regarding parent-child contacts, sibling contacts, and any other conditions imposed by the court. Noncompliance with the case plan or court order is grounds for removal of the child from the home of the relative or other suitable person, subject to review by the court.~~

~~((f)) (g) If the child is placed in a qualified residential treatment program as defined in this chapter, the court shall, within sixty days of placement, hold a hearing to:~~

~~(i) Consider the assessment required under RCW 13.34.420 and submitted as part~~

of the department's social study, and any related documentation;

(ii) Determine whether placement in foster care can meet the child's needs or if placement in another available placement setting best meets the child's needs in the least restrictive environment; and

(iii) Approve or disapprove the child's placement in the qualified residential treatment program.

~~((g+))~~ (h) Uncertainty by a parent, guardian, legal custodian, relative, or other suitable person that the alleged abuser has in fact abused the child shall not, alone, be the basis upon which a child is removed from the care of a parent, guardian, or legal custodian under (a) of this subsection, nor shall it be a basis, alone, to preclude placement with a relative or other suitable person under ~~((b+))~~ (c) of this subsection.

(i) If the court places with a relative or other suitable person, and that person has indicated a desire to become a licensed foster parent, the court shall order the department to commence an assessment of the home of such relative or other suitable person within 10 days and thereafter issue an initial license as provided under RCW 74.15.120 for such relative or other suitable person, if qualified, as a foster parent. The relative or other suitable person shall receive a foster care maintenance payment, starting on the date the department approves the initial license. If such home is found to be unqualified for licensure, the department shall report such fact to the court within one week of that determination. The department shall report on the status of the licensure process during the entry of any dispositional orders in the case.

(j) If the court places the child in licensed foster care:

(i) The petitioner shall report to the court, at the shelter care hearing, the location of the licensed foster placement the petitioner has identified for the child and the court shall inquire as to whether:

(A) The identified placement is the least restrictive placement necessary to meet the needs of the child;

(B) The child will be able to remain in the same school and whether any orders

of the court are necessary to ensure educational stability for the child;

(C) The child will be placed with a sibling or siblings, and whether court-ordered sibling contact would promote the well-being of the child;

(D) The licensed foster placement is able to meet the special needs of the child;

(E) The location of the proposed foster placement will impede visitation with the child's parent or parents;

(ii) The court may order the department to:

(A) Place the child in a less restrictive placement;

(B) Place the child in a location in closer proximity to the child's parent, home, or school;

(C) Place the child with the child's sibling or siblings;

(D) Take any other necessary steps to ensure the child's health, safety, and well-being;

(iii) The court shall advise the petitioner that:

(A) Failure to comply with court orders while a child is in shelter care will be considered when determining whether reasonable efforts have been made by the department during a hearing under RCW 13.34.110; and

(B) Placement moves while a child is in shelter care will be considered when determining whether reasonable efforts have been made by the department during a hearing under RCW 13.34.110.

(6)(a) A shelter care order issued pursuant to this section shall include the requirement for a case conference as provided in RCW 13.34.067. However, if the parent is not present at the shelter care hearing, or does not agree to the case conference, the court shall not include the requirement for the case conference in the shelter care order.

(b) If the court orders a case conference, the shelter care order shall include notice to all parties and establish the date, time, and location of the case conference which shall be no later than thirty days before the fact-finding hearing.

(c) The court may order another conference, case staffing, or hearing as

an alternative to the case conference required under RCW 13.34.067 so long as the conference, case staffing, or hearing ordered by the court meets all requirements under RCW 13.34.067, including the requirement of a written agreement specifying the services to be provided to the parent.

(7)(a) A shelter care order issued pursuant to this section may be amended at any time with notice and hearing thereon. The shelter care decision of placement shall be modified only upon a showing of change in circumstances. No child may be placed in shelter care for longer than thirty days without an order, signed by the judge, authorizing continued shelter care.

(b)(i) An order releasing the child on any conditions specified in this section may at any time be amended, with notice and hearing thereon, so as to return the child to shelter care for failure of the parties to conform to the conditions originally imposed.

(ii) The court shall consider whether nonconformance with any conditions resulted from circumstances beyond the control of the parent, guardian, or legal custodian and give weight to that fact before ordering return of the child to shelter care.

~~(8) ((a) If a child is returned home from shelter care a second time in the case, or if the supervisor of the caseworker deems it necessary, the multidisciplinary team may be reconvened.~~

~~(b) If a child is returned home from shelter care a second time in the case a law enforcement officer must be present and file a report to the department.)~~
The department and its employees shall not be held liable in any civil action for complying with an order issued under this section for placement: With a parent who has agreed to accept services, a relative, or a suitable person.

Sec. 10. RCW 13.34.090 and 2017 3rd sp.s. c 6 s 303 are each amended to read as follows:

(1) Any party has a right to be represented by an attorney in all proceedings under this chapter, to introduce evidence, to be heard in his or her own behalf, to examine witnesses, to receive a decision based solely on the evidence adduced at the hearing, and to an unbiased fact finder.

(2) At all stages of a proceeding in which a child is alleged to be dependent, the child's parent, guardian, or legal custodian has the right to be represented by counsel, and if indigent, to have counsel appointed for him or her by the court. Unless waived in court, counsel shall be provided to the child's parent, guardian, or legal custodian, if such person (a) has appeared in the proceeding or requested the court to appoint counsel and (b) is financially unable to obtain counsel because of indigency.

(3) If a party to an action under this chapter is represented by counsel, no order shall be provided to that party for his or her signature without prior notice and provision of the order to counsel.

(4) Copies of department ~~((or supervising agency))~~ records to which parents have legal access pursuant to chapter 13.50 RCW shall be given to the child's parent, guardian, legal custodian, or his or her legal counsel, prior to any shelter care hearing and within fifteen days after the department ~~((or supervising agency))~~ receives a written request for such records from the parent, guardian, legal custodian, or his or her legal counsel. These records shall be provided to the child's parents, guardian, legal custodian, or legal counsel a reasonable period of time prior to the shelter care hearing in order to allow an opportunity to review the records prior to the hearing. These records shall be legible and shall be provided at no expense to the parents, guardian, legal custodian, or his or her counsel. When the records are served on legal counsel, legal counsel shall have the opportunity to review the records with the parents and shall review the records with the parents prior to the shelter care hearing. The department shall make every effort to provide all other discoverable material to the child's parent, guardian, legal custodian, or his or her legal counsel prior to any shelter care hearing.

NEW SECTION. Sec. 11. Where feasible, the department of children, youth, and families shall apply for federal waivers that would reimburse the department for the cost of providing maintenance payments for relatives or other suitable persons caring for a child who have indicated a desire to become a licensed foster parent, provided that the person has received an initial license from the department.

NEW SECTION. **Sec. 12.** Sections 1 through 10 of this act take effect July 1, 2023."

On page 1, line 2 of the title, after "child;" strike the remainder of the title and insert "amending RCW 13.34.040, 26.44.056, 26.44.050, 13.34.050, 13.34.062, 13.34.060, 13.34.065, and 13.34.090; creating new sections; and providing an effective date."

and the same is herewith transmitted.

Brad Hendrickson, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1227 and advanced the bill, as amended by the Senate, to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Ortiz-Self and Dent spoke in favor of the passage of the bill.

Representative Klippert spoke against the passage of the bill.

The Speaker stated the question before the House to be the final passage of Engrossed Second Substitute House Bill No. 1227, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 1227, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 87; Nays, 9; Absent, 0; Excused, 2.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chapman, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dye, Entenman, Eslick, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Voting nay: Representatives Chandler, Chase, Dufault, Klippert, Kraft, McCaslin, McEntire, Robertson and Stokesbary.

Excused: Representatives Fey and Kloba.

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1227, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 3, 2021

Madame Speaker:

The Senate has passed ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1295 with the following amendment:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** (1) The legislature finds that students in Washington's secure facilities have been unable to access the education and supports they need to make life-changing academic progress. As a result, these students have experienced dismal graduation and recidivism rates, and have lost invaluable opportunities for hope and transformation.

(2) In 2020, the legislature enacted chapter 226, Laws of 2020, and established the task force on improving institutional education programs and outcomes. The task force efforts resulted in a series of well-considered recommendations that inform this act and, perhaps more importantly, offer a new opportunity to make critical policy advances for students and dedicated staff that are too often overlooked.

(3) The legislature acknowledges that institutional education facilities are part of the public school system and that the students in secure facilities deserve full access to the state's basic education program and its promise of an opportunity to graduate with a meaningful diploma that prepares them for postsecondary education, gainful employment, and citizenship.

(4) The legislature finds that key reforms are needed to the institutional education system, including the development of an education program that is both student-centered and anchored in the principle that student improvement through education must be the system's primary objective. The legislature further finds that an effective institutional education system must have sufficient funding and proper administrative structures to assure

effective functionality, oversight, and accountability.

(5) Although the task of making meaningful reforms to the institutional education system cannot be accomplished through a single legislative act, the legislature intends for this act to be a significant step of progress in better meeting the needs of students who are in or have been involved with the traditional components of the juvenile justice system, with subsequent legislative efforts to be focused on the education of students in other institutional settings, including those in long-term inpatient programs and those with exceptional mental or physical needs.

(6) The legislature, therefore, intends to establish new and modified requirements for the institutional education system that promote student success through improved agency and education provider practices, updated credit-awarding practices, new data collection and reporting requirements, and the development of expert recommendations that will create an implementable blueprint for successfully meeting complex student needs and improving education and postrelease outcomes.

Sec. 2. RCW 28A.150.200 and 2017 3rd sp.s. c 13 s 401 are each amended to read as follows:

(1) The program of basic education established under this chapter is deemed by the legislature to comply with the requirements of Article IX, section 1 of the state Constitution, which states that "It is the paramount duty of the state to make ample provision for the education of all children residing within its borders, without distinction or preference on account of race, color, caste, or sex," and is adopted pursuant to Article IX, section 2 of the state Constitution, which states that "The legislature shall provide for a general and uniform system of public schools."

(2) The legislature defines the program of basic education under this chapter as that which is necessary to provide the opportunity to develop the knowledge and skills necessary to meet the state-established high school graduation requirements that are intended to allow students to have the opportunity to graduate with a meaningful diploma that prepares them for

postsecondary education, gainful employment, and citizenship. Basic education by necessity is an evolving program of instruction intended to reflect the changing educational opportunities that are needed to equip students for their role as productive citizens and includes the following:

(a) The instructional program of basic education the minimum components of which are described in RCW 28A.150.220;

(b) The program of education provided by chapter 28A.190 RCW for students in residential schools as defined by (~~RCW 28A.190.020~~) section 3 of this act and for juveniles in detention facilities as identified by RCW 28A.190.010;

(c) The program of education provided by chapter 28A.193 RCW for individuals under the age of eighteen who are incarcerated in adult correctional facilities;

(d) Transportation and transportation services to and from school for eligible students as provided under RCW 28A.160.150 through 28A.160.180; and

(e) Statewide salary allocations necessary to hire and retain qualified staff for the state's statutory program of basic education.

NEW SECTION. Sec. 3. A new section is added to chapter 28A.190 RCW to read as follows:

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

(1) "Institutional education facility" means residential habilitation and child study and treatment centers operated by the department of social and health services, state long-term juvenile institutions operated by the department of children, youth, and families, state-operated community facilities, county juvenile detention centers, and facilities of the department of corrections that incarcerate juveniles committed as adults.

(2) "Institutional education program" means the program of education that is provided to youth in institutional education facilities as a mandatory component of the program of basic education under RCW 28A.150.200.

(3) "Institutional education provider" or "provider" means a school district, educational service district, or other

entity providing education services to youth in an institutional education facility.

(4) "Postresident youth" means a person who is under the age of 21 and a former resident of an institutional education facility. A postresident youth may be a public school student or a person who is eligible to be a public school student but who is not enrolled in a school or otherwise receiving basic education services.

(5) "Residential school" means the following institutional education facilities: Green Hill school, Naselle Youth Camp, Echo Glen, Lakeland Village, Rainier school, Yakima Valley school, Fircrest school, the Child Study and Treatment Center and Secondary School of western state hospital, and other schools, camps, and centers established by the department of social and health services or the department of children, youth, and families for the diagnosis, confinement, and rehabilitation of juveniles committed by the courts or for the care and treatment of persons who are exceptional in their needs by reason of mental or physical deficiency. "Residential school" does not include the state schools for the blind, the Washington state center for childhood deafness and hearing loss, or adult correctional institutions.

(6) "School district" has the same meaning as in RCW 28A.315.025 and includes any educational service district that has entered into an agreement to provide a program of education for residents at an institutional education facility on behalf of the school district as a cooperative service program pursuant to RCW 28A.310.180.

(7) "Youth" means a person who is under the age of 21 who is a resident of an institutional education facility. A youth may be a public school student or a person who is eligible to be a public school student but who is not enrolled in a school or otherwise receiving basic education services.

Sec. 4. RCW 28A.320.192 and 2017 c 166 s 1 and 2017 c 40 s 1 are each reenacted and amended to read as follows:

(1) In order to eliminate barriers and facilitate the on-time grade level progression and graduation of students who are homeless as described in RCW 28A.300.542, dependent pursuant to

chapter 13.34 RCW, ~~((or))~~ at-risk youth or children in need of services pursuant to chapter 13.32A RCW, or in or have been released from an institutional education facility, school districts must incorporate the procedures in this section.

(2) School districts must waive specific courses required for graduation if similar coursework has been satisfactorily completed in another school district or must provide reasonable justification for denial. Should a waiver not be granted to a student who would qualify to graduate from the sending school district, the receiving school district must provide an alternative means of acquiring required coursework so that graduation may occur on time.

(3) School districts must consolidate partial credit, unresolved, or incomplete coursework and provide opportunities for credit accrual in a manner that eliminates academic and nonacademic barriers for the student.

(4) For students in or released from an institutional education facility, school districts must provide students with access to world language proficiency tests, American sign language proficiency tests, and general education development tests. Access to the tests may not be conditioned or otherwise dependent upon a student's request. School districts must award at least one high school credit to students upon meeting the standard established by the state board of education under subsection (9) of this section on a world language or American sign language proficiency test or a general education development test. Additional credits may be awarded by the district if a student has completed a course or courses of study to prepare for the test. If the school district has a local policy for awarding mastery-based credit on state or local assessments, the school district must apply this policy for students in or released from an institutional education facility.

(5) For students who have been unable to complete an academic course and receive full credit due to withdrawal or transfer, school districts must grant partial credit for coursework completed before the date of withdrawal or transfer and the receiving school must accept those credits, apply them to the student's academic progress or

graduation or both, and allow the student to earn credits regardless of the student's date of enrollment in the receiving school.

~~((5))~~ (6) Should a student who is transferring at the beginning or during the student's junior or senior year be ineligible to graduate from the receiving school district after all alternatives have been considered, the sending and receiving districts must ensure the receipt of a diploma from the sending district if the student meets the graduation requirements of the sending district.

~~((6))~~ (7) The superintendent of public instruction shall adopt and distribute to all school districts lawful and reasonable rules prescribing the substantive and procedural obligations of school districts to implement these provisions.

~~((7))~~ (8) Should a student have enrolled in three or more school districts as a high school student and have met state requirements but be ineligible to graduate from the receiving school district after all alternatives have been considered, the receiving school district must waive its local requirements and ensure the receipt of a diploma.

(9) The state board of education, in consultation with the office of the superintendent of public instruction, shall identify the scores students must achieve in order to meet the standard on world language or American sign language proficiency tests and general education development tests in accordance with subsection (4) of this section.

(10) For purposes of this section, "institutional education facility" and "school district" have the same meaning as in section 3 of this act.

NEW SECTION. Sec. 5. (1) The office of the superintendent of public instruction shall examine the dropout prevention, intervention, and retrieval system established under chapter 28A.175 RCW, including associated rules. The purpose of the examination is to recommend new or modified dropout reengagement requirements and practices that will promote credit earning and high school completion by youth and postresident youth.

(2) Findings and recommendations resulting from the examination required

by this section must be submitted by November 1, 2021, to the governor and the appropriate committees of the house of representatives and the senate in accordance with RCW 43.01.036.

(3) For purposes of this section, "postresident youth" and "youth" have the same meaning as in section 3 of this act.

(4) This section expires June 30, 2022.

NEW SECTION. Sec. 6. A new section is added to chapter 28A.190 RCW to read as follows:

Beginning in the 2021-22 school year, enrollments for students in residential schools as defined in section 3 of this act, for juveniles in detention facilities as identified by RCW 28A.190.010, and for individuals under the age of 18 who are incarcerated in adult correctional facilities may be funded above one full-time equivalent, provided that enrollments above one full-time equivalent allow for participation in dropout reengagement programs as defined in RCW 28A.175.105. State funding for enrollments in dropout reengagement programs in addition to institutional education facility enrollments must be allocated pursuant to RCW 28A.175.110 excluding administrative fees. The office of the superintendent of public instruction shall develop procedures for school districts to report student enrollment in institutional education facilities and dropout reengagement programs.

Sec. 7. RCW 28A.175.105 and 2013 c 39 s 5 are each amended to read as follows:

The definitions in this section apply throughout RCW 28A.175.100 through 28A.175.110 unless the context clearly requires otherwise:

(1) "Dropout reengagement program" means an educational program that offers at least the following instruction and services:

(a) Academic instruction, including but not limited to preparation to earn a high school equivalency certificate as provided in RCW 28B.50.536 in accordance with rules adopted under RCW 28A.305.190, academic skills instruction, and college and work readiness preparation, that generates credits that can be applied to a high school diploma from the student's school district or from a community or technical college under RCW 28B.50.535

and has the goal of enabling the student to obtain the academic and work readiness skills necessary for employment or postsecondary study. A dropout reengagement program is not required to offer instruction in only those subject areas where a student is deficient in accumulated credits. Academic instruction must be provided by teachers certified by the Washington professional educator standards board or by instructors employed by a community or technical college whose required credentials are established by the college;

(b) Case management, academic and career counseling, and assistance with accessing services and resources that support at-risk youth and reduce barriers to educational success; and

(c) If the program provider is a community or technical college, the opportunity for qualified students to enroll in college courses that lead to a postsecondary degree or certificate. The college may not charge an eligible student tuition for such enrollment.

(2) "Eligible student" means a student who:

(a) Is at least sixteen but less than twenty-one years of age at the beginning of the school year;

(b) Is not accumulating sufficient credits toward a high school diploma to reasonably complete a high school diploma from a public school before the age of twenty-one or is recommended for the program by case managers from the department of social and health services or the juvenile justice system; and

(c) Is enrolled or enrolls in the school district in which the student resides, or is enrolled or enrolls in an institutional education program as defined in section 3 of this act or a nonresident school district under RCW 28A.225.220 through 28A.225.230.

(3) "Full-time equivalent eligible student" means an eligible student whose enrollment and attendance meet criteria adopted by the office of the superintendent of public instruction specifically for dropout reengagement programs. The criteria shall be:

(a) Based on the community or technical college credits generated by the student if the program provider is a community or technical college; and

(b) Based on a minimum amount of planned programming or instruction and minimum attendance by the student rather than hours of seat time if the program provider is a community-based organization.

NEW SECTION. Sec. 8. A new section is added to chapter 28A.190 RCW to read as follows:

(1) Institutional education providers shall annually deliver to all staff providing an institutional education program one day of professional development that builds pedagogical strategies to navigate the intersectionality of factors impacting student learning, including trauma, and physical, mental, and behavioral health in order to achieve academic milestone progression. At a minimum, the professional development must include training on the following topics:

(a) The cognitive, psychosocial, and emotional development of adolescents;

(b) Mental and behavioral health literacy;

(c) The complex needs of students involved in the juvenile justice system, including the trauma associated with incarceration or voluntary or involuntary commitment in a long-term psychiatric inpatient program;

(d) Racial literacy and cultural competency, as defined in RCW 28A.410.260; and

(e) Working with adolescents with many adverse childhood experiences.

(2) In addition to the professional learning allocations provided in RCW 28A.150.415, the legislature shall provide and the superintendent of public instruction shall allocate to institutional education providers one professional learning day of funding to provide the professional development required under this section.

NEW SECTION. Sec. 9. A new section is added to chapter 28A.190 RCW to read as follows:

With respect to students in institutional education facilities governed by this chapter, the department of children, youth, and families must:

(1) Identify data needed by the department and institutional education facilities to evaluate the facilities' administrative and operational role in

providing education to students and supporting students' educational outcomes. This data must include attendance, discipline rates, course and certificate completion rates, and other educational metrics;

(2) Analyze, and make a plan to resolve, department and institutional education facilities policies and practices that suspend the provision of educational services to a student as a disciplinary action, so that students are never denied the opportunity to engage in educational activities; and

(3) Review and resolve department and institutional education facility policies and practices that create barriers to students participating in meaningful learning opportunities, for example, career and technical education and postsecondary opportunities, in whatever location and format those opportunities are provided.

(4) In meeting the requirements of this section, the department of children, youth, and families must seek input from institutional education providers.

NEW SECTION. **Sec. 10.** A new section is added to chapter 28A.300 RCW to read as follows:

(1)(a) Beginning July 1, 2022, and every three years thereafter, the office of the superintendent of public instruction shall report on the funding and services provided in support of youth pursuant to Washington's every student succeeds act consolidated plan, Title I, part D: Prevention and intervention programs for children and youth who are neglected, delinquent, or at-risk, and the education outcomes resulting from the funding and provided services.

(b) The purpose of the report is to inform the legislature of progress toward the goals established in the consolidated plan and provide the legislature with the opportunity to determine whether subsequent legislation should be enacted to ensure the education needs of youth and postresident youth.

(2) Reports required by this section, which must delineate the recipients of the federal funds and how they are being used to support the education needs of youth and postresident youth, must be submitted to the appropriate committees of the house of representatives and the senate in accordance with RCW 43.01.036.

(3) For purposes of this section, "postresident youth" and "youth" have the same meanings as in section 3 of this act.

NEW SECTION. **Sec. 11.** A new section is added to chapter 28A.190 RCW to read as follows:

(1) The legislature intends to ensure that institutional education facilities include efficient systems to minimize learning loss and maximize credit accrual during transitions for youth and postresident youth. The legislature intends also for the report required by this section to inform its understanding of policy and funding changes that may be necessary to accomplish the objective of improving institutional education programs and outcomes.

(2) The office of the superintendent of public instruction shall modify or establish requirements and supports for the provision of public education to youth and postresident youth. In meeting the requirements of this section, the office of the superintendent of public instruction shall:

(a) Adopt rules requiring institutional education providers at state long-term juvenile institutions and state-operated community facilities to conduct an individualized education program review for each newly admitted youth who either does not have an individualized education program or does not have an individualized education program that has been reviewed in a meeting with the youth, parent or guardian, and applicable school personnel in the previous 12 months;

(b) Adopt rules requiring institutional education providers to, upon admission of a youth to an institutional education facility, conduct a review and assessment of needed services for each facility transition the youth experiences within the juvenile justice system. Rules adopted in accordance with this subsection (2)(b) do not apply to institutional education providers at facilities operated by or under the jurisdiction of the department of social and health services; and

(c) Adopt, for youth in state long-term juvenile institutions and state-operated community facilities, rules to implement accountability measures for special education services delivered by institutional education providers, including the establishment of mediation

and appeals options related to special education services that recognize the unique situation of youth and postresident youth.

(3) A summary of any adopted or pending rules developed in accordance with this section must be submitted to the appropriate committees of the legislature in accordance with RCW 43.01.036 by November 1, 2021, in time for any needed legislative action during the 2022 regular legislative session.

NEW SECTION. Sec. 12. A new section is added to chapter 28A.190 RCW to read as follows:

(1) The office of the superintendent of public instruction shall

annually collect and post on its website data related to institutional education programs, disaggregated by gender, race, ethnicity, and age, including data on:

(a) Individualized education programs;

(b) Access to relevant instruction that is aligned with the youth's high school and beyond plan and any unmet graduation requirements;

(c) Student attendance;

(d) Metrics of student education status upon the beginning of residency in an institutional education facility;

(e) Student education progress during residency in an institutional education facility;

(f) Student education attainment during residency in an institutional education facility; and

(g) Long-term education and workforce outcomes of youth in and released from institutional education facilities as provided annually by the education data center under RCW 43.41.400.

(2) (a) The office of the superintendent of public instruction shall also annually recommend modifications to the state board of education for changes to annual school improvement plan requirements in WAC 180-16-220 that would allow plans for state long-term juvenile institutions to be formatted for the specific needs and circumstances of institutional settings. In meeting the requirements of this subsection (2)(a), the office of the superintendent of public instruction shall seek input from institutional

education providers and the department of children, youth, and families.

(b) In meeting the requirements of this section, the office of the superintendent of public instruction may make recommendations to the state board of education for changes to annual school improvement plan requirements based upon data collected under this section, other provisions of law, or both.

NEW SECTION. Sec. 13. A new section is added to chapter 28A.190 RCW to read as follows:

The office of the superintendent of public instruction must provide a copy of the disaggregated data provided under section 12(1) of this act to the board of directors of each school district that provides education services to youth and postresident youth for the purpose of giving the board the opportunity to:

(1) Review the performance of the institutional education provider; and

(2) Make changes to annual school improvement plans required by WAC 180-16-220, or other policies and procedures as necessary to improve youth and postresident youth outcomes.

NEW SECTION. Sec. 14. A new section is added to chapter 28A.190 RCW to read as follows:

(1) (a) The office of the superintendent of public instruction and the department of children, youth, and families shall jointly develop recommendations for the establishment, implementation, and funding of a reformed institutional education system that successfully meets the education and support needs of persons in and released from secure settings. Recommendations developed under this subsection (1) must be based on the foundational concept that every student can succeed if given the necessary supports. With the exception of funding recommendations required by (a)(ii) of this subsection (1), the recommendations developed under this subsection (1) should be directed toward meeting the education needs of persons who are in or have been released from state long-term juvenile institutions and community facilities operated by the department of children, youth, and families, county juvenile detention centers, and facilities of the department of corrections that incarcerate juveniles committed as adults. The recommendations must address:

(i) The establishment of an organizational and accountability structure for institutional education that is focused on meeting complex student needs and improving student outcomes;

(ii) The establishment of an equitable, long-term funding model for institutional education that sustainably supports the organizational and accountability structure established under (a)(i) of this subsection (1); and

(iii) The development of a regular and ongoing review of system performance and education outcomes.

(b) The recommendations developed under this subsection (1) must also include the following:

(i) The content and structure of common education, information, and support systems that would include a common, culturally competent curriculum, improve system efficacy, and minimize the negative academic impacts of transitions;

(ii) A coordinated staffing model for institutional education facility and institutional education provider operations and effectiveness in meeting student needs, and a mechanism for developing subsequent recommendations for improvements to the model;

(iii) Practices to ensure that there is a robust program of education advocates for youth in all institutional education facilities;

(iv) Practices for shared data tracking and goal setting for youth progress and learning needs;

(v) Promoting the effective delivery of tiered supports in institutional education facilities in coordination with state and county facility operators, institutional education providers, and community-based organizations delivering those services;

(vi) Promoting the development of an operational safety strategy for safe learning environments for students and staff;

(vii) Promoting operations that prioritize education delivery;

(viii) Maximizing youth and postresident youth access to: (A) Career and technical education and postsecondary education pathways that occur at institutional education

facilities and at off-site locations; and (B) mastery-based learning that leads to credit accrual and graduation pathways;

(ix) Establishing new or modified requirements and procedures for the successful release of youth from institutional education facilities by recommending an effective team-based transition process with identified prerresident and postresident transition services and supports that include, but are not limited to, basic needs, social-emotional support, and academic support;

(x) Establishing and supporting youth advisory, leadership, and mentoring programs to ensure pathways for youth and postresident youth involvement and development;

(xi) Identifying and establishing culturally responsive parent engagement strategies that support the education and well-being of youth and postresident youth and families;

(xii) Examining and expanding opportunities to include enrichment activities in institutional education programs and offer enrichment opportunities that promote academic and career goals; and

(xiii) Developing partnerships with postsecondary institutions, career and technical education programs, and community-based organizations, and identify ways to incorporate those partnerships into education services delivered by institutional education providers.

(c) In developing the recommendations required by this subsection (1), the office of the superintendent of public instruction and the department of children, youth, and families shall consult with the advisory group established in subsection (3) of this section.

(2) The superintendent of public instruction and the secretary of the department of children, youth, and families shall, by August 15, 2021, jointly designate an entity to facilitate the process of developing recommendations required by subsection (1) of this section, and the advisory group established in subsection (3) of this section. The office of the superintendent of public instruction is responsible for contracts or other agreements necessary to secure the services of the designated entity. The

designated entity must: (a) Be a nonprofit and nonpartisan organization with content expertise in improving education for incarcerated young people, including education program delivery, system structure, accountability, and school finance; and (b) have experience facilitating complex cross-agency facilitation.

(3)(a) The institutional education structure and accountability advisory group is established for the purpose of providing advice, assistance, and information to the office of the superintendent of public instruction and the department of children, youth, and families in meeting the requirements of subsection (1) of this section. The advisory group must consist of representatives from the following, but other members may be added by request of the superintendent of public instruction or the secretary of the department of children, youth, and families:

- (i) The state board of education;
- (ii) The department of social and health services;
- (iii) A statewide organization representing counties;
- (iv) The administrative office of the courts;
- (v) The office of the education ombuds;
- (vi) The educational opportunity gap oversight and accountability committee;
- (vii) A statewide organization representing teachers;
- (viii) A statewide organization representing classified education staff;
- (ix) Nonprofit organizations representing the interest of youth and families involved in the juvenile justice system;
- (x) Persons who are or have been involved in the juvenile justice system and their families; and
- (xi) A statewide organization representing state employees.

(b) In recognition of the need to ensure representation on the advisory group, persons serving under (a)(x) of this subsection are eligible for travel expense reimbursement. Other members of the advisory group are not entitled to expense reimbursement.

(4) Staff support for the advisory group must be provided by the entity selected under subsection (2) of this section.

(5)(a) Recommendations required by this section must, in accordance with RCW 43.01.036, be provided to the governor and the education and fiscal committees of the house of representatives and the senate, by November 1, 2022. The recommendations should include a plan and a phased timeline for their implementation in different types of institutional education facilities, including state long-term juvenile institutions, state-operated community facilities, residential habilitation centers, and county juvenile detention centers.

(b) By December 15, 2021, the office of the superintendent of public instruction and the department of children, youth, and families shall, in accordance with RCW 43.01.036, provide an interim report on progress made in achieving the requirements of this section to the governor and the education and fiscal committees of the house of representatives and the senate.

(6) This section expires June 30, 2023.

Sec. 15. RCW 43.41.400 and 2017 3rd sp.s. c 6 s 223 are each amended to read as follows:

(1) An education data center shall be established in the office of financial management. The education data center shall jointly, with the legislative evaluation and accountability program committee, conduct collaborative analyses of early learning, K-12, and higher education programs and education issues across the P-20 system, which includes the department of children, youth, and families, the superintendent of public instruction, the professional educator standards board, the state board of education, the state board for community and technical colleges, the workforce training and education coordinating board, the student achievement council, public and private nonprofit four-year institutions of higher education, and the employment security department. The education data center shall conduct collaborative analyses under this section with the legislative evaluation and accountability program committee and provide data electronically to the

legislative evaluation and accountability program committee, to the extent permitted by state and federal confidentiality requirements. The education data center shall be considered an authorized representative of the state educational agencies in this section under applicable federal and state statutes for purposes of accessing and compiling student record data for research purposes.

(2) The education data center shall:

(a) In consultation with the legislative evaluation and accountability program committee and the agencies and organizations participating in the education data center, identify the critical research and policy questions that are intended to be addressed by the education data center and the data needed to address the questions;

(b) Coordinate with other state education agencies to compile and analyze education data, including data on student demographics that is disaggregated by distinct ethnic categories within racial subgroups, and complete P-20 research projects;

(c) Collaborate with the legislative evaluation and accountability program committee and the education and fiscal committees of the legislature in identifying the data to be compiled and analyzed to ensure that legislative interests are served;

(d) Annually provide to the K-12 data governance group a list of data elements and data quality improvements that are necessary to answer the research and policy questions identified by the education data center and have been identified by the legislative committees in (c) of this subsection. Within three months of receiving the list, the K-12 data governance group shall develop and transmit to the education data center a feasibility analysis of obtaining or improving the data, including the steps required, estimated time frame, and the financial and other resources that would be required. Based on the analysis, the education data center shall submit, if necessary, a recommendation to the legislature regarding any statutory changes or resources that would be needed to collect or improve the data;

(e) Monitor and evaluate the education data collection systems of the organizations and agencies represented

in the education data center ensuring that data systems are flexible, able to adapt to evolving needs for information, and to the extent feasible and necessary, include data that are needed to conduct the analyses and provide answers to the research and policy questions identified in (a) of this subsection;

(f) Track enrollment and outcomes through the public centralized higher education enrollment system;

(g) Assist other state educational agencies' collaborative efforts to develop a long-range enrollment plan for higher education including estimates to meet demographic and workforce needs;

(h) Provide research that focuses on student transitions within and among the early learning, K-12, and higher education sectors in the P-20 system;

(i) Prepare ~~((a regular))~~ an annual report on the educational and workforce outcomes of youth in ((the juvenile justice system)) and released from institutional education facilities as defined in section 3 of this act, using data disaggregated by age, and by ethnic categories and racial subgroups in accordance with RCW 28A.300.042. The annual report required by this subsection (2)(i) must be provided to the office of the superintendent of public instruction in a manner that is suitable for compliance with section 12 of this act; and

(j) Make recommendations to the legislature as necessary to help ensure the goals and objectives of this section and RCW 28A.655.210 and 28A.300.507 are met.

(3) The department of children, youth, and families, superintendent of public instruction, professional educator standards board, state board of education, state board for community and technical colleges, workforce training and education coordinating board, student achievement council, public four-year institutions of higher education, department of social and health services, and employment security department shall work with the education data center to develop data-sharing and research agreements, consistent with applicable security and confidentiality requirements, to facilitate the work of the center. The education data center shall also develop data-sharing and research agreements with the administrative office of the courts to

conduct research on educational and workforce outcomes using data maintained under RCW 13.50.010(12) related to juveniles. Private, nonprofit institutions of higher education that provide programs of education beyond the high school level leading at least to the baccalaureate degree and are accredited by the Northwest association of schools and colleges or their peer accreditation bodies may also develop data-sharing and research agreements with the education data center, consistent with applicable security and confidentiality requirements. The education data center shall make data from collaborative analyses available to the education agencies and institutions that contribute data to the education data center to the extent allowed by federal and state security and confidentiality requirements applicable to the data of each contributing agency or institution.

Sec. 16. RCW 13.04.145 and 2017 3rd sp.s. c 6 s 604 are each amended to read as follows:

A program of education shall be provided for by the several counties and school districts of the state for common school-age persons confined in each of the detention facilities staffed and maintained by the several counties of the state under this chapter and chapters 13.16 and 13.20 RCW. The division of duties, authority, and liabilities of the several counties and school districts of the state respecting the educational programs is the same in all respects as set forth in chapter 28A.190 RCW respecting programs of education for state residential school residents. (~~For the purposes of this section, the terms "department of children, youth, and families," "residential school" or "schools," and "superintendent or chief administrator of a residential school" as used in chapter 28A.190 RCW shall be respectively construed to mean "the several counties of the state," "detention facilities," and "the administrator of juvenile court detention services."~~) Nothing in this section shall prohibit a school district from utilizing the services of an educational service district subject to RCW 28A.310.180.

NEW SECTION. Sec. 17. The following acts or parts of acts are each repealed:

(1) RCW 28A.190.015 ("School district" defined—Application of RCW 13.04.145) and 2014 c 157 s 1; and

(2) RCW 28A.190.020 (Educational programs for residential school residents—"Residential school" defined) and 2017 3rd sp.s. c 6 s 721, 2014 c 157 s 3, 1990 c 33 s 171, & 1979 ex.s. c 217 s 1.

NEW SECTION. Sec. 18. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2021, in the omnibus appropriations act, this act is null and void."

On page 1, line 2 of the title, after "facilities;" strike the remainder of the title and insert "amending RCW 28A.150.200, 28A.175.105, 43.41.400, and 13.04.145; reenacting and amending RCW 28A.320.192; adding new sections to chapter 28A.190 RCW; adding a new section to chapter 28A.300 RCW; creating new sections; repealing RCW 28A.190.015 and 28A.190.020; and providing expiration dates."

and the same is herewith transmitted.

Sarah Bannister, Deputy, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1295 and advanced the bill, as amended by the Senate, to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Callan and Ybarra spoke in favor of the passage of the bill.

The Speaker stated the question before the House to be the final passage of Engrossed Second Substitute House Bill No. 1295, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 1295, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 96; Nays, 0; Absent, 0; Excused, 2.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dufault, Dye, Entenman, Eslick, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Klippert, Kraft, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McCaslin, McEntire, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul,

Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Excused: Representatives Fey and Kloba.

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1295, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 11, 2021

Madame Speaker:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL NO. 1297 with the following amendments:

On page 7, beginning on line 35, after "82.32.805" strike all material through "82.32.808" on line 36

On page 7, after line 36, insert the following:

"NEW SECTION. Sec. 4. (1) This section is the tax preference performance statement for the tax preference contained in section 2, chapter . . ., Laws of 2021 (section 2 of this act). 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 the preferential tax treatment.

(2) The legislature categorizes this tax preference as one intended to provide tax relief for certain individuals as indicated in RCW 82.32.808(2)(e).

(3) It is the legislature's specific public policy objective to allow low-income and middle-income workers to recover some or all of the sales tax they pay to support state and local government as a way to increase their economic security and to decrease the regressivity of our state tax code. It is the legislature's intent to provide a sales and use tax credit, in the form of a remittance, to low-income and middle-income working families.

(4) The joint legislative audit and review committee shall review this preference in 2028 and every 10 years thereafter. If a review finds that the working families' tax credit does not provide meaningful financial relief to

low-income and middle-income households, this act shall expire at the end of the calendar year two years after the adoption of the final report containing that finding. In its review of the program, the joint legislative audit and review committee should use at least the following metrics: Size of the benefit per household, number of household beneficiaries statewide, and demographic information of beneficiaries to include family size, income level, race and ethnicity, and geographic location.

(5) In order to obtain the data necessary to perform the review in subsection (4) of this section, the joint legislative audit and review committee may refer to the remittance data prepared by the department of revenue."

On page 3, line 15, after "32" insert ", except the child may have a valid individual taxpayer identification number in lieu of a social security number"

On page 3, line 26, after "(i)" strike "\$500" and insert "\$300"

On page 3, line 27, after "(ii)" strike "\$650" and insert "\$600"

On page 3, line 28, after "(iii)" strike "\$800" and insert "\$900"

On page 3, line 29, after "(iv)" strike "\$950" and insert "\$1,200"

and the same are herewith transmitted.

Sarah Bannister, Deputy, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendments to ENGROSSED SUBSTITUTE HOUSE BILL NO. 1297 and advanced the bill, as amended by the Senate, to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Thai and Stokesbary spoke in favor of the passage of the bill.

The Speaker stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1297, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1297, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 93; Nays, 3; Absent, 0; Excused, 2.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dye, Entenman, Eslick, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, J. Johnson, Kirby, Klicker, Klippert, Kraft, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McCaslin, McEntire, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Voting nay: Representatives Dufault, Jacobsen and Rude.

Excused: Representatives Fey and Kloba.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1297, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 7, 2021

Madame Speaker:

The Senate has passed ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1335 with the following amendment:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature finds that the existence of racial, religious, or ethnic-based property restrictions or covenants on a deed or chain of title for real property is like having a monument to racism on that property and is repugnant to the tenets of equality. Furthermore, such restrictions and covenants may cause mental anguish and tarnish a property owner's sense of ownership in the property because the owner feels as though they have participated in a racist act themselves.

It is the intent of the legislature that the owner, occupant, or tenant or homeowners' association board of the property which is subject to an unlawful deed restriction or covenant pursuant to RCW 49.60.224 is entitled to have discriminatory covenants and restrictions that are contrary to public

policy struck from their chain of title. The legislature has presented two ways this can be accomplished through RCW 49.60.227(1) (a) and (b). If the owner, occupant, or tenant or homeowners' association board of the property elects to pursue a judicial remedy, the legislature intends that the court issue a declaratory judgment ordering the county auditor, or in charter counties the county official charged with the responsibility for recording instruments in the county records, to entirely strike the racist or otherwise discriminatory covenants from the chain of title. Striking the language does not prevent preservation of the original record, outside of the chain of title, for historical or archival purposes.

The legislature finds that striking racist, religious, and ethnic restrictions or covenants from the chain of title is no different than having an offensive statutory monument which the owner may entirely remove. So too should the owner be able to entirely remove the offensive written monument to racism or other unconstitutional discrimination.

NEW SECTION. Sec. 2. A new section is added to chapter 49.60 RCW to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the University of Washington and Eastern Washington University shall review existing recorded covenants and deed restrictions to identify those recorded documents that include racial or other restrictions on property ownership or use against protected classes that are unlawful under RCW 49.60.224. For properties subject to such racial and other unlawful restrictions, the universities shall provide notice to the property owner and to the county auditor of the county in which the property is located. The universities shall provide information to the property owner on how such provisions can be struck pursuant to RCW 49.60.227. The universities may contract with other public and private not-for-profit higher education institutions that are regionally accredited to carry out the review and notification requirements of this section.

(2) This section expires July 1, 2027.

Sec. 3. RCW 64.06.020 and 2019 c 455 s 3 are each amended to read as follows:

(1) In a transaction for the sale of improved residential real property, the seller shall, unless the buyer has expressly waived the right to receive the disclosure statement under RCW 64.06.010, or unless the transfer is otherwise exempt under RCW 64.06.010, deliver to the buyer a completed seller disclosure statement in the following format and that contains, at a minimum, the following information:

INSTRUCTIONS TO THE SELLER

Please complete the following form. Do not leave any spaces blank. If the question clearly does not apply to the property write "NA." If the answer is "yes" to any * items, please explain on attached sheets. Please refer to the line number(s) of the question(s) when you provide your explanation(s). For your protection you must date and sign each page of this disclosure statement and each attachment. Delivery of the disclosure statement must occur not later than five business days, unless otherwise agreed, after mutual acceptance of a written contract to purchase between a buyer and a seller.

NOTICE TO THE BUYER

THE FOLLOWING DISCLOSURES ARE MADE BY SELLER ABOUT THE CONDITION OF THE PROPERTY LOCATED AT

("THE PROPERTY"), OR AS LEGALLY DESCRIBED ON ATTACHED EXHIBIT A.

SELLER MAKES THE FOLLOWING DISCLOSURES OF EXISTING MATERIAL FACTS OR MATERIAL DEFECTS TO BUYER BASED ON SELLER'S ACTUAL KNOWLEDGE OF THE PROPERTY AT THE TIME SELLER COMPLETES THIS DISCLOSURE STATEMENT. UNLESS YOU AND SELLER OTHERWISE AGREE IN WRITING, YOU HAVE THREE BUSINESS DAYS FROM THE DAY SELLER OR SELLER'S AGENT DELIVERS THIS DISCLOSURE STATEMENT TO YOU TO RESCIND THE AGREEMENT BY DELIVERING A SEPARATELY SIGNED WRITTEN STATEMENT OF RESCISSION TO SELLER OR SELLER'S AGENT. IF THE SELLER DOES NOT GIVE YOU A COMPLETED DISCLOSURE STATEMENT, THEN YOU MAY WAIVE THE RIGHT TO RESCIND PRIOR TO OR AFTER THE TIME YOU ENTER INTO A SALE AGREEMENT.

THE FOLLOWING ARE DISCLOSURES MADE BY SELLER AND ARE NOT THE REPRESENTATIONS OF ANY REAL ESTATE LICENSEE OR OTHER PARTY. THIS INFORMATION IS FOR DISCLOSURE ONLY AND IS NOT INTENDED TO BE A PART OF ANY WRITTEN AGREEMENT BETWEEN BUYER AND SELLER.

FOR A MORE COMPREHENSIVE EXAMINATION OF THE SPECIFIC CONDITION OF THIS PROPERTY YOU ARE ADVISED TO OBTAIN AND PAY FOR THE SERVICES OF QUALIFIED EXPERTS TO INSPECT THE PROPERTY, WHICH MAY INCLUDE, WITHOUT LIMITATION, ARCHITECTS, ENGINEERS, LAND SURVEYORS, PLUMBERS, ELECTRICIANS, ROOFERS, BUILDING INSPECTORS, ON-SITE WASTEWATER TREATMENT INSPECTORS, OR STRUCTURAL PEST INSPECTORS. THE PROSPECTIVE BUYER AND SELLER MAY WISH TO OBTAIN PROFESSIONAL ADVICE OR INSPECTIONS OF THE PROPERTY OR TO PROVIDE APPROPRIATE PROVISIONS IN A CONTRACT BETWEEN THEM WITH RESPECT TO ANY ADVICE, INSPECTION, DEFECTS OR WARRANTIES.

Seller is/ is not occupying the property.

I. SELLER'S DISCLOSURES:

If you answer "Yes" to a question with an asterisk (), please explain your answer and attach documents, if available and not otherwise publicly recorded. If necessary, use an attached sheet.

1. TITLE

[] Yes [] No [] Don't know A. Do you have legal authority to sell the property? If no, please explain.

[] Yes [] No [] Don't know *B. Is title to the property subject to any of the following?

(1) First right of refusal

(2) Option

(3) Lease or rental agreement

(4) Life estate?

[] Yes [] No [] Don't know *C. Are there any encroachments, boundary agreements, or boundary disputes?

[] Yes [] No [] Don't know *D. Is there a private road or easement agreement for access to the property?

[] Yes [] No [] Don't know *E. Are there any rights-of-way, easements, or access limitations that may affect the Buyer's use of the property?

[] Yes [] No [] Don't know *F. Are there any written agreements for joint maintenance of an easement or right-of-way?

[] Yes [] No [] Don't know *G. Is there any study, survey project, or notice that would adversely affect the property?

[] Yes [] No [] Don't know *H. Are there any pending or existing assessments against the property?

[] Yes [] No [] Don't know *I. Are there any zoning violations, nonconforming uses, or any unusual restrictions on the

property that would affect future construction or remodeling?

[] Yes No [] Don't know

*J. Is there a boundary survey for the property?

[] Yes No [] Don't know

[] Yes No [] Don't know

*K. Are there any covenants, conditions, or restrictions recorded against the property?

right not been used for five or more successive years?

*(7) Are there any defects in the operation of the water system (e.g. pipes, tank, pump, etc.)?

B. Irrigation Water

(1) Are there any irrigation water rights for the property, such as a water right permit, certificate, or claim?

[] Yes No [] Don't know

[] Yes No [] Don't know

*(a) If yes, has all or any portion of the water right not been used for five or more successive years?

[] Yes No [] Don't know

*(b) If so, is the certificate available? (If yes, please attach a copy.)

[] Yes No [] Don't know

*(c) If so, has the water right permit, certificate, or claim been assigned, transferred, or changed?

NOTICE TO THE BUYER: Covenants or deed restrictions based on race, creed, sexual orientation, or other protected class were voided by RCW 49.60.224 and are unenforceable. Washington law allows for the illegal language to be struck by bringing an action in superior court or by the free recording of a restrictive covenant modification document. Many county auditor websites provide a short form with instructions on this process.

2. WATER

A. Household Water

(1) The source of water for the property is:

[] Private or publicly owned water system

[] Private well serving only the subject property

*[] Other water system

[] Yes No [] Don't know

*If shared, are there any written agreements?

[] Yes No [] Don't know

[] Yes No [] Don't know

*(2) Is there an easement (recorded or unrecorded) for access to and/or maintenance of the water source?

[] Yes No [] Don't know

*(2) If yes, are there any defects in the system?

[] Yes No [] Don't know

*(3) If yes, is the sprinkler system connected to irrigation water?

[] Yes No [] Don't know

*(3) Are there any problems or repairs needed?

3. SEWER/ON-SITE SEWAGE SYSTEM

A. The property is served by:

[] Public sewer system,

[] On-site sewage system (including pipes, tanks, drainfields, and all other component parts)

[] Other disposal system, please describe:

[] Yes No [] Don't know

(4) During your ownership, has the source provided an adequate year-round supply of potable water? If no, please explain.

[] Yes No [] Don't know

[] Yes No [] Don't know

*(5) Are there any water treatment systems for the property? If yes, are they [] Leased [] Owned

[] Yes No [] Don't know

B. If public sewer system service is available to the property, is the house connected to the sewer main? If no, please explain.

[] Yes No [] Don't know

*(6) Are there any water rights for the property associated with its domestic water supply, such as a water right permit, certificate, or claim?

[] Yes No [] Don't know

*C. Is the property subject to any sewage system fees or charges in addition to those covered in your regularly billed sewer or on-site sewage system maintenance service?

[] Yes No [] Don't know

(a) If yes, has the water right permit, certificate, or claim been assigned, transferred, or changed?

*(b) If yes, has all or any portion of the water

[] Yes [] No [] Don't know

Heating and cooling systems

[] Yes [] No [] Don't know

Security system

[] Owned [] Leased

Other

[] Yes [] No [] Don't know

*B. If any of the following fixtures or property is included with the transfer, are they leased? (If yes, please attach copy of lease.)

[] Yes [] No [] Don't know

Security system

[] Yes [] No [] Don't know

Tanks (type):

[] Yes [] No [] Don't know

Satellite dish

Other:

*C. Are any of the following kinds of wood burning appliances present at the property?

[] Yes [] No [] Don't know

(1) Woodstove?

[] Yes [] No [] Don't know

(2) Fireplace insert?

[] Yes [] No [] Don't know

(3) Pellet stove?

[] Yes [] No [] Don't know

(4) Fireplace?

[] Yes [] No [] Don't know

If yes, are all of the (1) woodstoves or (2) fireplace inserts certified by the U.S. Environmental Protection Agency as clean burning appliances to improve air quality and public health?

[] Yes [] No [] Don't know

D. Is the property located within a city, county, or district or within a department of natural resources fire protection zone that provides fire protection services?

[] Yes [] No [] Don't know

E. Is the property equipped with carbon monoxide alarms?

(Note: Pursuant to RCW 19.27.530, seller must equip the residence with carbon monoxide alarms as required by the state building code.)

[] Yes [] No [] Don't know

F. Is the property equipped with smoke detection devices?

(Note: Pursuant to RCW 43.44.110, if the property is not equipped with at least one smoke detection device, at least one must be provided by the seller.)

6. HOMEOWNERS' ASSOCIATION/Common INTERESTS

[] Yes [] No [] Don't know

A. Is there a Homeowners' Association? Name of Association and contact information for an officer, director, employee, or other authorized agent, if any, who

may provide the association's financial statements, minutes, bylaws, fining policy, and other information that is not publicly available:

B. Are there regular periodic assessments:

\$. . . per [] Month [] Year

[] Other

*C. Are there any pending special assessments?

[] Yes [] No [] Don't know

*D. Are there any shared "common areas" or any joint maintenance agreements (facilities such as walls, fences, landscaping, pools, tennis courts, walkways, or other areas co-owned in undivided interest with others)?

[] Yes [] No [] Don't know

7. ENVIRONMENTAL

*A. Have there been any flooding, standing water, or drainage problems on the property that affect the property or access to the property?

[] Yes [] No [] Don't know

*B. Does any part of the property contain fill dirt, waste, or other fill material?

[] Yes [] No [] Don't know

*C. Is there any material damage to the property from fire, wind, floods, beach movements, earthquake, expansive soils, or landslides?

[] Yes [] No [] Don't know

D. Are there any shorelines, wetlands, floodplains, or critical areas on the property?

[] Yes [] No [] Don't know

*E. Are there any substances, materials, or products in or on the property that may be environmental concerns, such as asbestos, formaldehyde, radon gas, lead-based paint, fuel or chemical storage tanks, or contaminated soil or water?

[] Yes [] No [] Don't know

*F. Has the property been used for commercial or industrial purposes?

[] Yes [] No [] Don't know

*G. Is there any soil or groundwater contamination?

[] Yes [] No [] Don't know

*H. Are there transmission poles or other electrical utility equipment installed, maintained, or buried on the property that do not provide utility service to the structures on the property?

[] Yes [] No [] Don't know

*I. Has the property been used as a legal or illegal dumping site?

[] Yes [] No [] Don't know

*J. Has the property been used as an illegal drug manufacturing site?

[] Yes [] No [] Don't know

*K. Are there any radio towers in the area that cause interference with cellular telephone reception?

[] Yes [] No [] Don't know

8. MANUFACTURED AND MOBILE HOMES

If the property includes a manufactured or mobile home,

[] Yes No [] Don't know

*A. Did you make any alterations to the home? If yes, please describe the alterations:

[] Yes No [] Don't know

*B. Did any previous owner make any alterations to the home?

[] Yes No [] Don't know

*C. If alterations were made, were permits or variances for these alterations obtained?

9. FULL DISCLOSURE BY SELLERS

A. Other conditions or defects:

[] Yes No [] Don't know

*Are there any other existing material defects affecting the property that a prospective buyer should know about?

B. Verification:

The foregoing answers and attached explanations (if any) are complete and correct to the best of my/our knowledge and I/we have received a copy hereof. I/we authorize all of my/our real estate licensees, if any, to deliver a copy of this disclosure statement to other real estate licensees and all prospective buyers of the property.

DATE SELLER SELLER

NOTICE TO THE BUYER

INFORMATION REGARDING REGISTERED SEX OFFENDERS MAY

BE OBTAINED FROM LOCAL LAW ENFORCEMENT AGENCIES. THIS NOTICE IS INTENDED ONLY TO INFORM YOU OF WHERE TO OBTAIN THIS INFORMATION AND IS NOT AN INDICATION OF THE PRESENCE OF REGISTERED SEX OFFENDERS.

II. BUYER'S ACKNOWLEDGMENT

- A. Buyer hereby acknowledges that: Buyer has a duty to pay diligent attention to any material defects that are known to Buyer or can be known to Buyer by utilizing diligent attention and observation.
- B. The disclosures set forth in this statement and in any amendments to this statement are made only by the Seller and not by any real estate licensee or other party.
- C. Buyer acknowledges that, pursuant to RCW 64.06.050(2), real estate licensees are not liable for inaccurate information provided by Seller, except to the extent that real estate licensees know of such inaccurate information.
- D. This information is for disclosure only and is not intended to be a part of the written agreement between the Buyer and Seller.
- E. Buyer (which term includes all persons signing the "Buyer's acceptance" portion of this

disclosure statement below) has received a copy of this Disclosure Statement (including attachments, if any) bearing Seller's signature.

DISCLOSURES CONTAINED IN THIS DISCLOSURE STATEMENT ARE PROVIDED BY SELLER BASED ON SELLER'S ACTUAL KNOWLEDGE OF THE PROPERTY AT THE TIME SELLER COMPLETES THIS DISCLOSURE STATEMENT. UNLESS BUYER AND SELLER OTHERWISE AGREE IN WRITING, BUYER SHALL HAVE THREE BUSINESS DAYS FROM THE DAY SELLER OR SELLER'S AGENT DELIVERS THIS DISCLOSURE STATEMENT TO RESCIND THE AGREEMENT BY DELIVERING A SEPARATELY SIGNED WRITTEN STATEMENT OF RESCISSION TO SELLER OR SELLER'S AGENT. YOU MAY WAIVE THE RIGHT TO RESCIND PRIOR TO OR AFTER THE TIME YOU ENTER INTO A SALE AGREEMENT.

BUYER HEREBY ACKNOWLEDGES RECEIPT OF A COPY OF THIS DISCLOSURE STATEMENT AND ACKNOWLEDGES THAT THE DISCLOSURES MADE HEREIN ARE THOSE OF THE SELLER ONLY, AND NOT OF ANY REAL ESTATE LICENSEE OR OTHER PARTY.

DATE BUYER
. BUYER

(2) If the disclosure statement is being completed for new construction which has never been occupied, the disclosure statement is not required to contain and the seller is not required to complete the questions listed in item 4. Structural or item 5. Systems and Fixtures.

(3) The seller disclosure statement shall be for disclosure only, and shall not be considered part of any written agreement between the buyer and seller of residential property. The seller disclosure statement shall be only a disclosure made by the seller, and not any real estate licensee involved in the transaction, and shall not be construed as a warranty of any kind by the seller or any real estate licensee involved in the transaction.

Sec. 4. RCW 49.60.227 and 2018 c 65 s 1 are each amended to read as follows:

(1)(a) If a written instrument contains a provision that is void by reason of RCW 49.60.224, the owner, occupant, or tenant of the property which is subject to the provision or the homeowners' association board may cause the provision to be stricken from the public records by bringing an action in the superior court in the county in which the property is located. The action shall be an in rem, declaratory judgment action whose title shall be the description of

the property. The necessary party to the action shall be the owner, occupant, or tenant of the property or any portion thereof. The person bringing the action shall pay a fee set under RCW 36.18.012.

(b) If the court finds that any provisions of the written instrument are void under RCW 49.60.224, it shall enter an order striking the void provisions from the public records and eliminating the void provisions from the title or lease of the property described in the complaint.

(i) A complete copy of any document affected by the order shall be made an exhibit to the order and the order shall identify each document by recording number and date of recordation and set forth verbatim the void provisions to be struck from such document. The order shall include a certified copy of each document, upon which the court has physically redacted the void provisions.

(ii) The person bringing the action may obtain and deliver a certified copy of the order to the office of the county auditor or, in charter counties, the county official charged with the responsibility for recording instruments in the county records, in the county where the property is located.

(iii) The auditor shall record the documents prepared by the court. An image of each document so corrected shall be placed in the public records. Each corrected document shall contain the following information on the first page or a cover page prepared pursuant to RCW 65.04.047: The auditor's file number or book and page of the original document, a notation that the original document was corrected pursuant to this section, the cause number of the court action, and the date the order was entered.

(iv) The auditor or official shall update the index of each original document referenced in the order with the auditor's file number of the corrected document. Further, the index will note that the original record is no longer the primary official public record and is removed from the chain of title pursuant to the court order.

(v) The original document or image and subsequent records of such actions shall be separately maintained in the county's records and, at the auditor's or official's discretion, the original document or image may also be transferred to the secretary of state archives

division to be preserved for historical or archival purposes.

(2)(a) As an alternative to the judicial procedure set forth in subsection (1) of this section, the owner of property subject to a written instrument that contains a provision that is void by reason of RCW 49.60.224 may record a restrictive covenant modification document with the county auditor, or in charter counties the county official charged with the responsibility for recording instruments in the county records, in the county in which the property is located.

(b) The modification document shall contain a recording reference to the original written instrument.

(c) The modification document must state, in part:

"The referenced original written instrument contains discriminatory provisions that are void and unenforceable under RCW 49.60.224 and federal law. This document strikes from the referenced original instrument all provisions that are void and unenforceable under law."

(d) The effective date of the modification document shall be the same as the effective date of the original written instrument.

(e) If the owner causes to be recorded a modification document that contains modifications not authorized by this section, the county auditor or recording officer shall not incur liability for recording the document. Any liability that may result is the sole responsibility of the owner who caused the recordation.

(f) No filing or recording fees or otherwise authorized surcharges shall be required for the filing of a modification document pursuant to this section.

(3) For the purposes of this section, "restrictive covenant modification document" or "modification document" means a standard form developed and designed by the Washington state association of county auditors.

NEW SECTION. Sec. 5. This act applies to real estate transactions entered into on or after January 1, 2022."

On page 1, line 2 of the title, after "restrictions;" strike the remainder of the title and insert "amending RCW

64.06.020 and 49.60.227; adding a new section to chapter 49.60 RCW; creating new sections; and providing an expiration date."

and the same is herewith transmitted.

Sarah Bannister, Deputy, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1335 and advanced the bill, as amended by the Senate, to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Valdez and Goehner spoke in favor of the passage of the bill.

Representative Kraft spoke against the passage of the bill.

The Speaker stated the question before the House to be the final passage of Engrossed Second Substitute House Bill No. 1335, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 1335, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 95; Nays, 1; Absent, 0; Excused, 2.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dufault, Dye, Entenman, Eslick, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Klippert, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McCaslin, McEntire, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Voting nay: Representative Kraft.

Excused: Representatives Fey and Kloba.

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1335, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 6, 2021

Madame Speaker:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL NO. 1443 with the following amendment:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 43.330.540 and 2020 c 236 s 3 are each amended to read as follows:

(1) The ~~((marijuana))~~ cannabis social equity technical assistance ~~((competitive))~~ grant program is established and is to be administered by the department.

(2) (a) The ~~((marijuana))~~ cannabis social equity technical assistance ~~((competitive))~~ grant program must award grants ~~((on a competitive basis to marijuana retailer))~~ to:

(i) Cannabis license applicants who are social equity applicants submitting social equity plans under RCW 69.50.335; and

(ii) Cannabis licensees holding a license issued after June 30, 2020, and before the effective date of this section who meet the social equity applicant criteria under RCW 69.50.335.

(b) Grant recipients under this subsection (2) must demonstrate completion of their project within 12 months of receiving a grant, unless a grant recipient requests, and the department approves, additional time to complete the project.

(3) The department must award grants primarily based on the strength of the social equity plans submitted by cannabis license applicants and cannabis licensees holding a license issued after June 30, 2020, and before the effective date of this section, but may also consider additional criteria if deemed necessary or appropriate by the department. Technical assistance activities eligible for funding ~~((under the marijuana social equity technical assistance competitive grant program))~~ include, but are not limited to:

(a) Assistance navigating the ~~((marijuana retailer))~~ cannabis licensure process;

(b) ~~((Marijuana-business))~~ Cannabis-business specific education and business plan development;

(c) Regulatory compliance training;

(d) Financial management training and assistance in seeking financing; ~~(and)~~

(e) Strengthening a social equity plan; and

(f) Connecting social equity applicants with established industry members and tribal ~~((marijuana))~~ cannabis enterprises and programs for mentoring and other forms of support ~~((approved by the [Washington state liquor and cannabis] board))~~.

~~((3))~~ (4) The department may contract to establish a roster of mentors who are available to support and advise social equity applicants and current licensees who meet the social equity applicant criteria under RCW 69.50.335. Contractors under this section must:

(a) Have knowledge and experience demonstrating their ability to effectively advise eligible applicants and licensees in navigating the state's licensing and regulatory framework or on producing and processing cannabis;

(b) Be a business that is at least 51% minority or woman-owned; and

(c) Meet department reporting and invoicing requirements.

(5) Funding for the ~~((marijuana))~~ cannabis social equity technical assistance ~~((competitive))~~ grant program must be provided through the dedicated marijuana account under RCW 69.50.540. Additionally, the department may solicit, receive, and expend private contributions to support the grant program.

~~((4))~~ (6) The department may adopt rules to implement this section.

(7) For the purposes of this section, "cannabis" has the meaning provided for "marijuana" under RCW 69.50.101.

Sec. 2. RCW 69.50.335 and 2020 c 236 s 2 are each amended to read as follows:

(1) Beginning December 1, 2020, and until July 1, ~~((2020))~~ 2029, ~~((marijuana))~~ cannabis retailer licenses that have been subject to forfeiture, revocation, or cancellation by the board, or ~~((marijuana))~~ cannabis retailer licenses that were not previously issued by the board but could have been issued without exceeding the limit on the statewide number of ~~((marijuana))~~ cannabis retailer licenses established before January 1, 2020, by the board, may be issued or reissued to an applicant who

meets the ~~((marijuana))~~ cannabis retailer license requirements of this chapter.

(2) (a) In order to be considered for a retail license under subsection (1) of this section, an applicant must be a social equity applicant and submit a social equity plan along with other ~~((marijuana))~~ cannabis retailer license application requirements to the board. If the application proposes ownership by more than one person, then at least fifty-one percent of the proposed ownership structure must reflect the qualifications of a social equity applicant.

(b) Persons holding an existing ~~((marijuana))~~ cannabis retailer license or title certificate for a ~~((marijuana))~~ cannabis retailer business in a local jurisdiction subject to a ban or moratorium on ~~((marijuana))~~ cannabis retail businesses may apply for a license under this section.

(3) (a) In determining the issuance of a license among applicants, the board may prioritize applicants based on the extent to which the application addresses the components of the social equity plan.

(b) The board may deny any application submitted under this subsection if the board determines that:

(i) The application does not meet social equity goals or does not meet social equity plan requirements; or

(ii) The application does not otherwise meet the licensing requirements of this chapter.

(4) The board may adopt rules to implement this section. Rules may include strategies for receiving advice on the social equity program from individuals the program is intended to benefit. Rules may also require that licenses awarded under this section be transferred or sold only to individuals or groups of individuals who comply with the requirements for initial licensure as a social equity applicant with a social equity plan under this section.

(5) The annual fee for issuance, reissuance, or renewal for any license under this section must be equal to the fee established in RCW 69.50.325.

(6) For the purposes of this section:

(a) "Cannabis" has the meaning provided for "marijuana" under this chapter.

(b) "Disproportionately impacted area" means a census tract or comparable geographic area that satisfies the following criteria, which may be further defined in rule by the board after consultation with the commission on African American affairs and other agencies, commissions, and ~~((stakeholders))~~ community members as determined by the board:

(i) The area has a high poverty rate;

(ii) The area has a high rate of participation in income-based federal or state programs;

(iii) The area has a high rate of unemployment; and

(iv) The area has a high rate of arrest, conviction, or incarceration related to the sale, possession, use, cultivation, manufacture, or transport of ~~((marijuana))~~ cannabis.

~~((b))~~ (c) "Social equity applicant" means:

(i) An applicant who has at least fifty-one percent ownership and control by one or more individuals who have resided ~~((for at least five of the preceding ten years))~~ in a disproportionately impacted area for a period of time defined in rule by the board after consultation with the commission on African American affairs and other commissions, agencies, and community members as determined by the board; ~~((or))~~

(ii) An applicant who has at least fifty-one percent ownership and control by at least one individual who has been convicted of a ~~((marijuana))~~ cannabis offense, a drug offense, or is a family member of such an individual; or

(iii) An applicant who meets criteria defined in rule by the board after consultation with the commission on African American affairs and other commissions, agencies, and community members as determined by the board.

~~((e))~~ (d) "Social equity goals" means:

(i) Increasing the number of ~~((marijuana))~~ cannabis retailer licenses held by social equity applicants from disproportionately impacted areas; and

(ii) Reducing accumulated harm suffered by individuals, families, and local areas subject to severe impacts from the historical application and enforcement of ~~((marijuana))~~ cannabis prohibition laws.

~~((d))~~ (e) "Social equity plan" means a plan that addresses at least some of the elements outlined in this subsection (6) ~~((d))~~ (e), along with any additional plan components or requirements approved by the board following consultation with the task force created in RCW 69.50.336. The plan may include:

(i) A statement that the social equity applicant qualifies as a social equity applicant and intends to own at least fifty-one percent of the proposed ~~((marijuana))~~ cannabis retail business or applicants representing at least fifty-one percent of the ownership of the proposed business qualify as social equity applicants;

(ii) A description of how issuing a ~~((marijuana))~~ cannabis retail license to the social equity applicant will meet social equity goals;

(iii) The social equity applicant's personal or family history with the criminal justice system including any offenses involving ~~((marijuana))~~ cannabis;

(iv) The composition of the workforce the social equity applicant intends to hire;

(v) Neighborhood characteristics of the location where the social equity applicant intends to operate, focusing especially on disproportionately impacted areas; and

(vi) Business plans involving partnerships or assistance to organizations or residents with connection to populations with a history of high rates of enforcement of ~~((marijuana))~~ cannabis prohibition.

Sec. 3. RCW 69.50.336 and 2020 c 236 s 5 are each amended to read as follows:

(1) A legislative task force on social equity in ~~((marijuana))~~ cannabis is established. The purpose of the task force is to make recommendations to the board including but not limited to establishing a social equity program for the issuance and reissuance of existing retail ~~((marijuana))~~, processor, and producer cannabis licenses, and to advise the governor and the legislature on

policies that will facilitate development of a ~~((marijuana))~~ cannabis social equity program.

(2) The members of the task force are as provided in this subsection.

(a) The president of the senate shall appoint one member from each of the two largest caucuses of the senate.

(b) The speaker 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 shall jointly appoint:

(i) One member from each of the following:

(A) The commission on African American affairs;

(B) The commission on Hispanic affairs;

(C) The governor's office of Indian affairs;

(D) An organization representing the African American community;

(E) An organization representing the Latinx community;

(F) A labor organization involved in the ~~((marijuana))~~ cannabis industry;

(G) The liquor and cannabis board;

(H) The department of commerce;

(I) The office of the attorney general; and

(J) The association of Washington cities;

(ii) Two members that currently hold a ~~((marijuana))~~ cannabis retail license; ~~((and))~~

(iii) Two members that currently hold a producer ~~((or processor))~~ license ~~((or both)); and~~

(iv) Two members that currently hold a processor license.

(3) In addition to the members appointed to the task force under subsection (2) of this section, individuals representing other sectors may be invited by the chair of the task force, in consultation with the other appointed members of the task force, to participate in an advisory capacity in meetings of the task force.

(a) Individuals participating in an advisory capacity under this subsection are not members of the task force, may not vote, and are not subject to the appointment process established in this section.

(b) There is no limit to the number of individuals who may participate in task force meetings in an advisory capacity under this subsection.

(c) A majority of the task force members constitutes a quorum. If a member has not been designated for a position set forth in this section, that position may not be counted for the purpose of determining a quorum.

(4) The task force shall hold its first meeting by July 1, 2020. The task force shall elect a chair from among its legislative members at the first meeting. The election of the chair must be by a majority vote of the task force members who are present at the meeting. The chair of the task force is responsible for arranging subsequent meetings and developing meeting agendas.

(5) Staff support for the task force, including arranging the first meeting of the task force and assisting the chair of the task force in arranging subsequent meetings, must be provided by the health equity council of the governor's interagency council on health disparities. ~~((If Engrossed Second Substitute House Bill No. 1783 is enacted by June 30, 2020, then))~~ The responsibility for providing staff support for the task force must be transferred to the office of equity created ~~((by Engrossed Second Substitute House Bill No. 1783))~~ under chapter 43.06D RCW when requested by the office of equity.

~~(6) ((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.~~

~~(7))~~ Legislative members of the task force may be 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.

~~((8))~~ (7) The task force is a class one group under chapter 43.03 RCW.

~~((9))~~ (8) A public comment period must be provided at every meeting of the task force.

~~((10))~~ (9) The task force shall submit one or more reports on recommended policies that will facilitate the development of a ~~((marijuana))~~ cannabis social equity program in Washington to the governor, the board, and the appropriate committees of the legislature. The task force is encouraged to submit individual recommendations, as soon as possible, to facilitate the board's early work to implement the recommendations. The final recommendations must be submitted by ~~((December 1, 2020))~~ December 9, 2022. The recommendations must include:

(a) Factors the board must consider in distributing the licenses currently available from ~~((marijuana))~~ cannabis retailer licenses that have been subject to forfeiture, revocation, or cancellation by the board, or ~~((marijuana))~~ cannabis retailer licenses that were not previously issued by the board but could have been issued without exceeding the limit on the statewide number of ~~((marijuana))~~ cannabis retailer licenses established by the board before January 1, 2020; ~~((and))~~

(b) Whether any additional ~~((marijuana))~~ cannabis producer, processor, or retailer licenses should be issued beyond the total number of ~~((marijuana))~~ licenses that have been issued as of June 11, 2020. For purposes of determining the total number of licenses issued as of June 11, 2020, the total number includes licenses that have been forfeited, revoked, or canceled;

(c) The social equity impact of altering residential cannabis agriculture regulations;

(d) The social equity impact of shifting primary regulation of cannabis production from the board to the department of agriculture, including potential impacts to the employment rights of workers;

(e) The social equity impact of removing nonviolent cannabis-related felonies and misdemeanors from the

existing point system used to determine if a person qualifies for obtaining or renewing a cannabis license;

(f) Whether to create workforce training opportunities for underserved communities to increase employment opportunities in the cannabis industry;

(g) The social equity impact of creating new cannabis license types; and

(h) Recommendations for the cannabis social equity technical assistance grant program created under RCW 43.330.540.

~~((11))~~ (10) The board may adopt rules to implement the recommendations of the task force. However, any recommendation to increase the number of retail outlets above the current statewide limit of retail outlets, established by the board before January 1, 2020, must be approved by the legislature.

~~((12))~~ (11) For the purposes of this section, "cannabis" has the meaning provided for "marijuana" under this chapter.

(12) This section expires June 30, ~~((2022))~~ 2023."

On page 1, line 1 of the title, after "industry;" strike the remainder of the title and insert "amending RCW 43.330.540, 69.50.335, and 69.50.336; and providing an expiration date."

and the same is herewith transmitted.

Brad Hendrickson, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SUBSTITUTE HOUSE BILL NO. 1443 and advanced the bill, as amended by the Senate, to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representative Morgan spoke in favor of the passage of the bill.

Representative MacEwen spoke against the passage of the bill.

The Speaker stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1443, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1443, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 60; Nays, 36; Absent, 0; Excused, 2.

Voting yea: Representatives Barkis, Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chapman, Chopp, Cody, Corry, Davis, Dolan, Duerr, Entenman, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, J. Johnson, Kirby, Kretz, Leavitt, Lekanoff, Lovick, Macri, Maycumber, Morgan, Mosbrucker, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Rule, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, Wylie and Mme. Speaker.

Voting nay: Representatives Abbarno, Boehnke, Caldier, Chambers, Chandler, Chase, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, MacEwen, McCaslin, McEntire, Orcutt, Robertson, Rude, Schmick, Steele, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox, Ybarra and Young.

Excused: Representatives Fey and Kloba.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1443, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 10, 2021

Madame Speaker:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL NO. 1457 with the following amendment:

Strike everything after the enacting clause and insert the following:

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

(a) Increasing broadband access to unserved areas of the state provides an increasingly essential public benefit to the citizens of Washington by allowing full participation in society and the modern economy, and enabling access to health care, education, the use of other technologies, and essential services, including public safety;

(b) Facilitating and accelerating affordable and quality statewide broadband access for all Washingtonians will require sustained investment, research, local and community participation, and the formation of strategic partnerships between private, public, and nonprofit entities;

(c) Providing for additional coordination and removal of barriers

across sectors to increase broadband access in unserved areas is in the best interest of the state;

(d) Maximizing the use of rights-of-way during construction or repair of transportation systems offers cost-effective opportunities for extending and improving broadband and high-speed internet connections throughout the state; and

(e) Expanding broadband access, especially broadband conduit along roadways, provides commensurate benefits to the transportation system and motor vehicle users in terms of reducing the use of roads and alleviating congestion by allowing for more telework, and laying the foundation for a transportation system increasingly more reliant on autonomous vehicles.

(2) The legislature also finds that there is a need to utilize near-term options and opportunities along state highway rights-of-way to drive broadband network expansion and for undertaking longer-term planning of activities to develop additional paths to facilitate the expansion of broadband networks along state highway rights-of-way.

(3) Therefore, the legislature intends to expedite the expansion of broadband access to unserved areas throughout the state by increasing broadband infrastructure coordination, including through collaboration between the statewide broadband office and the department of transportation; proactively facilitating installation and improvement of infrastructure during state road construction projects; and studying recommendations related to the department of transportation's role in broadband service expansion efforts.

Sec. 2. RCW 43.330.532 and 2019 c 365 s 3 are each amended to read as follows:

(1) The governor's statewide broadband office is established. The director of the office must be appointed by the governor. The office may employ staff necessary to carry out the office's duties as prescribed by chapter 365, Laws of 2019, subject to the availability of amounts appropriated for this specific purpose.

(2) The purpose of the office is to encourage, foster, develop, and improve affordable, quality broadband within the state in order to:

(a) Drive job creation, promote innovation, improve economic vitality, and expand markets for Washington businesses;

(b) Serve the ongoing and growing needs of Washington's education systems, health care systems, public safety systems, transportation systems, industries and business, governmental operations, and citizens; and

(c) Improve broadband accessibility for unserved communities and populations.

Sec. 3. RCW 43.330.534 and 2019 c 365 s 4 are each amended to read as follows:

(1) The office has the power and duty to:

(a) Serve as the central broadband planning body for the state of Washington;

(b) Coordinate with local governments, tribes, public and private entities, nonprofit organizations, and consumer-owned and investor-owned utilities to develop strategies and plans promoting deployment of broadband infrastructure and greater broadband access, while protecting proprietary information;

(c) Review existing broadband initiatives, policies, and public and private investments;

(d) Develop, recommend, and implement a statewide plan to encourage cost-effective broadband access and to make recommendations for increased usage, particularly in rural and other unserved areas;

(e) Update the state's broadband goals and definitions for broadband service in unserved areas as technology advances, except that the state's definition for broadband service may not be actual speeds less than twenty-five megabits per second download and three megabits per second upload; and

(f) Encourage public-private partnerships to increase deployment and adoption of broadband services and applications.

(2) When developing plans or strategies for broadband deployment, the office must consider:

(a) Partnerships between communities, tribes, nonprofit organizations, local governments, consumer-owned and

investor-owned utilities, and public and private entities;

(b) Funding opportunities that provide for the coordination of public, private, state, and federal funds for the purposes of making broadband infrastructure or broadband services available to rural and unserved areas of the state;

(c) Barriers to the deployment, adoption, and utilization of broadband service, including affordability of service and project coordination logistics; and

(d) Requiring minimum broadband service of twenty-five megabits per second download and three megabits per second upload speed, that is scalable to faster service.

(3) The office may assist applicants for the grant and loan program created in RCW 43.155.160 with seeking federal funding or matching grants and other grant opportunities for deploying broadband services.

(4) The office may take all appropriate steps to seek and apply for federal funds for which the office is eligible, and other grants, and accept donations, and must deposit these funds in the statewide broadband account created in RCW 43.155.165.

(5) In carrying out its purpose, the office may collaborate with the utilities and transportation commission, the office of the chief information officer, the department of commerce, the community economic revitalization board, the department of transportation, the public works board, the state librarian, and all other relevant state agencies.

Sec. 4. RCW 43.330.538 and 2019 c 365 s 6 are each amended to read as follows:

(1) Beginning January 1, 2021, and biennially thereafter, the office shall report to the legislative committees with jurisdiction over broadband policy and finance on the office's activities during the previous two years.

(2) The report must, at a minimum, contain:

(a) An analysis of the current availability and use of broadband, including average broadband speeds, within the state;

(b) Information gathered from schools, libraries, hospitals, and public safety facilities across the state, determining

the actual speed and capacity of broadband currently in use and the need, if any, for increases in speed and capacity to meet current or anticipated needs;

(c) An overview of incumbent broadband infrastructure within the state;

(d) A summary of the office's activities in coordinating broadband infrastructure development with the department of transportation and the public works board, including a summary of funds awarded under RCW 43.155.160;

(e) Suggested policies, incentives, and legislation designed to accelerate the achievement of the goals under RCW 43.330.536; and

(f) Any proposed legislative and policy initiatives.

NEW SECTION. Sec. 5. A new section is added to chapter 47.44 RCW to read as follows:

(1) The department is directed to adopt and maintain an agency policy that requires the department to proactively provide broadband facility owners with information about planned state highway projects to enable collaboration between broadband facility owners and the department to identify opportunities for the installation of broadband facilities during the appropriate phase of these projects when such opportunities exist.

(2) If no owners are ready or able to participate in coordination of the installation of broadband infrastructure concurrently with state highway projects, the department may enlist its contractors to install broadband conduit as part of road construction projects in order to directly benefit the transportation system and motor vehicle users by:

(a) Reducing future traffic impacts to the traveling public on the roadway;

(b) Supporting the vehicle miles traveled reduction and congestion management goals of the state by allowing for more telework; or

(c) Proactively preparing the transportation system for the widespread development and use of autonomous vehicles.

(3) Broadband facility owners must first obtain a franchise granted by the department pursuant to RCW 47.44.010 and 47.44.020 before installing broadband

facilities within the department's conduit. The costs for installation and maintenance of such broadband facilities shall be the responsibility of the broadband facility owner. The department may adopt rules establishing a fee schedule for occupancy of broadband facilities within the department's conduit consistent with federal law.

(4) As used in this section:

(a) "Broadband conduit" means a conduit used to support broadband infrastructure, including fiber optic cables.

(b) "Broadband infrastructure" has the same meaning as in RCW 43.330.530.

Sec. 6. RCW 47.52.001 and 2004 c 131 s 1 are each amended to read as follows:

(1) Unrestricted access to and from public highways has resulted in congestion and peril for the traveler. It has caused undue slowing of all traffic in many areas. The investment of the public in highway facilities has been impaired and highway facilities costing vast sums of money will have to be relocated and reconstructed.

(2) ~~((Personal wireless service))~~ Broadband, which includes a range of high-speed transmission technologies, including fiber optic lines and personal wireless service facilities, is a critical part of the state's infrastructure. The rapid deployment of ((personal wireless service)) broadband facilities is critical to ensure public safety, network access, quality of service, and rural economic development.

(3) It is, therefore, the declared policy of this state to limit access to the highway facilities of this state in the interest of highway safety and for the preservation of the investment of the public in such facilities, and to ~~((assure))~~ ensure that the use of rights-of-way of limited access facilities accommodate the deployment of ((personal wireless service)) broadband facilities consistent with these interests. In furtherance of this policy, the department is directed to adopt and maintain an agency policy that requires the department to proactively provide broadband facility owners with information about planned limited access highway projects to enable collaboration between broadband facility owners and the department to identify opportunities for the installation of broadband facilities

during the appropriate phase of these projects when such opportunities exist. Coordination between the department and broadband facility owners under this section must comply with applicable state and federal law including, but not limited to, chapter 47.44 RCW and RCW 47.04.045.

NEW SECTION. Sec. 7. (1) Subject to the availability of amounts appropriated for this specific purpose in the omnibus transportation appropriations act, the joint transportation committee shall oversee a consultant study to recommend:

(a) An effective department of transportation strategy, and specific highway corridors, that could be used to address missing fiber connections and inadequate broadband service in parts of the state unserved and underserved by broadband facilities while also aiding the achievement of the state broadband goals specified in RCW 43.330.536. As part of this recommendation, the following areas must also be addressed:

(i) What the appropriate taxonomy to apply to areas unserved or underserved by broadband is to better prioritize and contextualize the urgency of the need for broadband infrastructure in a given area; and

(ii) When the inclusion of broadband conduit installation in a transportation project is recommended as the most effective means of facilitating broadband access, rather than an alternative broadband facility placement, taking into account potential costs, and subject to any limitations in understanding potential costs of installation as part of a transportation project not yet undertaken;

(b) The role of the Washington state department of transportation and the statewide broadband office in a coordinated approach for broadband development statewide on highway rights-of-way that includes the adaptation of existing programs and activities to further a state initiative to expand and improve access to broadband;

(c) The most promising planning and financing tools that could be used by the department of transportation to provide the state with greater ability to install conduit in anticipation of future broadband fiber occupancy by others;

(d) Opportunities for mutually beneficial partnerships between the

department of transportation and broadband service providers that could provide broadband services for transportation purposes such as intelligent transportation systems, cooperative automated transportation/autonomous vehicles, transportation demand management, and highway maintenance activities; and

(e) Strategies for the mitigation of potential safety, operations, and preservation impacts to transportation related to the recommendations made in (a) through (d) of this subsection.

(2) The study must consider the most relevant best practices in other states and their potential application in Washington.

(3) The study must also include an examination of any state and federal laws and regulations that could prevent or limit the implementation of these recommendations, as well as recommendations for modifications to the applicable state laws and regulations and recommended federal actions that could be requested by Washington state legislators.

(4) The joint transportation committee shall consult with the department of transportation, the Washington statewide broadband office, other state agencies and local jurisdictions, public and private utility providers, and public and private broadband providers, as necessary, during development of the study's recommendations to ensure the relevance and applicability of the recommendations to the state.

(5) The joint transportation committee shall issue a report of its findings and recommendations to the house of representatives and senate transportation committees by January 1, 2022.

Sec. 8. RCW 47.44.010 and 2001 c 201 s 5 are each amended to read as follows:

(1) The department of transportation may grant franchises to persons, associations, private or municipal corporations, the United States government, or any agency thereof, to use any state highway for the construction and maintenance of water pipes, flume, gas, oil or coal pipes, telephone, telegraph (~~and~~), fiber optic, electric light and power lines and conduits, trams or railways, and any structures or facilities that are part of an urban

public transportation system owned or operated by a municipal corporation, agency, or department of the state of Washington other than the department of transportation, and any other such facilities. In order to minimize the disruption to traffic and damage to the roadway, the department is encouraged to develop a joint trenching policy with other affected jurisdictions so that all permittees and franchisees requiring access to ground under the roadway may do so at one time.

(2) All applications for the franchise must be made in writing and subscribed by the applicant, and describe the state highway or portion thereof over which franchise is desired and the nature of the franchise. The application must also include the identification of all jurisdictions affected by the franchise and the names of other possible franchisees who should receive notice of the application for a franchise.

(3) The department of transportation shall adopt rules providing for a hearing or an opportunity for a hearing with reasonable public notice thereof with respect to any franchise application involving the construction and maintenance of utilities or other facilities within the highway right-of-way which the department determines may (a) during construction, significantly disrupt the flow of traffic or use of driveways or other facilities within the right-of-way, or (b) during or following construction, cause a significant and adverse effect upon the surrounding environment."

On page 1, line 1 of the title, after "Relating to" strike the remainder of the title and insert "facilitating the coordinated installation of broadband along state highways; amending RCW 43.330.532, 43.330.534, 43.330.538, 47.52.001, and 47.44.010; adding a new section to chapter 47.44 RCW; and creating new sections."

and the same is herewith transmitted.

Sarah Bannister, Deputy, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SUBSTITUTE HOUSE BILL NO. 1457 and advanced the bill, as amended by the Senate, to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Riccelli, Barkis, Wylie and Orcutt spoke in favor of the passage of the bill.

The Speaker stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1457, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1457, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 96; Nays, 0; Absent, 0; Excused, 2.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dufault, Dye, Entenman, Eslick, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Klippert, Kraft, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McCaslin, McEntire, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Excused: Representatives Fey and Kloba.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1457, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

SIGNED BY THE SPEAKER

The Speaker signed the following bill:

HOUSE BILL NO. 1270

There being no objection, the House adjourned until 12:00 p.m., April 16, 2021, the 96th Legislative Day of the Regular Session.

Laurie Jinkins, Speaker

Bernard Dean, Chief Clerk

SIXTY SEVENTH LEGISLATURE - REGULAR SESSION

NINETY SIXTH DAY

House Chamber, Olympia, Friday, April 16, 2021

The House was called to order at 12:00 p.m. by the Speaker (Representative Orwall presiding). The Clerk called the roll and a quorum was present.

April 15, 2021

The Speaker (Representative Orwall presiding) led the Chamber in the Pledge of Allegiance. The prayer was offered by Representative Carolyn Eslick, 39th Legislative District.

Mme. SPEAKER:

The Senate concurred in the House amendment(s) to the following bills and passed the bills as amended by the House:

The Speaker assumed the chair.

SIGNED BY THE SPEAKER

The Speaker signed the following bill:

SUBSTITUTE HOUSE BILL NO. 1323

ENGROSSED SUBSTITUTE SENATE BILL NO. 5024,
ENGROSSED SUBSTITUTE SENATE BILL NO. 5172,
ENGROSSED SUBSTITUTE SENATE BILL NO. 5226,
ENGROSSED SUBSTITUTE SENATE BILL NO. 5229,
ENGROSSED SUBSTITUTE SENATE BILL NO. 5295,
SENATE BILL NO. 5299,
ENGROSSED SUBSTITUTE SENATE BILL NO. 5370,
SUBSTITUTE SENATE BILL NO. 5378,
SUBSTITUTE SENATE BILL NO. 5381,
SUBSTITUTE SENATE BILL NO. 5423,
SENATE BILL NO. 5430,
ENGROSSED SUBSTITUTE SENATE BILL NO. 5432,

The Speaker called upon Representative Orwall to preside.

and the same are herewith transmitted.

Brad Hendrickson, Secretary

Reading of the Journal of the previous day was dispensed with and it was ordered to stand approved.

April 15, 2021

There being no objection, the House advanced to the third order of business.

MESSAGES FROM THE SENATE

April 15, 2021

Mme. SPEAKER:

Mme. SPEAKER:

The Senate has passed:

SUBSTITUTE HOUSE BILL NO. 1269,
SUBSTITUTE HOUSE BILL NO. 1484,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1512,
SUBSTITUTE HOUSE BILL NO. 1532,

The President has signed:

SUBSTITUTE HOUSE BILL NO. 1016,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1113,
HOUSE BILL NO. 1143,
SUBSTITUTE HOUSE BILL NO. 1250,
ENGROSSED HOUSE BILL NO. 1251,
SUBSTITUTE HOUSE BILL NO. 1259,
ENGROSSED HOUSE BILL NO. 1271,
HOUSE BILL NO. 1296,
SUBSTITUTE HOUSE BILL NO. 1314,
SECOND SUBSTITUTE HOUSE BILL NO. 1325,
SUBSTITUTE HOUSE BILL NO. 1363,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1370,
HOUSE BILL NO. 1495,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1529,

and the same are herewith transmitted.

and the same are herewith transmitted.

Brad Hendrickson, Secretary

Brad Hendrickson, Secretary

April 15, 2021

Mme. SPEAKER:

April 15, 2021

The Senate has passed:

ENGROSSED SENATE BILL NO. 5476,

and the same is herewith transmitted.

Mme. SPEAKER:

The President has signed:

Brad Hendrickson, Secretary

SUBSTITUTE HOUSE BILL NO. 1279,
and the same is herewith transmitted.

Brad Hendrickson, Secretary

April 15, 2021

Mme. SPEAKER:

The President has signed:

SECOND SUBSTITUTE SENATE BILL NO. 5000,
SENATE BILL NO. 5031,
SENATE BILL NO. 5063,
SUBSTITUTE SENATE BILL NO. 5080,
SENATE BILL NO. 5145,
SENATE BILL NO. 5159,
SENATE BILL NO. 5225,
SUBSTITUTE SENATE BILL NO. 5230,
SENATE BILL NO. 5367,
SUBSTITUTE SENATE BILL NO. 5403,
ENGROSSED SENATE BILL NO. 5454,
SUBSTITUTE SENATE BILL NO. 5460,

and the same are herewith transmitted.

Brad Hendrickson, Secretary

April 16, 2021

Mme. SPEAKER:

The President has signed:

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO.
1073,
SUBSTITUTE HOUSE BILL NO. 1208,
SUBSTITUTE HOUSE BILL NO. 1323,
SUBSTITUTE HOUSE BILL NO. 1383,

and the same are herewith transmitted.

Brad Hendrickson, Secretary

There being no objection, the House advanced to the fourth order of business.

INTRODUCTION & FIRST READING

HB 1579 by Representative Harris-Talley

AN ACT Relating to exempting a portion of the valuation of residential property from property taxation; amending RCW 84.48.010 and 84.69.020; adding a new section to chapter 84.36 RCW; adding a new section to chapter 84.52 RCW; and providing a contingent effective date.

Referred to Committee on Finance.

HCR 4402 by Representatives MacEwen, Boehnke, Dufault, Klippert, Robertson and Kraft

Exempting certain matters from the cutoff dates established in Senate Concurrent Resolution No. 8401.

Referred to Committee on Rules.

SUPPLEMENTAL INTRODUCTION & FIRST READING

ESB 5476 by Senators Dhingra, Hasegawa, Hunt, Kuderer, Lovelett, Nguyen, Pedersen, Rivers, Robinson, Saldaña and Wellman

AN ACT Relating to addressing the State v. Blake decision; amending RCW 69.50.101, 69.50.4011, 69.50.4013, 69.50.412, 69.50.445, 69.41.030, 69.41.030, and 69.41.010; reenacting and amending RCW 69.50.101 and 69.41.010; adding a new section to chapter 10.77 RCW; creating a new section; prescribing penalties; providing an effective date; providing an expiration date; and declaring an emergency.

Referred to Committee on Appropriations.

ESB 5476 by Senators Dhingra, Hasegawa, Hunt, Kuderer, Lovelett, Nguyen, Pedersen, Rivers, Robinson, Saldaña and Wellman

AN ACT Relating to addressing the State v. Blake decision; amending RCW 69.50.101, 69.50.4011, 69.50.4013, 69.50.412, 69.50.445, 69.41.030, 69.41.030, and 69.41.010; reenacting and amending RCW 69.50.101 and 69.41.010; adding a new section to chapter 10.77 RCW; creating a new section; prescribing penalties; providing an effective date; providing an expiration date; and declaring an emergency.

Referred to Committee on Appropriations.

Representative MacEwen moved that HOUSE CONCURRENT RESOLUTION NO. 4402 be placed on the second reading calendar.

Representatives MacEwen and Stokesbary spoke in favor of the motion.

Representative Sullivan spoke against the motion.

MOTION

On motion of Representative Riccelli, Representative Bateman was excused.

An electronic roll call was requested.

ROLL CALL

The Clerk called the roll on the motion to place HOUSE CONCURRENT RESOLUTION NO. 4402 on the second

reading calendar and the motion was not adopted by the following vote: Yeas: 41; Nays: 56; Absent: 0; Excused: 1

Voting yea: Representatives Abbarno, Barkis, Boehnke, Calder, Chambers, Chandler, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, MacEwen, Maycumber, McCaslin, McEntire, Mosbrucker, Orcutt, Robertson, Rude, Schmick, Steele, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox, Ybarra, and Young

Voting nay: Representatives Berg, Bergquist, Berry, Bronoske, Callan, Chapman, Chopp, Cody, Davis, Dolan, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, Jinkins, Johnson, J., Kirby, Kloba, Leavitt, Lekanoff, Lovick, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Rule, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, and Wylie

Excused: Representative Bateman

There being no objection, the bills and resolution listed on the day's introduction sheet and supplemental introduction sheet under the fourth order of business were referred to the committees so designated.

There being no objection, the House advanced to the seventh order of business.

THIRD READING MESSAGE FROM THE SENATE

April 10, 2021

Madame Speaker:

The Senate has passed SUBSTITUTE HOUSE BILL NO. 1348 with the following amendment:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** (1) The legislature finds that:

(a) Having access to same day and next day physical and behavioral health services is imperative to facilitate successful reentry for individuals releasing from jails;

(b) The overwhelming majority of individuals in jails are incarcerated for less than 30 days;

(c) Suspending medicaid for individuals on short-term jail stays causes significant delays in medicaid reinstatement upon release; and

(d) Delays in medicaid reinstatement impede access to physical and behavioral health appointments and prescription medications upon release.

(2) The legislature intends to facilitate successful jail reentry by not suspending medicaid for individuals who are incarcerated for less than 30 days.

Sec. 2. RCW 74.09.670 and 2016 c 154 s 2 are each amended to read as follows:

~~((The))~~ (1) Except as provided in subsection (2) of this section, when the authority ((is directed to)) receives information that a person enrolled in medical assistance is confined in a setting in which federal financial participation is disallowed by the state's agreements with the federal government, the authority shall suspend, rather than terminate, medical assistance benefits ((by July 1, 2017)) for these persons, including those who are incarcerated in a correctional institution as defined in RCW 9.94.049, or committed to a state hospital or other treatment facility. ((This must include the ability for a)) A person who is not currently enrolled in medical assistance must be allowed to apply for medical assistance in suspense status during ((incarceration)) confinement, and the ability to apply may not depend upon knowledge of the release or discharge date of the person. ((The authority must provide a progress report describing program design and a detailed fiscal estimate to the governor and relevant committees of the legislature by December 1, 2016-))

(2) (a) During the first 29 days of a person's incarceration in a correctional institution, as defined in RCW 9.94.049:

(i) A person's incarceration status may not affect the person's enrollment in medical assistance if the person was enrolled in medical assistance at the time of incarceration; and

(ii) A person not enrolled in medical assistance at the time of incarceration must have the ability to apply for medical assistance during incarceration, which may not depend on knowledge of the release date of the person. If the person is enrolled in medical assistance during the first 29 days of the person's incarceration, the person's incarceration status may not affect the person's enrollment in medical assistance.

(b) After the first 29 days of the person's incarceration, the person's medical assistance status is subject to suspension or application in suspense

status under subsection (1) of this section.

NEW SECTION. Sec. 3. A new section is added to chapter 70.48 RCW to read as follows:

A department of corrections or chief law enforcement officer responsible for the operation of a jail shall make reasonable efforts to collaborate with managed care organizations, as defined in RCW 71.24.025, for the purposes of care coordination activities and improving health care delivery and release planning for persons confined in the jail.

NEW SECTION. Sec. 4. The health care authority is authorized to seek any necessary state plan amendments or waivers from the federal department of health and human services that are necessary to implement section 2 of this act.

NEW SECTION. Sec. 5. If any part of this act is found to be in conflict with federal requirements that are a prescribed condition to the allocation of federal funds to the state, the conflicting part of this act is inoperative solely to the extent of the conflict and with respect to the agencies directly affected, and this finding does not affect the operation of the remainder of this act in its application to the agencies concerned. Rules adopted under this act must meet federal requirements that are a necessary condition to the receipt of federal funds by the state."

On page 1, line 2 of the title, after "persons;" strike the remainder of the title and insert "amending RCW 74.09.670; adding a new section to chapter 70.48 RCW; and creating new sections."

and the same is herewith transmitted.

Sarah Bannister, Deputy, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 1348 and advanced the bill, as amended by the Senate, to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Schmick and Davis spoke in favor of the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1348, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1348, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Representatives Abbarno, Barkis, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Klippert, Kloba, Kraft, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McCaslin, McEntire, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Excused: Representative Bateman.

SUBSTITUTE HOUSE BILL NO. 1348, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 11, 2021

Madame Speaker:

The Senate has passed SUBSTITUTE HOUSE BILL NO. 1416 with the following amendment:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. (1) The legislature finds that it is in the interests of the citizens of the state of Washington to enhance and increase the efficiency of the processes for collecting child support debts owed to the state or owed to a custodial parent.

(2) The legislature further finds that liens filed in the state of Washington are filed on a county-by-county basis, and there is no statewide registry or clearinghouse where a comprehensive collection of liens may be checked by a party or other entity before funds are disbursed to the debtor.

(3) The legislature further finds that it would enhance the collection opportunities for child support to

require insurance companies doing business in the state of Washington to participate in a reporting scheme that would allow a data match with child support debts.

NEW SECTION. **Sec. 2.** A new section is added to chapter 26.23 RCW to read as follows:

(1) (a) Except as otherwise provided in subsection (8) of this section, each insurer shall, not later than 10 days after opening a tort liability claim for bodily injury or wrongful death, a workers' compensation claim, or a claim under a policy of life insurance, exchange information with the division of child support in the manner prescribed by the department to verify whether the claimant owes debt for the support of one or more children to the department or to a person receiving services from the division of child support. To the extent feasible, the division of child support shall facilitate a secure electronic process to exchange information with insurers pursuant to this subsection. The obligation of an insurer to exchange information with the division of child support is discharged upon complying with the requirements of this subsection.

(b) The exchange of information pursuant to this act must comply with privacy protections under applicable state and federal laws and regulations, including the federal health insurance portability and accountability act.

(2) In order to determine whether a claimant owes a debt being enforced by the division of child support, all insurance companies doing business in the state of Washington that issue qualifying payments to claimants must provide minimum identifying information about the claimant to:

(a) An insurance claim data collection organization;

(b) The federal office of child support enforcement or the child support lien network; or

(c) The division of child support in a manner satisfactory to the department.

(3) Insurers must take the steps necessary to authorize an insurance claim data collection organization to share minimum identifying information with the federal office of child support enforcement and the child support claim lien network.

(4) Except as otherwise provided in subsections (5) and (7) of this section, if an insurer is notified by the division of child support that a claimant owes debt for the support of one or more children to the department or to a person receiving services from the division of child support, the insurer shall, upon the receipt of a notice issued by the department identifying the amount of debt owed pursuant to chapter 74.20A RCW:

(a) Withhold from payment on the claim the amount specified in the notice; and

(b) Remit the amount withheld from payment to the department within 20 days.

(5) The department shall give any lien, claim, or demand for reasonable claim-related attorneys' fees, property damage, and medical costs priority over any withholding of payment pursuant to subsection (4) of this section.

(6) Any information obtained pursuant to this act must be used only for the purpose of carrying out the provisions of this act. An insurer or other entity described in subsection (2) of this section may not be held liable in any civil or criminal action for any act made in good faith pursuant to this section including, but not limited to:

(a) Any disclosure of information to the department or the division of child support; or

(b) The withholding of any money from payment on a claim or the remittance of such money to the department.

(7) An insurer may not delay the disbursement of a payment on a claim to comply with the requirements of this section. An insurer is not required to comply with subsection (4) of this section if the notice issued by the department is received by the insurer after the insurer has disbursed the payment on the claim. In the case of a claim that will be paid through periodic payments, the insurer:

(a) Is not required to comply with the provisions of subsection (4) of this section with regard to any payments on the claim disbursed to the claimant before the notice was received by the insurer; and

(b) Must comply with the provisions of subsection (4) of this section with regard to any payments on the claim scheduled to be made after the receipt of the notice.

(8) If periodic payment will be made to a claimant, an insurer is only required to engage in the exchange of information pursuant to subsection (1) of this section before issuing the initial payment.

(9) An insurance company's failure to comply with the reporting requirements of this act does not amount to noncompliance with a requirement of the division of child support as described in RCW 74.20A.350.

(10) For the purposes of this section, the following definitions apply:

(a) "Claimant" means any person who: (i) Brings a tort liability claim for bodily injury or wrongful death; (ii) is receiving workers' compensation benefits; or (iii) is a beneficiary under a life insurance policy. "Claim for bodily injury" does not include a claim for uninsured or underinsured vehicle coverage or medical payments coverage under a motor vehicle liability policy.

(b) "Insurance claim data collection organization" means an organization that maintains a centralized database of information concerning insurance claims to assist insurers that subscribe to the database in processing claims and detecting and preventing fraud, and also cooperates and coordinates with the federal or state child support entities to share relevant information for insurance intercept purposes.

(c) "Insurer" means: (i) A person who holds a certificate of authority to transact insurance in the state; or (ii) a chapter 48.15 RCW unauthorized insurer.

(d) "Qualifying payment" means a payment that is either a one-time lump sum or an installment payment issued by an insurance company doing business in the state of Washington, which is made for the purpose of satisfying, compromising, or settling, a tort or insurance claim where the payment is in excess of \$500 and is intended to go directly to the claimant and not to a third party, such as a health care provider.

(e) "Tort or insurance claim" means: (i) A claim for general damages, which are also called noneconomic damages; or (ii) a claim for lost wages. "Tort or insurance claim" does not include claims for property damage under either liability insurance or uninsured motorist insurance.

NEW SECTION. Sec. 3. A new section is added to chapter 26.23 RCW to read as follows:

An insurance company may comply with the obligation to exchange information with the division of child support described in section 2(1) of this act by using an insurance claim data collection organization as described in section 2(2) of this act.

Sec. 4. RCW 26.23.070 and 1991 c 367 s 41 are each amended to read as follows:

(1) The employer or the employment security department may combine amounts withheld from the earnings of more than one responsible parent in a single payment to the Washington state support registry, listing separately the amount of the payment which is attributable to each individual.

(2) No employer nor employment security department that complies with a notice of payroll deduction under this chapter shall be civilly liable to the responsible parent for complying with a notice of payroll deduction under this chapter.

(3) No insurance company shall be civilly liable to the responsible parent for complying with:

(a) An order to withhold and deliver issued under RCW 74.20A.080 or with any other withholding order issued under chapter 26.23 RCW;

(b) A lien filed by the department under chapter 74.20A RCW; or

(c) A combined lien and withholding order developed by the department to implement this act.

(4) An insurance company complying with a withholding order issued by the department or with a lien filed by the department may not be considered to be committing a violation of the insurance fair conduct act under chapter 48.30 RCW.

NEW SECTION. Sec. 5. The department may enact rules necessary to implement and administer this act.

NEW SECTION. Sec. 6. This act takes effect January 1, 2022."

On page 1, line 2 of the title, after "support;" strike the remainder of the title and insert "amending RCW 26.23.070; adding new sections to chapter 26.23 RCW; creating new sections; and providing an effective date."

and the same is herewith transmitted.

Sarah Bannister, Deputy, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 1416 and advanced the bill, as amended by the Senate, to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representative Hansen spoke in favor of the passage of the bill.

Representative Walsh spoke against the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1416, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1416, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 90; Nays, 7; Absent, 0; Excused, 1.

Voting yea: Representatives Barkis, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Klippert, Kloba, Kraft, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McEntire, Morgan, Mosbrucker, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Voting nay: Representatives Abbarno, Chase, Dufault, McCaslin, Orcutt, Sutherland and Walsh.

Excused: Representative Bateman.

SUBSTITUTE HOUSE BILL NO. 1416, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 3, 2021

Mme. SPEAKER:

The Senate has passed SUBSTITUTE HOUSE BILL NO. 1425, with the following amendment(s):

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** The legislature finds that higher education is pivotal in delivering training to Washington citizens at all stages of their careers and ages. A skilled workforce increases productivity, boosts outputs, and propels growth in Washington's economy. The legislature further finds that a well-trained, highly skilled workforce provides Washington citizens with greater opportunities and skill sets to efficiently and confidently meet the changing demands of a transforming economy. Furthermore, a STEM-based education provides Washington's citizens with real-world applications to develop a variety of skill sets needed in today's global economy.

The legislature further finds that the Washington state opportunity scholarship is an innovative public private partnership that has been successful building a qualified workforce to fill Washington's high-demand STEM, health care, and trade industries. The Washington state opportunity scholarship has successfully created opportunities for communities historically left out of higher education and STEM, including women, students of color, and first-generation college students. In addition, the Washington state opportunity scholarship has been shown to change communities by breaking the cycle of intergenerational poverty.

The legislature also finds that higher education is a key driver of individual growth and prosperity, and is an effective way to bridge societal inequities that disproportionately afflict low-income communities and communities of color. The legislature further finds that these gaps will be further widened in the current global pandemic, which will exacerbate long-term impacts on these communities in intergenerational poverty, job attainment, job stability, and wage growth.

Therefore, it is the intent of the legislature to amend the existing Washington state opportunity scholarship program to eliminate false barriers for students eligible for the scholarship and provide additional educational opportunities for Washington's citizens. This legislative intent is particularly urgent during the global pandemic where

additional skills and opportunities will be vital for Washington citizens as the state moves toward recovery from the current global pandemic.

Sec. 2. RCW 28B.145.010 and 2019 c 406 s 63 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 the opportunity scholarship board.

(2) "Council" means the student achievement council.

(3) "Eligible advanced degree program" means a health professional degree program beyond the baccalaureate level and includes graduate and professional degree programs.

(4) "Eligible county" has the same meaning as "rural county" as defined in RCW 82.14.370 and also includes any county that shares a common border with Canada and has a population of over one hundred twenty-five thousand.

(5) "Eligible education programs" means high employer demand and other programs of study as determined by the board.

(6) "Eligible expenses" means reasonable expenses associated with the costs of acquiring an education such as tuition, books, equipment, fees, room and board, and other expenses as determined by the program administrator in consultation with the council and the state board for community and technical colleges.

(7) "Eligible school district" means a school district of the second class as identified in RCW 28A.300.065(2).

(8) "Eligible student" means a resident student who (~~received his or her high school diploma or high school equivalency certificate as provided in RCW 28B.50.536 in Washington and who~~):

(a) (i) (~~Has~~) Received his or her high school diploma or high school equivalency certificate as provided in RCW 28B.50.536 in Washington and has been accepted at a four-year institution of higher education into an eligible education program leading to a baccalaureate degree;

(ii) (~~Will~~) Received his or her high school diploma or high school equivalency

certificate as provided in RCW 28B.50.536 in Washington and will attend a two-year institution of higher education and intends to transfer to an eligible education program at a four-year institution of higher education;

(iii) (~~Has~~) Received his or her high school diploma or equivalent and has been accepted at an institution of higher education into a professional-technical certificate or degree program in an eligible education program; or

(iv) (~~Has been accepted at an institution of higher education into a professional-technical certificate program in an eligible education program; or~~

~~(v))~~ Has been accepted at an institution of higher education into an eligible advanced degree program that leads to credentials in health professions;

(b) Declares an intention to obtain a professional-technical certificate, professional-technical degree, baccalaureate degree, or an advanced degree; and

(c) Has a family income at or below one hundred twenty-five percent of the state median family income at the time the student applies for an opportunity scholarship.

(9) "Gift aid" means financial aid received from the federal Pell grant, the Washington college grant program in chapter 28B.92 RCW, the college bound scholarship program in chapter 28B.118 RCW, the opportunity grant program in chapter 28B.50 RCW, or any other state grant, scholarship, or worker retraining program that provides funds for educational purposes with no obligation of repayment. "Gift aid" does not include student loans, work-study programs, the basic food employment and training program administered by the department of social and health services, or other employment assistance programs that provide job readiness opportunities and support beyond the costs of tuition, books, and fees.

(10) "High employer demand program of study" has the same meaning as provided in RCW 28B.50.030.

(11) "Participant" means an eligible student who has received a scholarship under the opportunity scholarship program.

(12) "Private sources," "private funds," "private contributions," or "private sector contributions" means donations from private organizations, corporations, federally recognized Indian tribes, municipalities, counties, and other sources, but excludes state dollars.

(13) "Professional-technical certificate" means a program as approved by the state board for community and technical colleges under RCW 28B.50.090(7)(c), that is offered by an institution of higher education.

(14) "Professional-technical degree" means a program as approved by the state board for community and technical colleges under RCW 28B.50.090(7)(c), that is offered by an institution of higher education.

(15) "Program administrator" means a private nonprofit corporation registered under Title 24 RCW and qualified as a tax-exempt entity under section 501(c)(3) of the federal internal revenue code.

(16) "Resident student" has the same meaning as provided in RCW 28B.15.012.

(17) "Rural jobs program" means the rural county high employer demand jobs program created in this chapter.

Sec. 3. RCW 28B.145.100 and 2018 c 254 s 4 are each amended to read as follows:

(1)(a) The rural county high employer demand jobs program is created to meet the workforce needs of business and industry in rural counties by assisting students in earning certificates, associate degrees, or other industry-recognized credentials necessary for employment in high employer demand fields.

(b) Subject to the requirements of this section, the rural jobs program provides selected students scholarship funds and support services, as determined by the board, to help students meet their eligible expenses when they enroll in a community or technical college program that prepares them for high employer demand fields.

(c) The source of funds for the rural jobs program shall be a combination of private donations, grants, and contributions and state matching funds.

(2) The program administrator has the duties and responsibilities provided under this section, including but not limited to:

(a) (~~Publicizing~~) Publicize the rural jobs program and conducting outreach to eligible counties;

(b) In consultation with the state board for community and technical colleges, any interested community or technical college located in an eligible county, and the county's workforce development council, identify high employer demand fields within the eligible counties. When identifying high employer demand fields, the board must consider:

(i) County-specific employer demand reports issued by the employment security department or the list of statewide high-demand programs for secondary career and technical education established under RCW 28A.700.020; and

(ii) The ability and capacity of the community and technical college to meet the needs of qualifying students and industry in the eligible county;

(c) Develop and implement an application, selection, and notification process for awarding rural jobs program scholarship funds. In making determinations on scholarship recipients, the board shall use county-specific employer high-demand data;

(d) Determine the annual scholarship fund amounts to be awarded to selected students;

(e) Distribute funds to selected students;

(f) Notify institutions of higher education of the rural jobs program recipients who will attend their institutions of higher education and inform them of the scholarship fund amounts and terms of the awards; and

(g) Establish and manage an account as provided under RCW 28B.145.110 to receive donations, grants, contributions from private sources, and state matching funds, and from which to disburse scholarship funds to selected students.

(3) To be eligible for scholarship funds under the rural jobs program, a student must:

(a) Either:

(i) Be a resident of an eligible county and be enrolled in a community or technical college established under chapter 28B.50 RCW; or ((have))

((ii) Have attended and graduated from a school in an eligible school district and be enrolled in a community or technical college established under chapter 28B.50 RCW that is located in an eligible county;

(b) Be a resident student as defined in RCW 28B.15.012;

~~(c) ((Be enrolled in a community or technical college established under chapter 28B.50 RCW located in an eligible county;~~

~~((d))~~ Be in a certificate, degree, or other industry-recognized credential or training program that has been identified by the board as a program that prepares students for a high employer demand field;

~~((e))~~ (d) Have a family income that does not exceed seventy percent of the state median family income adjusted for family size; and

~~((f))~~ (e) Demonstrate financial need according to the free application for federal student aid or the Washington application for state financial aid.

(4) To remain eligible for scholarship funds under the rural jobs program, the student must maintain a cumulative grade point average of 2.0.

(5) A scholarship award under the rural jobs program may not result in a reduction of any gift aid. Nothing in this section creates any right or entitlement.

Sec. 4. RCW 28B.145.120 and 2018 c 254 s 6 are each amended to read as follows:

(1) The rural jobs program match transfer account is created in the custody of the state treasurer as a nonappropriated account to be used solely and exclusively for the rural jobs program created in RCW 28B.145.100. The purpose of the rural jobs program match transfer account is to provide state matching funds for the rural jobs program.

(2) Revenues to the rural jobs program match transfer account shall consist of appropriations by the legislature into the rural jobs program match transfer account.

(3) No expenditures from the rural jobs program match transfer account may be made except upon receipt of proof, by the executive director of the council from the program administrator, of private contributions to the rural jobs program. Expenditures, in the form of matching funds, may not exceed the total amount of private contributions.

(4) Only the executive director of the council or the executive director's designee may authorize expenditures from the rural jobs program match transfer account. Such authorization must be made as soon as practicable following receipt of proof as required under this section.

(5) (a) The council shall enter into an appropriate agreement with the program administrator to demonstrate exchange of consideration for the matching funds.

(b) Once moneys in the rural jobs program match transfer account are subject to an agreement under this subsection and are deposited in the student support pathways account, the state acts in a fiduciary rather than ownership capacity with regard to those assets. Assets in the student support pathways account are not considered state money, common cash, or revenue to the state.

(6) The state match must not exceed one million dollars in a single fiscal biennium and must be based on donations and pledges received by the rural jobs program as of the date each official state caseload forecast is submitted by the caseload forecast council to the legislative fiscal committees, as provided under RCW 43.88C.020. Nothing in this section expands or modifies the responsibilities of the caseload forecast council. The purpose of this subsection (6) is to ensure the predictable treatment of the program in the budget process by clarifying the calculation process of the state match required by this section and ensuring that the program is budgeted at maintenance level."

On page 1, line 2 of the title, after "students;" strike the remainder of the title and insert "amending RCW 28B.145.010, 28B.145.100, and 28B.145.120; and creating a new section."

and the same is herewith transmitted.

Sarah Bannister, Deputy Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House refused to concur in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 1425 and asked the Senate to recede therefrom.

MESSAGE FROM THE SENATE

April 14, 2021

Madame Speaker:

The Senate refuses to concur in the House amendment to ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5128 and asks the House to recede therefrom.

and the same is herewith transmitted.

Sarah Bannister, Deputy Secretary

**HOUSE AMENDMENT
TO SENATE BILL**

There being no objection, the House receded from its amendment to ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5128. The rules were suspended and ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5128 was returned to second reading for the purpose of amendment.

There being no objection, the House reverted to the sixth order of business.

SECOND READING

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5128, by Senate Committee on Ways & Means (originally sponsored by Wellman, C. Wilson, Conway, Dhingra, Hunt, Keiser, Lovelett, Nguyen and Saldaña)

Concerning student transportation funding during a local, state, or national emergency.

Representative Santos moved the adoption of striking amendment (724):

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature recognizes that the COVID-19 pandemic has significantly changed the delivery of education across the state, as school districts transition to remote learning environments to protect the health of students and staff. The legislature also recognizes that the role of transportation services has evolved alongside remote learning programs to help students equitably access the

instructional program of basic education. As permitted by emergency proclamation, many school districts have adapted to remote learning by transporting meals, learning materials, and technology supports directly to students' homes or neighborhoods. Other school districts have used transportation resources to bring students to learning centers or other agencies where support services are provided.

This flexibility has allowed school districts to creatively use the resources at their disposal to equitably address the needs of students during an ongoing emergency.

With this act, the legislature intends to preserve this principle of flexibility for qualifying transportation services during a future local, state, or national emergency.

NEW SECTION. Sec. 2. A new section is added to chapter 28A.160 RCW to read as follows:

(1) If a school or school district is providing full remote or partial remote instruction under the authority of RCW 28A.150.290 due to a local, state, or national emergency that causes a substantial disruption to full in-person instruction then, in addition to the transportation services allowed under this chapter, the district may use student transportation allocations to provide the following expanded services to students, regardless of whether those students would qualify as eligible students under RCW 28A.160.160:

(a) Delivery of educational services necessary to provide students with the opportunity to equitably access educational services during the period of remote instruction. Delivery of educational services include the transportation of materials, hardware, and other supports that assist students in accessing remote instruction, internet connectivity, or the curriculum;

(b) Delivery of meals to students; and

(c) Providing for the transportation of students to and from learning centers or other public or private agencies where educational and support services are being provided to students during the period of remote instruction. "Providing for" includes the provision of payments to allow students to use public transit

to access the educational and support services.

(2) Nothing in this section is intended to limit a district's ability to use transportation allocations to pay for fixed transportation costs, such as school bus maintenance and basic administrative, regulatory, safety, or operational expenses.

(3) If a district provides expanded services under subsection (1) of this section, the district must track by a separate accounting code the expenditures incurred by the district in providing such services. This data must be included in the report required under RCW 28A.160.170(2).

Sec. 3. RCW 28A.160.170 and 2009 c 548 s 306 are each amended to read as follows:

Each district shall submit three times each year to the superintendent of public instruction during October, February, and May of each year a report containing the following:

(1) (a) The number of eligible students transported to and from school as provided for in RCW 28A.160.150, along with identification of stop locations and school locations, and (b) the number of miles driven for pupil transportation services as authorized in RCW 28A.160.150 the previous school year; and

(2) Other operational data and descriptions as required by the superintendent to determine allocation requirements for each district. The superintendent shall require that districts separate the costs of operating the program for the transportation of eligible students to and from school as defined by RCW 28A.160.160(3) ~~((from))~~, non-to-and-from-school pupil transportation costs, and costs to provide expanded services under section 2(1) of this act in the annual financial statement. The cost, quantity, and type of all fuel purchased by school districts for use in to-and-from-school transportation shall be included in the annual financial statement.

Each district shall submit the information required in this section on a timely basis as a condition of the continuing receipt of school transportation moneys.

NEW SECTION. **Sec. 4.** A new section is added to chapter 28A.710 RCW to read as follows:

Section 2 of this act governs school operation and management under RCW 28A.710.040 and applies to charter schools established under this chapter.

NEW SECTION. **Sec. 5.** A new section is added to chapter 28A.715 RCW to read as follows:

Section 2 of this act governs school operation and management under RCW 28A.715.020 and applies to state-tribal compact schools established under this chapter.

NEW SECTION. **Sec. 6.** 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."

Correct the title.

Representatives Santos and Ybarra spoke in favor of the adoption of the striking amendment.

Striking amendment (724) was adopted.

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House, was placed on final passage.

Representatives Santos and Ybarra spoke in favor of the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Engrossed Second Substitute Senate Bill No. 5128, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute Senate Bill No. 5128, as amended by the House, and the bill passed the House by the following vote: Yeas, 96; Nays, 1; Absent, 0; Excused, 1.

Voting yea: Representatives Abbarno, Barkis, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Klippert, Kloba, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McCaslin, McEntire, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier,

Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Voting nay: Representative Kraft.
Excused: Representative Bateman.

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5128, as amended by the House, having received the necessary constitutional majority, was declared passed.

There being no objection, the House advanced to the seventh order of business.

THIRD READING MESSAGE FROM THE SENATE

April 14, 2021

Madame Speaker:

The Senate refuses to concur in the House amendment to ENGROSSED SUBSTITUTE SENATE BILL NO. 5408 and asks the House to recede therefrom.

and the same is herewith transmitted.

Sarah Bannister, Deputy Secretary

HOUSE AMENDMENT TO SENATE BILL

There being no objection, the House receded from its amendment to ENGROSSED SUBSTITUTE SENATE BILL NO. 5408. The rules were suspended and ENGROSSED SUBSTITUTE SENATE BILL NO. 5408 was returned to second reading for the purpose of amendment.

There being no objection, the House reverted to the sixth order of business.

SECOND READING

ENGROSSED SUBSTITUTE SENATE BILL NO. 5408, by Senate Committee on Law & Justice (originally sponsored by Stanford, Das, Dhingra, Hasegawa, Kuderer, Lovelett, Nguyen, Randall, Robinson, Rolfes, Saldaña and Wellman)

Concerning the homestead exemption.

Representative Hansen moved the adoption of striking amendment (725):

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** The legislature finds that the homestead exemption is intended to protect the homeowner's equity in a home against unsecured creditors. The legislature finds that changes to the homestead exemption are

necessary to modernize the law and to address the case of *Wilson v. Rigby*, 909 F.3d 306 (2018) and to adopt the reasoning in *In re Good*, 588 B.R. 573 (Bankr. W.D. Wash. 2018).

Sec. 2. RCW 6.13.010 and 1999 c 403 s 1 are each amended to read as follows:

(1) The homestead consists of real or personal property that the owner or a dependent of the owner uses as a residence. In the case of a dwelling house or mobile home, the homestead consists of the dwelling house or the mobile home in which the owner resides or intends to reside, with appurtenant buildings, and the land on which the same are situated and by which the same are surrounded, or improved or unimproved land, regardless of area, owned with the intention of placing a house or mobile home thereon and residing thereon. A mobile home may be exempted under this chapter whether or not it is permanently affixed to the underlying land and whether or not the mobile home is placed upon a lot owned by the mobile home owner or a dependent of the owner. Property included in the homestead must be actually intended or used as the principal home for the owner.

(2) As used in this chapter (~~(, the term "owner")~~):

(a) "Owner" includes but is not limited to a purchaser under a deed of trust, mortgage, or real estate contract.

~~((3) As used in this chapter, the term "net")~~ (b) "Net value" means market value less all liens and encumbrances senior to the judgment being executed upon and not including the judgment being executed upon.

(c) "Forced sale" includes any sale of homestead property in a bankruptcy proceeding under Title 11 of the United States Code. The reinvestment provisions of RCW 6.13.070 do not apply to the proceeds.

(d) "Dependent" has the meaning given in Title 11 U.S.C. Sec. 522(a)(1).

Sec. 3. RCW 6.13.030 and 2007 c 429 s 1 are each amended to read as follows:

~~((A homestead may consist of lands, as described in RCW 6.13.010, regardless of area, but the homestead exemption amount shall not exceed the lesser of (1) the total net value of the lands, manufactured homes, mobile home, improvements, and other personal~~

~~property, as described in RCW 6.13.010, or (2) the sum of one hundred twenty five thousand dollars in the case of lands, manufactured homes, mobile home, and improvements, or the sum of fifteen thousand dollars in the case of other personal property described in RCW 6.13.010, except where)) (1) The homestead exemption amount is the greater of:~~

~~(a) \$125,000;~~

~~(b) The county median sale price of a single-family home in the preceding calendar year; or~~

~~(c) Where the homestead is subject to execution, attachment, or seizure by or under any legal process whatever to satisfy a judgment in favor of any state for failure to pay that state's income tax on benefits received while a resident of the state of Washington from a pension or other retirement plan, ((in which event there shall be)) no dollar limit ((on the value of the exemption)).~~

(2) In determining the county median sale price of a single-family home in the preceding year, a court shall use data from the Washington center for real estate research or, if the Washington center no longer provides the data, a successor entity designated by the office of financial management.

Sec. 4. RCW 6.13.060 and 2008 c 6 s 634 are each amended to read as follows:

The homestead of a spouse or domestic partner cannot be conveyed or encumbered unless the instrument by which it is conveyed or encumbered is executed and acknowledged by both spouses or both domestic partners, except that either spouse or both or either domestic partner or both jointly may make and execute powers of attorney for the conveyance or encumbrance of the homestead. The conveyance or encumbrance of the homestead does not require that any dependent of the owner who is not a spouse or domestic partner execute and acknowledge the instrument by which it is conveyed or encumbered.

Sec. 5. RCW 6.13.070 and 1987 c 442 s 207 are each amended to read as follows:

(1) Except as provided in RCW 6.13.080, the homestead is exempt from attachment and from execution or forced sale for the debts of the owner up to the amount specified in RCW 6.13.030.

(2) In a bankruptcy case, the debtor's exemption shall be determined on the date the bankruptcy petition is filed. If the value of the debtor's interest in homestead property on the petition date is less than or equal to the amount that can be exempted under RCW 6.13.030, then the debtor's entire interest in the property, including the debtor's right to possession and interests of no monetary value, is exempt. Any appreciation in the value of the debtor's exempt interest in the property during the bankruptcy case is also exempt, even if in excess of the amounts in RCW 6.13.030(1).

(3) The proceeds of the voluntary sale of the homestead in good faith for the purpose of acquiring a new homestead, and proceeds from insurance covering destruction of homestead property held for use in restoring or replacing the homestead property, up to the amount specified in RCW 6.13.030, shall likewise be exempt for one year from receipt, and also such new homestead acquired with such proceeds.

~~((2))~~ (4) Every homestead created under this chapter is presumed to be valid to the extent of all the property claimed exempt, until the validity thereof is contested in a court of general jurisdiction in the county or district in which the homestead is situated.

Sec. 6. RCW 6.13.080 and 2019 c 238 s 215 are each amended to read as follows:

The homestead exemption is not available against an execution or forced sale in satisfaction of judgments obtained:

(1) On debts secured by mechanic's, laborer's, construction, maritime, automobile repair, material supplier's, or vendor's liens arising out of and against the particular property claimed as a homestead;

(2) On debts secured:

(a) ~~((by))~~ By security agreements describing as collateral the property that is claimed as a homestead; or

(b) ~~((by))~~ By mortgages or deeds of trust on the premises that have been executed and acknowledged by both spouses or both domestic partners or by any claimant not married or in a state registered domestic partnership. The execution and acknowledgment of a mortgage or deed of trust by a dependent

who is not a spouse or domestic partner is not required;

(3) On one spouse's or one domestic partner's or the community's debts existing at the time of that spouse's or that domestic partner's bankruptcy filing where (a) bankruptcy is filed by both spouses or both domestic partners within a six-month period, other than in a joint case or a case in which their assets are jointly administered, and (b) the other spouse or other domestic partner exempts property from property of the estate under the bankruptcy exemption provisions of 11 U.S.C. Sec. 522(d);

(4) On debts arising from a lawful court order or decree or administrative order establishing a child support obligation or obligation to pay maintenance;

(5) On debts owing to the state of Washington for recovery of medical assistance correctly paid on behalf of an individual consistent with 42 U.S.C. Sec. 1396p;

(6) On debts secured by a condominium, homeowners', or common interest community association's lien; or

(7) On debts owed for taxes collected under chapters 82.08, 82.12, and 82.14 RCW but not remitted to the department of revenue.

Sec. 7. RCW 61.24.100 and 1998 c 295 s 12 are each amended to read as follows:

(1) Except to the extent permitted in this section for deeds of trust securing commercial loans, a deficiency judgment shall not be obtained on the obligations secured by a deed of trust against any borrower, grantor, or guarantor after a trustee's sale under that deed of trust.

(2)(a) Nothing in this chapter precludes an action against any person liable on the obligations secured by a deed of trust or any guarantor prior to a notice of trustee's sale being given pursuant to this chapter or after the discontinuance of the trustee's sale.

(b) No action under (a) of this subsection precludes the beneficiary from commencing a judicial foreclosure or trustee's sale under the deed of trust after the completion or dismissal of that action.

(3) This chapter does not preclude any one or more of the following after a trustee's sale under a deed of trust

securing a commercial loan executed after June 11, 1998:

(a)(i) To the extent the fair value of the property sold at the trustee's sale to the beneficiary or an affiliate of the beneficiary is less than the unpaid obligation secured by the deed of trust immediately prior to the trustee's sale, an action for a deficiency judgment against the borrower or grantor, if such person or persons was timely given the notices under RCW 61.24.040, for (A) any decrease in the fair value of the property caused by waste to the property committed by the borrower or grantor, respectively, after the deed of trust is granted, and (B) the wrongful retention of any rents, insurance proceeds, or condemnation awards by the borrower or grantor, respectively, that are otherwise owed to the beneficiary.

(ii) This subsection (3)(a) does not apply to any property that is occupied by the borrower as its principal residence as of the date of the trustee's sale;

(b) Any judicial or nonjudicial foreclosures of any other deeds of trust, mortgages, security agreements, or other security interests or liens covering any real or personal property granted to secure the obligation that was secured by the deed of trust foreclosed; or

(c) Subject to this section, an action for a deficiency judgment against a guarantor if the guarantor is timely given the notices under RCW 61.24.042.

(4) Any action referred to in subsection (3)(a) and (c) of this section shall be commenced within one year after the date of the trustee's sale, or a later date to which the liable party otherwise agrees in writing with the beneficiary after the notice of foreclosure is given, plus any period during which the action is prohibited by a bankruptcy, insolvency, moratorium, or other similar debtor protection statute. If there occurs more than one trustee's sale under a deed of trust securing a commercial loan or if trustee's sales are made pursuant to two or more deeds of trust securing the same commercial loan, the one-year limitation in this section begins on the date of the last of those trustee's sales.

(5) In any action against a guarantor following a trustee's sale under a deed of trust securing a commercial loan, the guarantor may request the court or other appropriate adjudicator to determine, or

the court or other appropriate adjudicator may in its discretion determine, the fair value of the property sold at the sale and the deficiency judgment against the guarantor shall be for an amount equal to the sum of the total amount owed to the beneficiary by the guarantor as of the date of the trustee's sale, less the fair value of the property sold at the trustee's sale or the sale price paid at the trustee's sale, whichever is greater, plus interest on the amount of the deficiency from the date of the trustee's sale at the rate provided in the guaranty, the deed of trust, or in any other contracts evidencing the debt secured by the deed of trust, as applicable, and any costs, expenses, and fees that are provided for in any contract evidencing the guarantor's liability for such a judgment. If any other security is sold to satisfy the same debt prior to the entry of a deficiency judgment against the guarantor, the fair value of that security, as calculated in the manner applicable to the property sold at the trustee's sale, shall be added to the fair value of the property sold at the trustee's sale as of the date that additional security is foreclosed. This section is in lieu of any right any guarantor would otherwise have to establish an upset price pursuant to RCW 61.12.060 prior to a trustee's sale.

(6) A guarantor granting a deed of trust to secure its guaranty of a commercial loan shall be subject to a deficiency judgment following a trustee's sale under that deed of trust only to the extent stated in subsection (3)(a)(i) of this section. If the deed of trust encumbers the guarantor's principal residence, the guarantor shall be entitled to receive an amount up to ~~((the homestead exemption set forth in RCW 6.13.030))~~ \$125,000, without regard to the effect of RCW 6.13.080(2), from the bid at the foreclosure or trustee's sale accepted by the sheriff or trustee prior to the application of the bid to the guarantor's obligation.

(7) A beneficiary's acceptance of a deed in lieu of a trustee's sale under a deed of trust securing a commercial loan exonerates the guarantor from any liability for the debt secured thereby except to the extent the guarantor otherwise agrees as part of the deed in lieu transaction.

(8) This chapter does not preclude a beneficiary from foreclosing a deed of trust in the same manner as a real property mortgage and this section does not apply to such a foreclosure.

(9) Any contract, note, deed of trust, or guaranty may, by its express language, prohibit the recovery of any portion or all of a deficiency after the property encumbered by the deed of trust securing a commercial loan is sold at a trustee's sale.

(10) A trustee's sale under a deed of trust securing a commercial loan does not preclude an action to collect or enforce any obligation of a borrower or guarantor if that obligation, or the substantial equivalent of that obligation, was not secured by the deed of trust.

(11) Unless the guarantor otherwise agrees, a trustee's sale shall not impair any right or agreement of a guarantor to be reimbursed by a borrower or grantor for a deficiency judgment against the guarantor.

(12) Notwithstanding anything in this section to the contrary, the rights and obligations of any borrower, grantor, and guarantor following a trustee's sale under a deed of trust securing a commercial loan or any guaranty of such a loan executed prior to June 11, 1998, shall be determined in accordance with the laws existing prior to June 11, 1998.

NEW SECTION. Sec. 8. 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."

Correct the title.

Representatives Hansen and Walsh spoke in favor of the adoption of the striking amendment.

Striking amendment (725) was adopted.

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House, was placed on final passage.

Representatives Hansen and Walsh spoke in favor of the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Engrossed Substitute Senate Bill No. 5408, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 5408, as amended by the House, and the bill passed the House by the following vote: Yeas, 94; Nays, 3; Absent, 0; Excused, 1.

Voting yea: Representatives Abbarno, Barkis, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Klippert, Kloba, Kraft, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McEntire, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland,

Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Voting nay: Representatives Chase, Dufault and McCaslin.

Excused: Representative Bateman.

ENGROSSED SUBSTITUTE SENATE BILL NO. 5408, as amended by the House, having received the necessary constitutional majority, was declared passed.

There being no objection, the House adjourned until 8:00 a.m., April 19, 2021, the 99th Legislative Day of the Regular Session.

LAURIE JINKINS, Speaker

BERNARD DEAN, Chief Clerk

NINETY NINTH DAY

House Chamber, Olympia, Monday, April 19, 2021

The House was called to order at 8:00 a.m. by the Speaker (Representative Orwall presiding).

climate commitment act. Reported by Committee on Environment & Energy

Reading of the Journal of the previous day was dispensed with and it was ordered to stand approved.

MAJORITY recommendation: Do pass as amended.

There being no objection, the House advanced to the fifth order of business.

Strike everything after the enacting clause and insert the following:

REPORTS OF STANDING COMMITTEES

"NEW SECTION. Sec. 1. FINDINGS AND INTENT. (1) The legislature finds that climate change is one of the greatest challenges facing our state and the world today, an existential crisis with major negative impacts on environmental and human health. Washington is experiencing environmental and community impacts due to climate change through increasingly devastating wildfires, flooding, droughts, rising temperatures and sea levels, and ocean acidification. Greenhouse gas emissions already in the atmosphere will increase impacts for some period of time. Actions to increase resilience of our communities, natural resource lands, and ecosystems can prevent and reduce impacts to communities and our environment and improve their ability to recover.

April 16, 2021

SB 5008 Prime Sponsor, Senator Robinson: Extending the business and occupation tax exemption for amounts received as credits against contracts with or funds provided by the Bonneville power administration and used for low-income ratepayer assistance and weatherization. Reported by Committee on Finance

MAJORITY recommendation: Do pass. Signed by Representatives Frame, Chair; Berg, Vice Chair; Walen, Vice Chair; Orcutt, Ranking Minority Member; Dufault, Assistant Ranking Minority Member; Chase; Chopp; Harris-Talley; Morgan; Orwall; Ramel; Springer; Stokesbary; Thai; Vick; Wylie and Young.

(2) In 2020, the legislature updated the state's greenhouse gas emissions limits that are to be achieved by 2030, 2040, and 2050, based on current science and emissions trends, to support local and global efforts to avoid the most significant impacts from climate change. Meeting these limits will require coordinated, comprehensive, and multisectoral implementation of policies, programs, and laws, as currently enacted systems approaches are insufficient to meet the limits.

April 16, 2021

ESSB 5096 Prime Sponsor, Committee on Ways & Means: Enacting an excise tax on gains from the sale or exchange of certain capital assets. (REVISED FOR ENGROSSED: Investing in Washington families and creating a more progressive tax system in Washington by enacting an excise tax on the sale or exchange of certain capital assets.) Reported by Committee on Finance

MAJORITY recommendation: Do pass as amended. Signed by Representatives Frame, Chair; Berg, Vice Chair; Walen, Vice Chair; Chopp; Harris-Talley; Morgan; Orwall; Ramel; Springer; Thai and Wylie.

(3) The legislature further finds that while climate change is a global problem, there are communities that have historically borne the disproportionate impacts of environmental burdens and that now bear the disproportionate negative impacts of climate change. Although the state has done great work in the past to highlight these environmental health disparities, beginning with senator Rosa Franklin's environmental equity study, and continuing through the work of the governor's interagency council on health disparities, the creation of the Washington environmental health

April 16, 2021

E2SSB 5126 Prime Sponsor, Committee on Ways & Means: Concerning the Washington

disparities map, and recommendations of the environmental justice task force, the state can do much more to ensure that state programs address environmental equity.

(4) The legislature further finds that while enacted carbon policies can be well-intended to reduce greenhouse gas emissions and provide environmental benefits to communities, the policies may not do enough to ensure environmental health disparities are reduced and environmental benefits are provided to those communities most impacted by environmental harms from greenhouse gas and air pollutant emissions.

(5) The legislature further finds that wildfires have become one of the largest sources of black carbon in the last five years. From 2014 through 2018, wildfires in Washington state generated 39,200,000 metric tons of carbon, the equivalent of more than 8,500,000 cars on the road a year. In 2015, when 1,130,000 acres burned in Washington, wildfires were the second largest source of greenhouse gas emissions releasing 17,975,112 metric tons of carbon dioxide into the atmosphere. Wildfire pollution affects all Washingtonians, but has disproportionate health effects on low-income communities, communities of color, and the most vulnerable of our population. Restoring the health of our forests and investing in wildfire prevention and preparedness will therefore contribute to improved air quality and improved public health outcomes.

(6) The legislature further finds that by exercising a leadership role in addressing climate change, Washington will position its economy, technology centers, financial institutions, and manufacturers to benefit from national and international efforts that must occur to reduce greenhouse gases. The legislature intends to create climate policy that recognizes the special nature of emissions-intensive, trade-exposed industries by minimizing leakage and increased life-cycle emissions associated with product imports. The legislature further finds that climate policies must be appropriately designed, in order to avoid leakage that results in net increases in global greenhouse gas emissions and increased negative impacts to those communities most impacted by environmental harms from climate change. The legislature further intends to

encourage these industries to continue to innovate, find new ways to be more energy efficient, use lower carbon products, and be positioned to be global leaders in a low carbon economy.

(7) Under the program, the legislature intends to identify overburdened communities where the highest concentrations of criteria pollutants occur, determine the sources of those emissions and pollutants, and ensure that emissions or concentration reductions are achieved in those communities. The legislature further intends to conduct an environmental justice assessment to ensure that funds and programs created under this chapter provide direct and meaningful benefits to vulnerable populations and overburdened communities. Additionally, the legislature intends to prevent job loss and provide protective measures for workers adversely impacted by the transition to a clean energy economy through transition and assistance programs, worker-support projects, and workforce development and other activities designed to grow and expand the clean manufacturing sector in communities across Washington state. The legislature further intends to establish an environmental justice and equity advisory panel to provide recommendations for the development and implementation of the program, the distribution of funds, and the establishment of programs, activities, and projects to achieve environmental justice and environmental health goals. The legislature further intends to create and adopt community engagement plans and tribal consultation frameworks in the administration of the program to ensure equitable practices for meaningful community and federally recognized tribal involvement. Finally, the legislature intends to establish this program to contribute to a healthy environment for all of Washington's communities.

NEW SECTION. Sec. 2. DEFINITIONS. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Allowance" means an authorization to emit up to one metric ton of carbon dioxide equivalent.

(2) "Allowance price containment reserve" means an account maintained by the department with allowances available for sale through separate reserve

auctions at predefined prices to assist in containing compliance costs for covered and opt-in entities in the event of unanticipated high costs for compliance instruments.

(3) "Annual allowance budget" means the total number of greenhouse gas allowances allocated for auction and distribution for one calendar year by the department.

(4) "Asset controlling supplier" means any entity that owns or operates interconnected electricity generating facilities or serves as an exclusive marketer for these facilities even though it does not own them, and has been designated by the department and received a department-published emissions factor for the wholesale electricity procured from its system. The department shall use a methodology consistent with the methodology used by an external greenhouse gas emissions trading program that shares the regional electricity transmission system. Electricity from asset controlling suppliers is considered a specified source of electricity.

(5) "Auction" means the process of selling greenhouse gas allowances by offering them up for bid, taking bids, and then distributing the allowances to winning bidders.

(6) "Auction floor price" means a price for allowances below which bids at auction are not eligible to be accepted.

(7) "Auction purchase limit" means the limit on the number of allowances one registered entity or a group of affiliated registered entities may purchase from the share of allowances sold at an auction.

(8) "Balancing authority" means the responsible entity that integrates resource plans ahead of time, maintains load-interchange-generation balance within a balancing authority area, and supports interconnection frequency in real time.

(9) "Balancing authority area" means the collection of generation, transmission, and load within the metered boundaries of a balancing authority. A balancing authority maintains load-resource balance within this area.

(10) "Biomass" means nonfossilized and biodegradable organic material originating from plants, animals, and

microorganisms, including products, by-products, residues, and waste from agriculture, forestry, and related industries as well as the nonfossilized and biodegradable organic fractions of industrial waste, including gases and liquids recovered from the decomposition of nonfossilized and biodegradable organic material.

(11) "Biomass-derived fuels," "biomass fuels," or "biofuels" means fuels derived from biomass that have at least 40 percent lower greenhouse gas emissions based on a full life-cycle analysis when compared to petroleum fuels for which biofuels are capable as serving as a substitute.

(12) "Carbon dioxide equivalents" means a measure used to compare the emissions from various greenhouse gases based on their global warming potential.

(13) "Carbon dioxide removal" means deliberate human activities removing carbon dioxide from the atmosphere and durably storing it in geological, terrestrial, or ocean reservoirs, or in products. "Carbon dioxide removal" includes existing and potential anthropogenic enhancement of biological or geochemical sinks and including, but not limited to, carbon mineralization, direct air capture and storage, and carbon mineralization.

(14) "Climate commitment" means the process and mechanisms to ensure a coordinated and strategic approach to advancing climate resilience and environmental justice and achieving an equitable and inclusive transition to a carbon neutral economy.

(15) "Climate resilience" is the ongoing process of anticipating, preparing for, and adapting to changes in climate and minimizing negative impacts to our natural systems, infrastructure, and communities. For natural systems, increasing climate resilience involves restoring and increasing the health, function, and integrity of our ecosystems and improving their ability to absorb and recover from climate-affected disturbances. For communities, increasing climate resilience means enhancing their ability to understand, prevent, adapt, and recover from climate impacts to people and infrastructure.

(16) "Closed facility" means a facility at which the current owner or operator has elected to permanently stop

production and will no longer be an emissions source.

(17) "Compliance instrument" means an allowance, price ceiling unit, or offset credit issued by the department or by an external greenhouse gas emissions trading program to which Washington has linked its greenhouse gas emissions cap and invest program. One compliance instrument is equal to one metric ton of carbon dioxide equivalent.

(18) "Compliance obligation" means the requirement to submit to the department the number of compliance instruments equivalent to a covered or opt-in entity's covered emissions during the compliance period.

(19) "Compliance period" means the four-year period for which the compliance obligation is calculated for covered entities.

(20) "Cost burden" means the impact on rates or charges to customers of electric utilities in Washington state for the incremental cost of electricity service to serve load due to the compliance cost for greenhouse gas emissions caused by the program. Cost burden includes administrative costs from the utility's participation in the program.

(21) "Covered emissions" means the emissions for which a covered entity has a compliance obligation under section 10 of this act.

(22) "Covered entity" means a person that is designated by the department as subject to sections 8 through 24 of this act.

(23) "Cumulative environmental health impact" has the same meaning as provided in RCW 70A.---.--- (section 2, chapter . . ., Laws of 2021 (section 2 of Engrossed Second Substitute Senate Bill No. 5141)).

(24) "Curtailed facility" means a facility at which the owner or operator has temporarily suspended production but for which the owner or operator maintains operating permits and retains the option to resume production if conditions become amenable.

(25) "Department" means the department of ecology.

(26) "Electricity importer" means:

(a) For electricity that is scheduled with a NERC e-tag to a final point of delivery into a balancing authority area located entirely within the state of

Washington, the electricity importer is identified on the NERC e-tag as the purchasing-selling entity on the last segment of the tag's physical path with the point of receipt located outside the state of Washington and the point of delivery located inside the state of Washington;

(b) For facilities physically located outside the state of Washington with the first point of interconnection to a balancing authority area located entirely within the state of Washington when the electricity is not scheduled on a NERC e-tag, the electricity importer is the facility operator or owner;

(c) For electricity imported through a centralized market, the electricity importer will be defined by rule consistent with the rules required under section 10(1)(c) of this act;

(d) For electricity from facilities allocated to serve retail electricity customers of a multijurisdictional electric company, the electricity importer is the multijurisdictional electric company;

(e) If the importer identified under (a) of this subsection is a federal power marketing administration over which the state of Washington does not have jurisdiction, and the federal power marketing administration has not voluntarily elected to comply with the program, then the electricity importer is the next purchasing-selling entity in the physical path on the NERC e-tag, or if no additional purchasing-selling entity over which the state of Washington has jurisdiction, then the electricity importer is the electric utility that operates the Washington transmission or distribution system, or the generation balancing authority;

(f) For electricity that is imported into the state by a federal power marketing administration and sold to a public body or cooperative customer or direct service industrial customer located in Washington pursuant to section 5(b) or (d) of the Pacific Northwest electric power planning and conservation act of 1980, P.L. 96-501, the electricity importer is the federal marketing administration;

(g) If the importer identified under (f) of this subsection has not voluntarily elected to comply with the program, then the electricity importer is

the public body or cooperative customer or direct service industrial customer; or

(h) For electricity from facilities allocated to a consumer-owned utility inside the state of Washington from a multijurisdictional consumer-owned utility, the electricity importer is the consumer-owned utility inside the state of Washington.

(27) "Emissions containment reserve allowance" means a conditional allowance that is withheld from sale at an auction by the department or its agent to secure additional emissions reductions in the event prices fall below the emissions containment reserve trigger price.

(28) "Emissions containment reserve trigger price" means the price below which allowances will be withheld from sale by the department or its agent at an auction, as determined by the department by rule.

(29) "Emissions threshold" means the greenhouse gas emission level at or above which a person has a compliance obligation.

(30) "Environmental benefits" has the same meaning as defined in RCW 70A.---.-- (section 2, chapter . . ., Laws of 2021 (section 2 of Engrossed Second Substitute Senate Bill No. 5141)).

(31) "Environmental harm" has the same meaning as defined in RCW 70A.---.--- (section 2, chapter . . ., Laws of 2021 (section 2 of Engrossed Second Substitute Senate Bill No. 5141)).

(32) "Environmental impacts" has the same meaning as defined in RCW 70A.---.-- (section 2, chapter . . ., Laws of 2021 (section 2 of Engrossed Second Substitute Senate Bill No. 5141)).

(33) "Environmental justice" has the same meaning as defined in RCW 70A.---.-- (section 2, chapter . . ., Laws of 2021 (section 2 of Engrossed Second Substitute Senate Bill No. 5141)).

(34) "Environmental justice assessment" has the same meaning as identified in RCW 70A.---.--- (section 14, chapter . . ., Laws of 2021 (section 14 of Engrossed Second Substitute Senate Bill No. 5141)).

(35) "External greenhouse gas emissions trading program" means a government program, other than Washington's program created in this chapter, that restricts greenhouse gas

emissions from sources outside of Washington and that allows emissions trading.

(36) "Facility" means any physical property, plant, building, structure, source, or stationary equipment located on one or more contiguous or adjacent properties in actual physical contact or separated solely by a public roadway or other public right-of-way and under common ownership or common control, that emits or may emit any greenhouse gas.

(37) "First jurisdictional deliverer" means the owner or operator of an electric generating facility in Washington or an electricity importer.

(38) "General market participant" means a registered entity that is not identified as a covered entity or an opt-in entity that is registered in the program registry and intends to purchase, hold, sell, or voluntarily retire compliance instruments.

(39) "Greenhouse gas" has the same meaning as in RCW 70A.45.010.

(40) "Holding limit" means the maximum number of allowances that may be held for use or trade by a registered entity at any one time.

(41) "Imported electricity" means electricity generated outside the state of Washington with a final point of delivery within the state.

(a) "Imported electricity" includes electricity from an organized market, such as the energy imbalance market.

(b) "Imported electricity" includes imports from linked jurisdictions, but such imports shall be construed as having no emissions.

(c) Electricity from a system that is marketed by a federal power marketing administration shall be construed as "imported electricity," not electricity generated in the state of Washington.

(d) "Imported electricity" does not include electricity imports of unspecified electricity that are netted by exports of unspecified electricity to any jurisdiction not covered by a linked program by the same entity within the same hour.

(e) For a multijurisdictional electric company, "imported electricity" includes electricity from facilities and wholesale electricity purchases that contribute to a common system power pool.

Where a multijurisdictional electric company has a cost allocation methodology approved by the utilities and transportation commission, the allocation of specific facilities to Washington's retail load will be in accordance with that methodology.

(f) For a multijurisdictional consumer-owned utility, "imported electricity" includes electricity from facilities that contribute to a common system power pool that are allocated to a consumer-owned utility inside the state of Washington pursuant to a methodology approved by the governing board of the consumer-owned utility.

(42) "Leakage" means a reduction in emissions of greenhouse gases within the state that is offset by a directly attributable increase in greenhouse gas emissions outside the state and outside the geography of another jurisdiction with a linkage agreement with Washington.

(43) "Limits" means the greenhouse gas emissions reductions required by RCW 70A.45.020.

(44) "Linkage" means a bilateral or multilateral decision under a linkage agreement between greenhouse gas market programs to accept compliance instruments issued by a participating jurisdiction to meet the obligations of regulated entities in a partner jurisdiction and to otherwise coordinate activities to facilitate operation of a joint market.

(45) "Linkage agreement" means a nonbinding agreement that connects two or more greenhouse gas market programs and articulates a mutual understanding of how the participating jurisdictions will work together to facilitate a connected greenhouse gas market.

(46) "Multijurisdictional consumer-owned utility" means a consumer-owned utility that provides electricity to member owners in Washington and in one or more other states in a contiguous service territory or from a common power system.

(47) "Multijurisdictional electric company" means an investor-owned utility that provides electricity to customers in Washington and in one or more other states in a contiguous service territory or from a common power system.

(48) "NERC e-tag" means North American electric reliability corporation (NERC) energy tag representing transactions on

the North American bulk electricity market scheduled to flow between or across balancing authority areas.

(49) "Offset credit" means a tradable compliance instrument that represents an emissions reduction or emissions removal of one metric ton of carbon dioxide equivalent.

(50) "Offset project" means a project that reduces or removes greenhouse gases that are not covered emissions under this chapter.

(51) "Offset protocols" means a set of procedures and standards to quantify greenhouse gas reductions or greenhouse gas removals achieved by an offset project.

(52) "Overburdened community" means a geographic area identified by the department through the process established under chapter . . . , Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141).

(53) "Person" has the same meaning as defined in RCW 70A.15.2200(5)(h)(iii).

(54) "Point of delivery" means a point on the electricity transmission or distribution system where a deliverer makes electricity available to a receiver, or available to serve load. This point may be an interconnection with another system or a substation where the transmission provider's transmission and distribution systems are connected to another system, or a distribution substation where electricity is imported into the state over a multijurisdictional retail provider's distribution system.

(55) "Price ceiling unit" means the units issued at a fixed price by the department for the purpose of limiting price increases and funding further investments in greenhouse gas reductions.

(56) "Program" means the greenhouse gas emissions cap and invest program created by and implemented pursuant to this chapter.

(57) "Program registry" means the data system in which covered entities, opt-in entities, and general market participants are registered and in which compliance instruments are recorded and tracked.

(58) "Registered entity" means a covered entity, opt-in entity, or general market participant that has completed the

process for registration in the program registry.

(59) "Resilience" means the ability to prepare, mitigate and plan for, withstand, recover from, and more successfully adapt to adverse events and changing conditions, and reorganize in an equitable manner that results in a new and better condition.

(60) "Retire" means to permanently remove a compliance instrument such that the compliance instrument may never be sold, traded, or otherwise used again.

(61) "Specified source of electricity" or "specified source" means a facility, unit, or asset controlling supplier that is permitted to be claimed as the source of electricity delivered. The reporting entity must have either full or partial ownership in the facility or a written power contract to procure electricity generated by that facility or unit or from an asset controlling supplier at the time of entry into the transaction to procure electricity.

(62) "Supplier" means a supplier of fuel in Washington state as defined in RCW 70A.15.2200(5)(h)(ii).

(63) "Transfer" means to transfer an allowance or compliance instrument to the department, either to meet a compliance obligation or on a voluntary basis.

(64) "Tribal lands" has the same meaning as defined in RCW 70A.---.--- (section 2, chapter . . ., Laws of 2021 (section 2 of Engrossed Second Substitute Senate Bill No. 5141)).

(65) "Unspecified source of electricity" or "unspecified source" means a source of electricity that is not a specified source at the time of entry into the transaction to procure electricity.

(66) "Voluntary renewable reserve account" means a holding account maintained by the department from which allowances may be retired for voluntary renewable electricity generation, which is directly delivered to the state and has not and will not be sold or used to meet any other mandatory requirements in the state or any other jurisdiction, on behalf of voluntary renewable energy purchasers or end users.

(67)(a) "Vulnerable populations" has the same meaning as defined in RCW 70A.--.--- (section 2, chapter . . ., Laws of

2021 (section 2 of Engrossed Second Substitute Senate Bill No. 5141)).

NEW SECTION. Sec. 3. ENVIRONMENTAL JUSTICE REVIEW. (1) To ensure that the program created in sections 8 through 24 of this act achieves reductions in criteria pollutants as well as greenhouse gas emissions in overburdened communities highly impacted by air pollution, the department must:

(a) Identify overburdened communities, consistent with the requirements of chapter . . ., Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141);

(b) Deploy an air monitoring network in overburdened communities to collect sufficient air quality data for the 2023 review and subsequent reviews of criteria pollutant reductions conducted under subsection (2) of this section; and

(c)(i) Within the identified overburdened communities, analyze and determine which sources are the greatest contributors of criteria pollutants and develop a high priority list of significant emitters.

(ii) Prior to listing any entity as a high priority emitter, the department must notify that entity and share the data used to rank that entity as a high priority emitter, and provide a period of not less than 60 days for the covered entity to submit more recent data or other information relevant to the designation of that entity as a high priority emitter.

(2)(a) Beginning in 2023, and every two years thereafter, the department must conduct a review to determine levels of criteria pollutants, as well as greenhouse gas emissions, in the overburdened communities identified under subsection (1) of this section. This review must also include an evaluation of initial and subsequent health impacts related to criteria pollution in overburdened communities. The department may conduct this evaluation jointly with the department of health.

(b) Once this review determines the levels of criteria pollutants in an identified overburdened community, then the department, in consultation with local air pollution control authorities, must establish air quality targets to achieve air quality consistent with neighboring communities that are not identified as overburdened; identify the

sources that are the contributors of those emissions that are either increasing or not decreasing; and achieve the reduction targets through adoption of emission control strategies or other methods, and the department must:

(i) Adopt, along with local air pollution control authorities, stricter air quality standards, emission standards, or emissions limitations on criteria pollutants, consistent with the authority of the department provided under RCW 70A.15.3000, and may consider alternative mitigation actions that would reduce criteria pollution by similar amounts;

(ii) After adoption of the stricter air quality standards, emission standards, or emissions limitations on criteria pollutants, require that all permitted or registered sources operating in an overburdened community obtain an enforceable order, as authorized under chapter 70A.15 RCW, from the department or the appropriate local air authority as necessary to comply with the stricter standards or limitations and the requirements of this section;

(iii) If a covered entity or opt-in entity is identified as a high priority emitter of criteria pollutants, and the emissions of greenhouse gases and the source of criteria pollutants are correlated, reduce offset limits as established in section 19 of this act and the allocation of allowances at no cost under section 13 of this act, if applicable, for any covered entity identified under this subsection (2)(b); or

(iv) Revise any linkage agreement necessary to ensure reductions of criteria pollutant emissions by any covered entity identified under this subsection (2)(b).

(c) Actions imposed under this section may not impose requirements on covered entities or opt-in entities that are disproportionate to their contribution to air pollution compared to other permitted stationary sources of criteria pollutants in the overburdened community.

(3)(a) The department must create and adopt a supplement to the department's community engagement plan developed pursuant to chapter . . . , Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141). The supplement must describe how the department will engage with

overburdened communities and vulnerable populations in:

(i) Identifying emitters in overburdened communities; and

(ii) Monitoring and evaluating criteria pollutant emissions in those areas.

(b) The community engagement plan must include methods for outreach and communication with those who face barriers, language or otherwise, to participation.

NEW SECTION. Sec. 4. ENVIRONMENTAL JUSTICE ASSESSMENT. (1) When allocating funds from the carbon emissions reduction account created in section 27 of this act or from the climate investment account created in section 28 of this act, or administering grants or programs funded by the accounts, agencies shall conduct an environmental justice assessment consistent with the requirements of RCW 70A.---.--- (section 14, chapter . . . , Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141)) and establish a minimum of not less than 35 percent and a goal of 40 percent of total investments that provide direct and meaningful benefits to vulnerable populations within the boundaries of overburdened communities identified under chapter . . . , Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141) through: (a) The direct reduction of environmental burdens in overburdened communities; (b) the reduction of disproportionate, cumulative risk from environmental burdens, including those associated with climate change; (c) the support of community led project development, planning, and participation costs; or (d) meeting a community need identified by the community that is consistent with the intent of this chapter.

(2) The allocation of funding under subsection (1) of this section must adhere to the following principles, additional to the requirements of RCW 70A.---.--- (section 16, chapter . . . , Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141)): (a) Benefits and programs should be directed to areas and targeted to vulnerable populations and overburdened communities to reduce statewide disparities; (b) investments and benefits should be made roughly proportional to the health disparities that a specific community experiences, with a goal of eliminating the disparities; (c) investments and

programs should focus on creating environmental benefits, including eliminating health burdens, creating community and population resilience, and raising the quality of life of those in the community; and (d) efforts should be made to balance investments and benefits across the state and within counties, local jurisdictions, and unincorporated areas as appropriate to reduce disparities by location and to ensure efforts contribute to a reduction in disparities that exist based on race or ethnicity, socioeconomic status, or other factors.

(3) State agencies allocating funds or administering grants or programs from the climate investment account created in section 28 of this act must:

(a) Report annually to the environmental justice council created in RCW 70A.---.--- (section 20, chapter . . ., Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141)) regarding progress toward meeting environmental justice and environmental health goals;

(b) Consider recommendations by the environmental justice council; and

(c) (i) If the agency is not a covered agency subject to the requirements of chapter . . ., Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141), create and adopt a community engagement plan to describe how it will engage with overburdened communities and vulnerable populations in allocating funds or administering grants or programs from the climate investment account.

(ii) The plan must include methods for outreach and communication with those who face barriers, language or otherwise, to participation.

NEW SECTION. Sec. 5. ENVIRONMENTAL JUSTICE COUNCIL. (1) The environmental justice council created in RCW 70A.---.--- (section 20, chapter . . ., Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141)) must provide recommendations to the legislature, agencies, and the governor in the development and implementation of the program established in sections 8 through 24 of this act, and the programs funded from the carbon emissions reduction account created in section 27 of this act and from the climate investment account created in section 28 of this act.

(2) In addition to the duties and authorities granted in chapter 70A.--- RCW (the new chapter created in section 22, chapter . . ., Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141)) to the environmental justice council, the environmental justice council must:

(a) Provide recommendations to the legislature, agencies, and the governor in the development of:

(i) The program established in sections 8 through 24 of this act including, but not limited to, linkage with other jurisdictions, protocols for establishing offset projects and securing offset credits, designation of emissions-intensive and trade-exposed industries, and administration of allowances under the program; and

(ii) Investment plans and funding proposals for the programs funded from the climate investment account created in section 28 of this act for the purpose of providing environmental benefits and reducing environmental health disparities within overburdened communities identified under chapter 70A.--- RCW (the new chapter created in section 22, chapter . . ., Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141));

(b) Provide a forum to analyze policies adopted under this chapter to determine if the policies lead to improvements within overburdened communities identified under chapter 70A.--- RCW (the new chapter created in section 22, chapter . . ., Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141));

(c) Recommend procedures and criteria for evaluating programs, activities, or projects for review;

(d) Recommend copollutant emissions reduction goals in overburdened communities;

(e) Evaluate the level of funding provided to assist vulnerable populations, low-income individuals, and impacted workers and the funding of projects and activities located within or benefiting overburdened communities;

(f) Recommend environmental justice and environmental health goals for programs, activities, and projects funded from the climate investment account, and review agency annual reports

on outcomes and progress toward meeting these goals;

(g) Provide recommendations to implementing agencies for meaningful consultation with vulnerable populations, including community engagement plans under sections 3 and 4 of this act; and

(h) Recommend how to support public participation through capacity grants for participation.

(3) For the purpose of performing the duties under subsection (2) of this section, two additional tribal members are added to the council.

NEW SECTION. Sec. 6. TRIBAL CONSULTATION. (1) Agencies that allocate funding or administer grant programs appropriated from the climate investment account created in section 28 of this act must develop a consultation framework in coordination with tribal governments that includes best practices, protocols for communication, and collaboration with federally recognized tribes. Under this consultation framework, before allocating funding or administering grant programs appropriated from the climate investment account, agencies must offer consultation with federally recognized tribes on all funding decisions and programs that may impact, infringe upon, or impair the governmental efforts of federally recognized tribes to adopt or enforce their own standards governing or protecting the tribe's resources or other rights and interests in their tribal lands and lands within which a tribe or tribes possess rights reserved by treaty. The consultation is independent of any public participation process required by state law, or by a state agency, and regardless of whether the agency receives a request for consultation from a federally recognized tribe.

(2)(a) If any funding decision, program, project, or activity that impacts lands within which a tribe or tribes possess rights reserved by federal treaty, statute, or executive order is undertaken or funded under this chapter without such consultation with a federally recognized tribe, an affected tribe may request that all further action on the decision, program, project, or activity cease until meaningful consultation with any directly impacted federally recognized tribe is completed.

(b) A project or activity funded in whole or in part from the account created in section 28 of this act must be paused or ceased in the event that an affected federally recognized Indian tribe or the department of archaeology and historic preservation provides timely notice of a determination to the department that the project will adversely impact cultural resources, archaeological sites, or sacred sites. A project or activity paused at the direction of the department under this subsection may not be resumed or completed unless the potentially impacted tribe provides consent to the department and the proponent of the project or activity.

NEW SECTION. Sec. 7. GOVERNANCE STRUCTURE. (1) The governor shall establish a governance structure to implement the state's climate commitment to provide accountability for achieving the state's greenhouse gas limits in RCW 70A.45.020, to establish a coordinated and strategic statewide approach to climate resilience, to build an equitable and inclusive clean energy economy, and to ensure that the government provides clear policy and requirements, financial tools, and other mechanisms to support achieving those limits.

(2) The governance structure for implementing the state's climate commitment must be based on the state's following principles:

(a) The program must be holistic and address the needs, challenges, and opportunities to meet the climate commitment.

(b) The program must address emission reductions from all relevant sectors and sources by ensuring that emitters are responsible for meeting targeted greenhouse gas reductions and that the government provides clear policy and requirements, financial tools, and other mechanisms to support achieving those reductions.

(c) The program must support an equitable transition for vulnerable populations and overburdened communities, including through early and meaningful engagement of overburdened communities and workers to ensure the program achieves equitable and just outcomes.

(d) The program must build increasing climate resilience for at-risk communities and ecosystems through

cross-sectoral coordination, strategic planning, and cohesive policies.

(e) The program must apply the most current, accurate, and complete scientific and technical information available to guide the state's climate actions and strategies.

(3) The governance structure for implementing the state's climate commitment must include, but not be limited to, the following elements:

(a) A strategic plan for aligning existing law, rules, policies, programs, and plans with the state's greenhouse gas limits, to the full extent allowed under existing authority;

(b) Common state policies, standards, and procedures for addressing greenhouse gas emissions and climate resilience, including grant and funding programs, infrastructure investments, and planning and siting decisions;

(c) A process for prioritizing and coordinating funding consistent with strategic needs for greenhouse gas reductions, equity and environmental justice, and climate resilience actions;

(d) An updated statewide strategy for addressing climate risks and improving resilience of communities and ecosystems;

(e) A comprehensive community engagement plan that addresses and mitigates barriers to engagement from vulnerable populations, overburdened communities, and other historically or currently marginalized groups; and

(f) An analysis of gaps and conflicts in state law and programs, with recommendations for improvements to state law.

(4) The governor's office shall develop policy and budget recommendations to the legislature necessary to implement the state's climate commitment by December 31, 2021, in accordance with the purpose, principles, and elements in subsections (1) through (3) of this section.

NEW SECTION. Sec. 8. CAP ON GREENHOUSE GAS EMISSIONS. (1) In order to ensure that greenhouse gas emissions are reduced by covered entities consistent with the limits established in RCW 70A.45.020, the department must implement a cap on greenhouse gas emissions from covered entities and a

program to track, verify, and enforce compliance through the use of compliance instruments.

(2) The program must consist of:

(a) Annual allowance budgets that limit emissions from covered entities, as provided in this section and sections 9 and 10 of this act;

(b) Defining those entities covered by the program, and those entities that may voluntarily opt into coverage under the program, as provided in this section and sections 9 and 10 of this act;

(c) Distribution of emission allowances, as provided in section 12 of this act, and through the allowance price containment provisions under sections 16 and 17 of this act;

(d) Providing for offset credits as a method for meeting a compliance obligation, pursuant to section 19 of this act;

(e) Defining the compliance obligations of covered entities, as provided in section 22 of this act;

(f) Establishing the authority of the department to enforce the program requirements, as provided in section 23 of this act;

(g) Creating a climate investment account for the deposit of receipts from the distribution of emission allowances, as provided in section 28 of this act;

(h) Providing for the transfer of allowances and recognition of compliance instruments, including those issued by jurisdictions with which Washington has linkage agreements;

(i) Providing monitoring and oversight of the sale and transfer of allowances by the department; and

(j) Creating a price ceiling and associated mechanisms as provided in section 18 of this act.

(3) In setting the number of allowances offered at each auction, the department shall consider the allowances in the marketplace due to the marketing of allowances issued as required under sections 13, 14, and 15 of this act in the department's determination of the number of allowances to be offered at auction. The department shall offer only such number of allowances at each auction as will enhance the likelihood of achieving of the goals of RCW 70A.45.020.

(4) The department shall consider opportunities to implement the program in a manner that allows linking the state's program with those of other jurisdictions. The department must evaluate whether such linkage will provide for a more cost-effective means for covered entities to meet their compliance obligations in Washington while recognizing the special characteristics of the state's economy, communities, and industries. The department is authorized to enter into a linkage agreement with another jurisdiction after formal notice and opportunity for a public hearing, and when consistent with the requirements of section 24 of this act.

NEW SECTION. Sec. 9. PROGRAM BUDGET AND TIMELINES. (1)(a) The department shall commence the program by January 1, 2023, by determining an emissions baseline establishing the proportionate share that the total greenhouse gas emissions of covered entities for the first compliance period bears to the total anthropogenic greenhouse gas emissions in the state during 2015 through 2019, based on data reported to the department under RCW 70A.15.2200 or provided as required by this chapter, as well as other relevant data. By October 1, 2022, the department shall adopt a program budget of allowances for the first compliance period of the program, calendar years 2023 through 2026, to be distributed from January 1, 2023, through December 31, 2026. If the first compliance period is delayed pursuant to section 22(7) of this act, the department shall adjust the program allowance budget to reflect a shorter first compliance period.

(b) By October 1, 2026, the department shall add to its emissions baseline by incorporating the proportionate share that the total greenhouse gas emissions of new covered entities in the second compliance period bear to the total anthropogenic greenhouse gas emissions in the state during 2023 through 2025. In determining the addition to the baseline, the department may exclude a year from the determination if the department identifies that year to have been an outlier due to a state of emergency. The department shall adopt a program budget of allowances for the second compliance period of the program, calendar years 2027 through 2030, that will be distributed from January 1, 2027, through December 31, 2030.

(c) By October 1, 2028, the department shall adopt by rule the annual program budgets of allowances for calendar years 2031 through 2040.

(2) The program budgets of allowances must be set to achieve the share of reductions by covered entities necessary to achieve the 2030, 2040, and 2050 statewide emissions limits established in RCW 70A.45.020, based on data reported to the department under chapter 70A.15 RCW or provided as required by this chapter. The department must adopt annual allowance budgets for the program on a calendar year basis that provide for progressively equivalent reductions year over year. An allowance distributed under the program, either directly by the department under sections 13 through 15 of this act or through auctions under section 12 of this act, expire eight years after their issuance and may be held or banked consistent with sections 12(6) and 17(1) of this act.

(3) The department must complete an evaluation by December 31, 2027, and by December 31, 2035, of the performance of the program, including its performance in reducing greenhouse gases. If the evaluation shows that adjustments to the annual budgets are necessary for covered entities to achieve their proportionate share of the 2030 and 2040 emission reduction limits identified in RCW 70A.45.020, as applicable, the department shall adjust the annual budgets accordingly. The department must complete additional evaluations of the performance of the program by December 31, 2040, and by December 31, 2045, and make any necessary adjustments in the annual program allowance budgets to ensure that covered entities achieve their proportionate share of the 2050 emission reduction limit identified in RCW 70A.45.020. Nothing in this subsection precludes the department from making additional adjustments to annual program allowance budgets as necessary to ensure successful achievement of the proportionate emission reduction limits by covered entities. The department shall determine and make public the circumstances, metrics, and processes that would initiate the public consideration of additional program allowance budget adjustments to ensure successful achievement of the emission reduction limits.

(4) Data reported to the department under RCW 70A.15.2200 or provided as

required by this chapter for 2015 through 2019 is deemed sufficient for the purpose of adopting annual program budgets and serving as the baseline by which covered entities demonstrate compliance under the first compliance period of the program. Data reported to the department under RCW 70A.15.2200 or provided as required by this chapter for 2023 through 2025 is deemed sufficient for adopting annual program budgets and serving as the baseline by which covered entities demonstrate compliance under the second compliance period of the program.

NEW SECTION. Sec. 10. PROGRAM COVERAGE. (1) A person is a covered entity as of the beginning of the first compliance period and all subsequent compliance periods if the person reported emissions under RCW 70A.15.2200 for any calendar year from 2015 through 2019, or if additional data provided as required by this chapter indicates that emissions for any calendar year from 2015 through 2019 equaled or exceeded any of the following thresholds, or if the person is a first jurisdictional deliverer and imports electricity into the state during the compliance period:

(a) Where the person operates a facility and the facility's emissions equal or exceed 25,000 metric tons of carbon dioxide equivalent;

(b) Where the person is a first jurisdictional deliverer and generates electricity in the state and emissions associated with this generation equals or exceeds 25,000 metric tons of carbon dioxide equivalent;

(c) Where the person is a first jurisdictional deliverer importing electricity into the state from a specified source whose total annual emissions equals or exceeds 25,000 metric tons of carbon dioxide equivalent or from an unspecified source. In consultation with any jurisdiction that is linked to the program created by this chapter, by October 1, 2026, the department, in consultation with the department of commerce and the utilities and transportation commission, shall adopt a methodology for addressing imported electricity associated with a centralized electricity market;

(d) Where the person is a supplier of fossil fuel other than natural gas and from that fuel 25,000 metric tons or more of carbon dioxide equivalent emissions

would result from the full combustion or oxidation; and

(e)(i) Where the person supplies natural gas in amounts that would result in exceeding 25,000 metric tons of carbon dioxide equivalent emissions if fully combusted or oxidized, excluding the amounts: (A) Supplied to covered entities under (a) through (d) of this subsection; and (B) delivered to opt-in entities;

(ii) Where the person who is not a natural gas company and has a tariff with a natural gas company to deliver to an end-use customer in the state in amounts that would result in exceeding 25,000 metric tons of carbon dioxide equivalent emissions if fully combusted or oxidized, excluding the amounts: (A) Supplied to covered entities under (a) through (d) of this subsection or subsection (2)(a) of this section; and (B) the amounts delivered to opt-in entities;

(iii) Where the person is an end-use customer in the state who directly purchases natural gas from a person that is not a natural gas company and has the natural gas delivered through an interstate pipeline to a distribution system owned by the purchaser in amounts that would result in exceeding 25,000 metric tons of carbon dioxide equivalent emissions if fully combusted or oxidized, excluding the amounts: (A) Supplied to covered entities under (a) through (d) of this subsection; and (B) delivered to opt-in entities.

(2) A person is a covered entity as of the beginning of the second compliance period and all subsequent compliance periods if the person reported emissions under RCW 70A.15.2200 or provided emissions data as required by this chapter for any calendar year from 2023 through 2025, where the person operates a waste to energy facility utilized by a county and city solid waste management program and the facility's emissions equal or exceed 25,000 metric tons of carbon dioxide equivalent.

(3)(a) A person is a covered entity beginning January 1, 2031, and all subsequent compliance periods if the person reported emissions under RCW 70A.15.2200 or provided emissions data as required by this chapter for any calendar year from 2027 through 2029, where the person operates a landfill utilized by a county and city solid waste management program and the facility's emissions

equal or exceed 25,000 metric tons of carbon dioxide equivalent.

(b) Subsection (a) of this subsection does not apply to landfills that:

(i) Capture at least 75 percent of the landfill gas generated by the decomposition of waste using methods under 40 C.F.R. Part 98, Subpart HH - Municipal Solid Waste landfills, and subsequent updates; and

(ii) Operate a program, individually or through partnership with another entity, that results in the production of renewable natural gas or electricity from landfill gas generated by the facility.

(c) It is the intent of the legislature to adopt a greenhouse gas reduction policy specific to landfills. If such a policy is not enacted by January 1, 2030, it is the intent of the legislature that the requirements of this subsection (3) take full effect.

(4) When a covered entity reports, during a compliance period, emissions from a facility under RCW 70A.15.2200 that are below the thresholds specified in subsection (1) or (2) of this section, the covered entity continues to have a compliance obligation through the current compliance period. When a covered entity reports emissions below the threshold for each year during an entire compliance period, or has ceased all processes at the facility requiring reporting under RCW 70A.15.2200, the entity is no longer a covered entity as of the beginning of the subsequent compliance period unless the department provides notice at least 12 months before the end of the compliance period that the facility's emissions were within 10 percent of the threshold and that the person will continue to be designated as a covered entity in order to ensure equity among all covered entities. Whenever a covered entity ceases to be a covered entity, the department shall notify the legislature of the name of the entity and the reason the entity is no longer a covered entity.

(5) For types of emission sources described in subsection (1) of this section that begin or modify operation after January 1, 2023, and types of emission sources described in subsection (2) of this section that begin or modify operation after 2027, coverage under the program starts in the calendar year in which emissions from the source exceed the applicable thresholds in subsection

(1) or (2) of this section, or upon formal notice from the department that the source is expected to exceed the applicable emissions threshold, whichever happens first. Sources meeting these conditions are required to transfer their first allowances on the first transfer deadline of the year following the year in which their emissions were equal to or exceeded the emissions threshold.

(6) For emission sources described in subsection (1) of this section that are in operation or otherwise active between 2015 and 2019 but were not required to report emissions for those years under RCW 70A.15.2200 for the reporting periods between 2015 and 2019, coverage under the program starts in the calendar year following the year in which emissions from the source exceed the applicable thresholds in subsection (1) of this section as reported pursuant to RCW 70A.15.2200 or provided as required by this chapter, or upon formal notice from the department that the source is expected to exceed the applicable emissions threshold for the first year that source is required to report emissions, whichever happens first. Sources meeting these criteria are required to transfer their first allowances on the first transfer deadline of the year following the year in which their emissions, as reported under RCW 70A.15.2200 or provided as required by this chapter, were equal to or exceeded the emissions threshold.

(7) The following emissions are exempt from coverage in the program, regardless of the emissions reported under RCW 70A.15.2200 or provided as required by this chapter:

(a) Emissions from the combustion of aviation fuels;

(b) Emissions from watercraft fuels supplied in Washington that are combusted outside of Washington;

(c) Emissions from a coal-fired electric generation facility exempted from additional greenhouse gas limitations, requirements, or performance standards under RCW 80.80.110;

(d) Carbon dioxide emissions from the combustion of biomass or biofuels;

(e) (i) Motor vehicle fuel or special fuel that is used exclusively for agricultural purposes by a farm fuel

user. This exemption is available only if a buyer of motor vehicle fuel or special fuel provides the seller with an exemption certificate in a form and manner prescribed by the department. For the purposes of this subsection, "agricultural purposes" and "farm fuel user" have the same meanings as provided in RCW 82.08.865.

(ii) The department must determine a method for expanding the exemption provided under (i) of this subsection to include fuels used for the purpose of transporting agricultural products on public highways. The department must maintain this expanded exemption for a period of five years, in order to provide the agricultural sector with a feasible transition period; and

(f) Emissions from facilities with North American industry classification system code 92811 (national security).

(8) The department shall not require multiple covered entities to have a compliance obligation for the same emissions. The department may by rule authorize refineries, fuel suppliers, facilities using natural gas, and natural gas local distribution companies to provide by agreement for the assumption of the compliance obligation for fuel or natural gas supplied and combusted in the state. The department must be notified of such an agreement at least 12 months prior to the compliance obligation period for which the agreement is applicable.

(9)(a) The legislature intends to promote a growing and sustainable economy and to avoid leakage of emissions from manufacturing to other locations. The legislature further intends to see innovative new businesses locate and grow in Washington that contribute to Washington's prosperity and environmental objectives.

(b) Consistent with the intent of the legislature to avoid the leakage of emissions to other jurisdictions, in achieving the state's greenhouse gas limits in RCW 70A.45.020, the state shall pursue the limits in a manner that recognizes that the siting and placement of new best-in-class facilities that facilitate decarbonization is in the economic and environmental interests of the state of Washington.

(c) For new or expanded facilities that require review under chapter 43.21C RCW and which would result in annual greenhouse gas emissions in excess of

25,000 metric tons per year, a lead agency must evaluate the life-cycle greenhouse gas emissions of the facility, including any potential net cumulative emissions resulting from the project. The department may adopt rules to determine how to evaluate net cumulative emissions.

(d) A lead agency may determine that compliance with the requirements of this chapter constitutes mitigation for covered greenhouse gases from the facilities that have a compliance obligation under this chapter.

(e) A lead agency may determine that inclusion as a covered entity under this chapter constitutes mitigation of significant adverse impacts with respect to covered greenhouse gases that have a compliance obligation under this chapter for a low carbon intensive facility subject to the requirements of chapter 43.21C RCW.

(f) A facility constructed with a new or revised permit after the effective date of this section must have included in applicable permits a conditional clause, should this chapter cease to apply to the facility, to require adherence to a greenhouse gas emissions performance standard and perform greenhouse gas mitigation consistent with the limits established under RCW 70A.45.020 as those requirements existed when the permit was granted.

NEW SECTION. **Sec. 11.** REQUIREMENTS.

(1) All covered entities must register to participate in the program, following procedures adopted by the department by rule.

(2) Entities registering to participate in the program must describe any direct or indirect affiliation with other registered entities.

(3) A person responsible for greenhouse gas emissions that is not a covered entity may voluntarily participate in the program by registering as an opt-in entity. An opt-in entity must satisfy the same registration requirements as covered entities. Once registered, an opt-in entity is allowed to participate as a covered entity in auctions and must assume the same compliance obligation to transfer compliance instruments equal to their emissions at the appointed transfer dates. An opt-in entity may opt out of the program at the end of any compliance period by providing written notice to the department at least six months prior to

the end of the compliance period. The opt-in entity continues to have a compliance obligation through the current compliance period. An opt-in entity is not eligible to receive allowances directly distributed under section 13, 14, or 15 of this act.

(4) A person that is not covered by the program and is not a covered entity or opt-in entity may voluntarily participate in the program as a general market participant. General market participants must meet all applicable registration requirements specified by rule.

(5) Federally recognized tribes and federal agencies may elect to participate in the program as opt-in entities or general market participants.

(6) The department shall use a secure, online electronic tracking system to: Register entities in the state program; issue compliance instruments; track ownership of compliance instruments; enable and record compliance instrument transfers; facilitate program compliance; and support market oversight.

(7) The department must use an electronic tracking system that allows two accounts to each covered or opt-in entity:

(a) A compliance account where the compliance instruments are transferred to the department for retirement. Compliance instruments in compliance accounts may not be sold, traded, or otherwise provided to another account or person.

(b) A holding account that is used when a registered entity is interested in trading allowances. Allowances in holding accounts may be bought, sold, transferred to another registered entity, or traded. The amount of allowances a registered entity may have in its holding account is constrained by the holding limit as determined by the department by rule. Information about the contents of each holding account, including but not limited to the number of allowances in the account, must be displayed on a regularly maintained and searchable public website established and updated by the department.

(8) Registered general market participants are each allowed an account, to hold, trade, sell, or transfer allowances.

(9) The department shall maintain an account for the purpose of retiring allowances transferred by registered entities and from the voluntary renewable reserve account.

(10) The department shall maintain a public roster of all covered entities, opt-in entities, and general market participants on the department's public website.

NEW SECTION. Sec. 12. AUCTIONS OF ALLOWANCES. (1) Except as provided in sections 13, 14, and 15 of this act, the department shall distribute allowances through auctions as provided in this section and in rules adopted by the department to implement these sections. An allowance is not a property right.

(2)(a) The department shall hold a maximum of four auctions annually, plus any necessary reserve auctions. An auction may include allowances from the annual allowance budget of the current year and allowances from the annual allowance budgets from prior years that remain to be distributed.

(b) The department must make future vintage allowances available through parallel auctions at least twice annually in addition to the auctions through which current vintage allowances are exclusively offered under (a) of this subsection.

(3) The department shall engage a qualified, independent contractor to run the auctions. The department shall also engage a qualified financial services administrator to hold the bid guarantees, evaluate bid guarantees, and inform the department of the value of bid guarantees once the bids are accepted.

(4) Auctions are open to covered entities, opt-in entities, and general market participants that are registered entities in good standing. The department shall adopt by rule the requirements for a registered entity to register and participate in a given auction.

(a) Registered entities intending to participate in an auction must submit an application to participate at least 30 days prior to the auction. The application must include the documentation required for review and approval by the department. A registered entity is eligible to participate only after receiving a notice of approval by the department.

(b) Each registered entity that elects to participate in the auction must have a different representative. Only a representative with an approved auction account is authorized to access the auction platform to submit an application or confirm the intent to bid for the registered entity, submit bids on behalf of the registered entity during the bidding window, or to download reports specific to the auction.

(5) The department may require a bid guarantee, payable to the financial services administrator, in an amount greater than or equal to the sum of the maximum value of the bids to be submitted by the registered entity.

(6) To protect the integrity of the auctions, a registered entity or group of registered entities with a direct corporate association are subject to auction purchase and holding limits. The department may impose additional limits if it deems necessary to protect the integrity and functioning of the auctions:

(a) A covered entity or an opt-in entity may not buy more than 10 percent of the allowances offered during a single auction;

(b) A general market participant may not buy more than four percent of the allowances offered during a single auction and may not in aggregate own more than 10 percent of total allowances to be issued in a calendar year;

(c) No registered entity may buy more than the entity's bid guarantee; and

(d) No registered entity may buy allowances that would exceed the entity's holding limit at the time of the auction.

(7)(a) For fiscal year 2023, upon completion and verification of the auction results, the financial services administrator shall notify winning bidders and transfer the auction proceeds to the state treasurer for deposit as follows: (i) \$127,341,000 must be deposited into the carbon emissions reduction account created in section 27 of this act; and (ii) the remaining auction proceeds to the climate investment account created in section 28 of this act.

(b) For fiscal year 2024, upon completion and verification of the auction results, the financial services administrator shall notify winning

bidders and transfer the auction proceeds to the state treasurer for deposit as follows: (i) \$356,697,000 must be deposited into the carbon emissions reduction account created in section 27 of this act; and (ii) the remaining auction proceeds to the climate investment account created in section 28 of this act.

(c) For fiscal year 2025, upon completion and verification of the auction results, the financial services administrator shall notify winning bidders and transfer the auction proceeds to the state treasurer for deposit as follows: (i) \$366,558,000 must be deposited into the carbon emissions reduction account created in section 27 of this act; and (ii) the remaining auction proceeds to the climate investment account created in section 28 of this act.

(d) For fiscal years 2026 through 2037, upon completion and verification of the auction results, the financial services administrator shall notify winning bidders and transfer the auction proceeds to the state treasurer for deposit as follows: (i) \$359,117,000 per year must be deposited into the carbon emissions reduction account created in section 27 of this act; and (ii) the remaining auction proceeds to the climate investment account created in section 28 of this act.

(e) The deposits into the forward flexible account pursuant to (a) through (d) of this subsection must not exceed \$5,200,000,000 over the first 16 years and any remaining auction proceeds must be deposited into the climate investment account created in section 28 of this act. The deposits into the forward flexible account pursuant to (a) through (d) of this subsection must be prorated equally from the proceeds of each of the auctions occurring during each fiscal year.

(f) For fiscal year 2038 and each year thereafter, upon completion and verification of the auction results, the financial services administrator shall notify winning bidders and transfer the auction proceeds to the state treasurer for deposit as follows: (i) 50 percent of the auction proceeds to the carbon emissions reduction account created in section 27 of this act; and (ii) the remaining auction proceeds to the climate investment account created in section 28 of this act.

(g) No auction proceeds may be transferred to the carbon emissions reduction account created in section 27 of this act after December 31, 2027, if a clean fuel standard with a carbon intensity reduction of greater than 10 percent is not enacted by that date.

(8) The department shall adopt by rule provisions to guard against bidder collusion and minimize the potential for market manipulation. A registered entity may not release or disclose any bidding information including: Intent to participate or refrain from participation; auction approval status; intent to bid; bidding strategy; bid price or bid quantity; or information on the bid guarantee provided to the financial services administrator. The department may cancel or restrict a previously approved auction participation application or reject a new application if the department determines that a registered entity has:

(a) Provided false or misleading facts;

(b) Withheld material information that could influence a decision by the department;

(c) Violated any part of the auction rules;

(d) Violated registration requirements; or

(e) Violated any of the rules regarding the conduct of the auction.

(9) Any cancellation or restriction approved by the department under subsection (8) of this section may be permanent or for a specified number of auctions and the cancellation or restriction imposed is not exclusive and is in addition to the remedies that may be available pursuant to chapter 19.86 RCW or other state or federal laws, if applicable.

(10) The department shall design allowance auctions so as to allow, to the maximum extent practicable, linking with external greenhouse gas emissions trading programs in other jurisdictions and to facilitate the transfer of allowances when the state's program has entered into a linkage agreement with other external greenhouse gas emissions trading programs. The department may conduct auctions jointly with jurisdictions with which it has entered into a linkage agreement.

(11) The department shall include a voluntary renewable reserve account.

NEW SECTION. **Sec. 13.** ALLOCATION OF ALLOWANCES TO EMISSIONS-INTENSIVE, TRADE-EXPOSED INDUSTRIES.

(1) Facilities owned or operated by a covered entity must receive an allocation of allowances for the covered emissions at those facilities under this subsection at no cost if the operations of the facility are classified as emissions-intensive and trade-exposed, as determined by being engaged in one or more of the processes described by the following industry descriptions and codes in the North American industry classification system:

(a) Metals manufacturing, including iron and steel making, ferroalloy and primary metals manufacturing, secondary aluminum smelting and alloying, aluminum sheet, plate, and foil manufacturing, and smelting, refining, and alloying of other nonferrous metals, North American industry classification system codes beginning with 331;

(b) Paper manufacturing, including pulp mills, paper mills, and paperboard milling, North American industry classification system codes beginning with 322;

(c) Aerospace product and parts manufacturing, North American industry classification system codes beginning with 3364;

(d) Wood products manufacturing, North American industry classification system codes beginning with 321;

(e) Nonmetallic mineral manufacturing, including glass container manufacturing, North American industry classification system codes beginning with 327;

(f) Chemical manufacturing, North American industry classification system codes beginning with 325;

(g) Computer and electronic product manufacturing, including semiconductor and related device manufacturing, North American industry classification system codes beginning with 334;

(h) Food manufacturing, North American industry classification system codes beginning with 311;

(i) Cement manufacturing, North American industry classification system code 327310;

(j) Petroleum refining, North American industry classification system code 324110;

(k) Asphalt paving mixtures and block manufacturing from refined petroleum, North American industry classification system code 324121;

(l) Asphalt single and coating manufacturing from refined petroleum, North American industry classification system code 324122; and

(m) All other petroleum and coal products manufacturing from refined petroleum, North American industry classification system code 324199.

(2) By July 1, 2022, the department must adopt by rule objective criteria for both emissions' intensity and trade exposure for the purpose of identifying emissions-intensive, trade-exposed manufacturing businesses during the second compliance period of the program and subsequent compliance periods. A facility covered by subsection (1)(a) through (m) of this section is considered an emissions-intensive, trade-exposed facility and is eligible for allocation of no cost allowances as described in this section. In addition, any covered party that is a manufacturing business that can demonstrate to the department that it meets the objective criteria adopted by rule is also eligible for treatment as emissions-intensive, trade-exposed and is eligible for allocation of no cost allowances as described in this section.

(3)(a) For all compliance periods prior to December 31, 2034, the annual allocation of allowances for direct distribution to a facility identified as emissions-intensive and trade-exposed must be equal to the facility's proportional obligation of the program budget under section 9 of this act, multiplied by 100 percent.

(b) The department shall by rule provide for owners or operators of emissions-intensive and trade-exposed facilities to apply and receive from the department an adjustment to the allocation for direct distribution of allowances based on a facility-specific carbon intensity benchmark as calculated in this subsection. If the department determines that the net quantity of no cost allowances awarded pursuant to (a) of this subsection is lower than when using the facility-specific carbon intensity benchmark, the department

shall award additional no cost allowances up to the quantity of allowances resulting from using the facility-specific carbon intensity benchmark. The department shall adjust the no cost allocation of allowances and credits to an emissions-intensive and trade-exposed facility to avoid duplication with any no cost allowances transferred pursuant to sections 14 and 15 of this act, if applicable.

(i) For the purpose of this section, "carbon intensity" means the amount of carbon dioxide equivalent emissions from a facility in metric tons divided by the facility specific measure of production including, but not limited to, units of product manufactured or sold, over the same time interval.

(ii) If an emissions-intensive and trade-exposed facility is not able to feasibly determine a carbon intensity benchmark based on its unique circumstances, the entity may elect to use a mass-based baseline that does not vary based on changes in production volumes. For each year during the first four-year compliance period that begins January 1, 2023, these facilities must be awarded no cost allowances equal to 100 percent of the facility's mass-based baseline. For each year during the second four-year compliance period that begins January 1, 2027, these facilities must be awarded no cost allowances equal to 97 percent of the facility's mass-based baseline. For each year during the third compliance period that begins January 1, 2031, these facilities must be awarded no cost allowances equal to 94 percent of the facility's mass-based baseline. Except as provided in (b)(iii) of this subsection, if a facility elects to use a mass-based baseline, it may not later convert to a carbon intensity benchmark during the first three compliance periods.

(iii) A facility with a North American industry classification system code beginning with 3364 that is utilizing a mass-based baseline in (b)(ii) of this subsection must receive an additional no cost allowance allocation under this section in order to accommodate an increase in production that increases its emissions above the baseline on a basis equivalent in principle to those awarded to entities utilizing a carbon intensity benchmark pursuant to this subsection (3)(b). The department shall establish methods to award, for any annual period,

additional no cost allowance allocations under this section and, if appropriate based on projected production, to achieve a similar ongoing result through the adjustment of the facility's mass-based baseline. An eligible facility under this subsection that has elected to use a mass-based baseline may not convert to a carbon intensity benchmark until the next compliance period.

(c)(i) By April 1, 2022, the department must convene a work group of the emissions-intensive, trade-exposed facilities defined in this section, and their affiliated trade associations, and independent experts in emissions regulation, industrial practices, or other related fields.

(ii) By July 31, 2022, the work group shall recommend to the department procedures for calculating carbon intensity benchmarks. The carbon intensity benchmark must be based upon data from 2015 through 2019 for each emissions-intensive, trade-exposed facility, unless an emissions-intensive, trade-exposed facility can demonstrate to the department that there have been abnormal periods of operation that materially impacted the facility and the baseline period should be expanded to include years prior to 2015.

(iii) By September 15, 2022, each emissions-intensive, trade-exposed facility shall submit its carbon intensity benchmark for the first compliance period to the department. The calculation must be consistent with procedures established by the work group and recommended to the department.

(iv) By November 15, 2022, the department shall review and approve each emissions-intensive, trade-exposed facility baseline carbon intensity benchmark.

(d) For each year in the first four-year compliance period that begins January 1, 2023, each emissions-intensive, trade-exposed facility will calculate its facility-specific carbon intensity benchmark by its actual production.

(e)(i) For the second four-year compliance period that begins January 1, 2027, the second period benchmark for each emissions-intensive, trade-exposed facility is three percent below the lower of the first period benchmark or the 2015-2019 benchmark.

(ii) For the third four-year compliance period that begins January 1, 2031, the third period benchmark for each emissions-intensive, trade-exposed facility is three percent lower than the second period benchmark.

(f)(i) Prior to the beginning of either the second or third compliance periods, an emissions-intensive, trade-exposed facility may make an upward adjustment in the next compliance period's benchmark based on a demonstration to the department that additional reductions in carbon intensity or mass emissions are not technically or economically feasible. An emissions-intensive, trade-exposed facility may base its upward adjustment in the next compliance period on the facility's best available technology analysis. The department shall by rule provide for emissions-intensive, trade-exposed facilities to apply to the department for an adjustment to the allocation for direct distribution of no cost allowances based on its facility-specific carbon intensity benchmark or mass emissions baseline. The department shall make adjustments based on:

(A) A significant change in the emissions use or emissions attributable to the manufacture of an individual good or goods in this state by an emissions-intensive, trade-exposed facility based on a finding by the department that an adjustment is necessary to accommodate for changes in the manufacturing process that have a material impact on emissions;

(B) Significant changes to an emissions-intensive, trade-exposed facility's external competitive environment that result in a significant increase in leakage risk; or

(C) Abnormal operating periods when an emissions-intensive, trade-exposed facility's carbon intensity has been materially affected so that these abnormal operating periods are either excluded or otherwise considered in the establishment of the compliance period carbon intensity benchmarks.

(ii) For the purpose of this section, "best available technology" means a greenhouse gas emissions limitation determined by the department on a case-by-case basis taking into account the fuels, processes, equipment, and technology used by facilities to produce goods of comparable type, quantity, and

quality, that will most effectively reduce those greenhouse gas emissions for which the source has a compliance obligation. Best available technology must be technically feasible, commercially available, economically viable, not create excessive environmental impacts, and be compliant with all applicable laws while not changing the characteristics of the good being manufactured.

(4) (a) Beginning January 1, 2035, and each year thereafter, the annual allocation of no cost allowances for direct distribution to facilities identified as emissions-intensive and trade-exposed must be reduced by an equal amount each year between 2035 and 2050 such that in 2050 the facility's proportionate share of the allowance budget is equal to the proportionate share in 2035. The annual allocation beginning in 2035 must decline from the average of the facility's annual allocation of no cost allowances from 2031 through 2034. If the emissions-intensive, trade-exposed facility can demonstrate that there have been abnormal periods of operation that materially impacted the facility, then the baseline period must be expanded to include years prior to 2031. The department shall provide a recommendation to the legislature for the adoption of an annual allocation for a covered facility for its process emissions, separate from emissions associated with energy or heat production, based on a best available technology limitation.

(b) By December 1, 2030, the department shall provide a report to the appropriate committees of the senate and house of representatives that describes alternative methods for determining the amount and a schedule of allowances to be provided to facilities owned or operated by each covered entity designated as an emissions-intensive, trade-exposed facility. The report must include a review of global best practices in ensuring against emissions leakage and economic harm to businesses in carbon pricing programs and describe alternative methods of emissions performance benchmarking and mass-based allocation of no cost allowances. In developing the report, the department shall form an advisory group that includes representatives of the manufacturers listed in subsection (1) of this section.

(5) If the actual emissions of an emissions-intensive, trade-exposed facility exceed the facility's no cost allowances assigned for that compliance period, it must acquire additional compliance instruments such that the total compliance instruments transferred to its compliance account consistent with section 22 of this act equals emissions during the compliance period. The department shall limit the use of offset credits for compliance by an emissions-intensive, trade-exposed facility, such that the quantity of no cost allowances plus the provision of offset credits does not exceed 100 percent of the facility's total compliance obligation over a compliance period.

(6) The department must withhold or withdraw the relevant share of allowances allocated to a covered entity under this section in the event that the covered entity ceases production in the state and becomes a closed facility. In the event an entity curtails all production and becomes a curtailed facility, the allowances are retained but cannot be traded, sold, or transferred and are still subject to the emission reduction requirements specified in this section. An owner or operator of a curtailed facility may transfer the allowances to a new operator of the facility that will be operated under the same North American industry classification system codes. If the curtailed facility becomes a closed facility, then all unused allowances will be transferred to the emissions containment reserve. A curtailed facility is not eligible to receive free allowances during a period of curtailment. Any allowances withheld or withdrawn under this subsection must be transferred to the emissions containment reserve.

(7) Allowances allocated at no cost to emissions-intensive, trade-exposed facilities under this section may only be used for meeting compliance and may not be sold or traded.

(8) An owner or operator of more than one facility receiving no cost allowances under this section may transfer allowances among the eligible facilities.

(9) Rules adopted by the department under this section must include protocols for allocating allowances at no cost to an eligible facility built or expanded after the effective date of this section. The protocols must include consideration

of the products being produced by the facility, as well as the local environmental and health impacts associated with the facility.

(10) In order to advance the environmental justice objectives set forth in section 3 of this act, the department may not grant any free or discounted allowances under this section to any facility that:

(a) Is built or modified after the effective date of this section; and

(b) Would increase detectable criteria pollutants, or other pollutants harmful to human health, in overburdened communities.

NEW SECTION. Sec. 14. ALLOCATION OF ALLOWANCES TO ELECTRIC UTILITIES. (1) The legislature intends by this section to allow all consumer-owned electric utilities and investor-owned electric utilities subject to the requirements of chapter 19.405 RCW, the Washington clean energy transformation act, to be allocated allowances at no cost as provided in this section in order to mitigate the cost burden of the program on electric customers.

(2)(a) By October 1, 2022, the department shall adopt rules, in consultation with the department of commerce and the utilities and transportation commission, establishing the methods and procedures for allocating allowances to consumer-owned and investor-owned electric utilities. Rules adopted under this section must allow for a consumer-owned or investor-owned electric utility to be provided allowances at no cost to cover their emissions and decline proportionally with the cap, consistent with section 9 of this act. The rules must take into account the cost burden of the program on electric customers. Allowances allocated at no cost to consumer-owned and investor-owned electric utilities must be consigned to auction for the benefit of ratepayers consistent with subsection (3) of this section, deposited for compliance, or a combination of both. The rules adopted by the department pursuant to this section must include provisions directing revenues generated under this subsection to the applicable utilities. Utilities may use allowances for compliance equal to their covered emissions in any calendar year they were not subject to potential penalty under RCW 19.405.090. Under no circumstances

may utilities receive any free allowances after 2045.

(b) By October 1, 2022, the department shall adopt by rule an allocation schedule, in consultation with the department of commerce and the utilities and transportation commission, for the first compliance period for the provision of allowances for the benefit of ratepayers at no cost to consumer-owned and investor-owned electric utilities. This allocation must be consistent with a forecast, that is approved by the appropriate governing board or the utilities and transportation commission, of each utility's supply and demand, and the cost burden resulting from the inclusion of the covered entities in the first compliance period.

(c) By October 1, 2026, the department shall adopt by rule an allocation schedule, in consultation with the department of commerce and the utilities and transportation commission, for the second compliance period for the provision of allowances for the benefit of ratepayers at no cost to consumer-owned and investor-owned electric utilities. This allocation must be consistent with a forecast, that is approved by the appropriate governing board or the utilities and transportation commission, of each utility's supply and demand, and the cost burden resulting from the inclusion of covered entities in the second compliance period.

(d) By October 1, 2028, the department shall adopt by rule an allocation schedule, in consultation with the department of commerce and the utilities and transportation commission, for the provision of allowances at no cost to consumer-owned and investor-owned electric utilities for the compliance periods contained within calendar years 2031 through 2045. This allocation must be consistent with a forecast, that is approved by the appropriate governing board or the utilities and transportation commission, of each utility's supply and demand, and the cost burden resulting from the inclusion of the covered entities in the compliance periods.

(3)(a) During the first compliance period, 25 percent of the allowances allocated at no cost to consumer-owned and investor-owned electric utilities must be consigned to auction for the benefit of ratepayers, including at a minimum eliminating any additional cost burden to low-income customers from the

implementation of this chapter. Rules adopted under this subsection must increase the percentage of allowances consigned to auction by 25 percent each subsequent compliance period until a total of 100 percent is reached.

(b) Revenues from allowances sold at auction must be returned by providing nonvolumetric credits on ratepayer utility bills, prioritizing low-income customers, or used to minimize cost impacts on low-income, residential, and small business customers through actions that include, but are not limited to, weatherization, conservation and efficiency services, and bill assistance. The customer benefits provided from allowances consigned to auction under this section must be in addition to existing requirements in statute, rule, or other legal requirements.

(4) If an entity is identified by the department as an emissions-intensive, trade-exposed industry under section 13 of this act, unless allowances have been otherwise allocated for electricity-related emissions to the entity under section 13 of this act or to a consumer-owned utility under this section, the department shall allocate allowances at no cost to the electric utility or power marketing administration that is providing electricity to the entity in an amount equal to the forecasted emissions for electricity consumption for the entity for the compliance period.

(5) The department shall allow for allowances to be transferred between a power marketing administration and electric utilities and used for direct compliance.

(6) Rules establishing the allocation of allowances to consumer-owned utilities and investor-owned utilities must consider the impact of electrification of buildings, transportation, and industry on the electricity sector.

(7) Nothing in this section affects the requirements of chapter 19.405 RCW.

NEW SECTION. Sec. 15. ALLOCATION OF ALLOWANCES TO NATURAL GAS UTILITIES. (1) For the benefit of ratepayers, allowances must be allocated at no cost to covered entities that are natural gas utilities.

(a) By October 1, 2022, the department shall adopt rules, in consultation with the utilities and transportation

commission, establishing the methods and procedures for allocating allowances to natural gas utilities. Rules adopted under this subsection must allow for a natural gas utility to be provided allowances at no cost to cover their emissions and decline proportionally with the cap, consistent with section 9 of this act. Allowances allocated at no cost to natural gas utilities must be consigned to auction for the benefit of ratepayers consistent with subsection (2) of this section, deposited for compliance, or a combination of both. The rules adopted by the department pursuant to this section must include provisions directing revenues generated under this subsection to the applicable utilities.

(b) By October 1, 2022, the department shall adopt an allocation schedule by rule, in consultation with the utilities and transportation commission, for the first two compliance periods for the provision of allowances for the benefit of ratepayers at no cost to natural gas utilities.

(c) By October 1, 2028, the department shall adopt an allocation schedule by rule, in consultation with the utilities and transportation commission, for the provision of allowances for the benefit of ratepayers at no cost to natural gas utilities for the compliance periods contained within calendar years 2031 through 2040.

(2)(a) Beginning in 2023, 65 percent of the no cost allowances must be consigned to auction for the benefit of customers, including at a minimum eliminating any additional cost burden to low-income customers from the implementation of this chapter. Rules adopted under this subsection must increase the percentage of allowances consigned to auction by five percent each year until a total of 100 percent is reached.

(b) Revenues from allowances sold at auction must be returned by providing nonvolumetric credits on ratepayer utility bills, prioritizing low-income customers, or used to minimize cost impacts on low-income, residential, and small business customers through actions that include, but are not limited to, weatherization, decarbonization, conservation and efficiency services, and bill assistance. The customer benefits provided from allowances consigned to auction under this section must be in addition to existing

requirements in statute, rule, or other legal requirements.

(c) Except for low-income customers, the customer bill credits under this subsection are reserved exclusively for customers at locations connected to a natural gas utility's system on the effective date of this section. Bill credits may not be provided to customers of the gas utility at a location connected to the system after the effective date of this section.

(3) In order to qualify for no cost allowances, covered entities that are natural gas utilities must provide copies of their greenhouse gas emissions reports filed with the United States environmental protection agency under 40 C.F.R. Part 98 subpart NN - suppliers of natural gas and natural gas liquids for calendar years 2015 through 2021 to the department on or before March 31, 2022. The copies of the reports must be provided in electronic form to the department, in a manner prescribed by the department. The reports must be complete and contain all information required by 40 C.F.R. Sec. 98.406 including, but not limited to, information on large end-users served by the natural gas utility. For any year where a natural gas utility was not required to file this report with the United States environmental protection agency, a report may be submitted in a manner prescribed by the department containing all of the information required in the subpart NN report.

(4) To continue receiving no cost allowances, a natural gas utility must provide to the department the United States environmental protection agency subpart NN greenhouse gas emissions report for each reporting year in the manner and by the dates provided by RCW 70A.15.2200(5) as part of the greenhouse gas reporting requirements of this chapter.

NEW SECTION. Sec. 16. EMISSIONS CONTAINMENT RESERVE WITHHOLDING. (1) To help ensure that the price of allowances remains sufficient to incentivize reductions in greenhouse gas emissions, the department must establish an emissions containment reserve and set an emissions containment reserve trigger price by rule. The price must be set at a reasonable amount above the auction floor price and equal to the level established in jurisdictions with which the department has entered into a linkage

agreement. In the event that a jurisdiction with which the department has entered into a linkage agreement has no emissions containment trigger price, the department shall suspend the trigger price under this subsection. The purpose of withholding allowances in the emissions containment reserve is to secure additional emissions reductions.

(2) In the event that the emissions containment reserve trigger price is met during an auction, the department must automatically withhold allowances as needed. The department must convert and transfer any allowances that have been withheld from auction into the emissions containment reserve account.

(3) Emissions containment reserve allowances may only be withheld from an auction if the demand for allowances would result in an auction clearing price that is less than the emissions containment reserve trigger price prior to the withholding from the auction of any emissions containment reserve allowances.

(4) The department shall transfer allowances to the emissions containment reserve in the following situations:

(a) No less than two percent of the total number of allowances available from the allowance budgets for calendar years 2023 through 2026;

(b) When allowances are unsold in auctions under section 12 of this act;

(c) When facilities curtail or close consistent with section 13(6) of this act; or

(d) When facilities fall below the emissions threshold. The amount of allowances withdrawn from the program budget must be proportionate to the amount of emissions such a facility was previously using.

(5) (a) Allowances must be distributed from the emissions containment reserve by auction when new covered and opt-in entities enter the program.

(b) Allowances equal to the greenhouse gas emissions resulting from a new or expanded emissions-intensive, trade-exposed facility with emissions in excess of 25,000 metric tons per year during the first applicable compliance period will be provided to the facility from the reserve created in this section and must be retired by the facility. In subsequent compliance periods, the facility will be

subject to the regulatory cap and related requirements under this chapter.

NEW SECTION. Sec. 17. ALLOWANCE PRICE CONTAINMENT. (1) To help minimize allowance price volatility in the auction, the department shall adopt by rule an auction floor price and a schedule for the floor price to increase by a predetermined amount every year. The department may not sell allowances at bids lower than the auction floor price. The department's rules must specify holding limits that determine the maximum number of allowances that may be held for use or trade by a registered entity at any one time. The department shall also establish an auction ceiling price to limit extraordinary prices and to determine when to offer allowances through the allowance price containment reserve auctions authorized under this section.

(2) For calendar years 2023 through 2026, the department must place no less than two percent of the total number of allowances available from the allowance budgets for those years in an allowance price containment reserve. The reserve must be designed as a mechanism to assist in containing compliance costs for covered and opt-in entities in the event of unanticipated high costs for compliance instruments.

(3)(a) The department shall adopt rules for holding auctions of allowances from the price containment reserve when the settlement prices in the preceding auction approach the adopted auction ceiling price. The auction must be separate from auctions of other allowances.

(b) Allowances must also be distributed from the allowance price containment reserve by auction when new covered and opt-in entities enter the program and allowances in the emissions containment reserve under section 16 of this act are exhausted.

(4) Only covered and opt-in entities may participate in the auction of allowances from the allowance price containment reserve.

(5) The process for reserve auctions is the same as the process provided in section 12 of this act and the proceeds from reserve auctions must be treated the same.

(6) The department shall by rule:

(a) Set the reserve auction floor price in advance of the reserve auction. The department may choose to establish multiple price tiers for the allowances from the reserve;

(b) Establish the requirements and schedule for the allowance price containment reserve auctions; and

(c) Establish the amount of allowances to be placed in the allowance price containment reserve after the first compliance period ending in 2026.

NEW SECTION. Sec. 18. PRICE CONTAINMENT. (1) The department shall establish a price ceiling to provide cost protection for facilities obligated to comply with this chapter. The ceiling must be set at a level sufficient to facilitate investments to achieve further emission reductions beyond those enabled by the price ceiling, with the intent that investments accelerate the state's achievement of greenhouse gas limits established under RCW 70A.45.020. The price ceiling must increase annually in proportion to the price floor.

(2) In the event that no allowances remain in the allowance price containment reserve, the department must issue the number of price ceiling units for sale sufficient to provide cost protection for facilities as established under subsection (1) of this section. Purchases must be limited to entities that do not have sufficient eligible compliance instruments in their holding and compliance accounts for the next compliance period and these entities may only purchase what they need to meet their compliance obligation for the current compliance period. Price ceiling units may not be sold or transferred and must be retired for compliance in the current compliance period. A price ceiling unit is not a property right.

(3) Funds raised in connection with the sale of price ceiling units must be expended to achieve emissions reductions on at least a metric ton for metric ton basis that are real, permanent, quantifiable, verifiable, enforceable by the state, and in addition to any greenhouse gas emission reduction otherwise required by law or regulation and any other greenhouse gas emission reduction that otherwise would occur.

NEW SECTION. Sec. 19. OFFSETS. (1) The department shall adopt by rule the protocols for establishing offset projects and securing offset credits that

may be used to meet a portion of a covered or opt-in entity's compliance obligation under section 22 of this act. The protocols adopted by the department under this section must align with the policies of the state established under RCW 70A.45.090 and 70A.45.100.

(2) Offset projects must:

(a) Provide direct environmental benefits to the state or be located in a jurisdiction with which Washington has entered into a linkage agreement;

(b) Result in greenhouse gas reductions or removals that:

(i) Are real, permanent, quantifiable, verifiable, and enforceable; and

(ii) Are in addition to greenhouse gas emission reductions or removals otherwise required by law and other greenhouse gas emission reductions or removals that would otherwise occur; and

(c) Have been certified by a recognized registry after the effective date of this section or within two years prior to the effective date of this section.

(3)(a) A total of no more than five percent of a covered or opt-in entity's compliance obligation during the first compliance period may be met by transferring offset credits. During these years, at least 50 percent of a covered or opt-in entity's compliance obligation satisfied by offset credits must be sourced from offset projects that provide direct environmental benefits in the state.

(b) A total of no more than four percent of a covered or opt-in entity's compliance obligation during the second compliance period may be met by transferring offset credits. During these years, at least 75 percent of a covered or opt-in entity's compliance obligation satisfied by offset credits must be sourced from offset projects that provide direct environmental benefits in the state. The department may reduce the 75 percent requirement if it determines there is not sufficient offset supply in the state to meet offset demand during the second compliance period.

(c) The limits in (a) and (b) of this subsection may be modified by rule as adopted by the department when appropriate to ensure achievement of the proportionate share of statewide emissions limits established in RCW

70A.45.020 and to provide for alignment with other jurisdictions to which the state has linked.

(d) The limits in (a) and (b) of this subsection may be reduced for a specific covered or opt-in entity if the department determines that the covered or opt-in entity has or is likely to:

(i) Contribute substantively to cumulative air pollution burden in an overburdened community as determined by criteria established by the department; or

(ii) Violate any permits required by any federal, state, or local air pollution control agency where the violation may result in an increase in emissions.

(e) An offset project on federally recognized tribal land does not count against the offset credit limits described in (a) and (b) of this subsection. No more than three percent of a covered or opt-in entity's compliance obligation may be met by transferring offset credits from projects on federally recognized tribal land during the first compliance period. No more than two percent of a covered or opt-in entity's compliance obligation may be met by transferring offset credits from projects on federally recognized tribal land during the second compliance period.

(4) In adopting protocols governing offset projects and covered and opt-in entities' use of offset credits, the department shall:

(a) Take into consideration standards, rules, or protocols for offset projects and offset credits established by other states, provinces, and countries with programs comparable to the program established in this chapter;

(b) Encourage opportunities for the development of offset projects in this state by adopting offset protocols that may include, but need not be limited to, protocols that make use of aggregation or other mechanisms to reduce transaction costs related to the development of offset projects and that support the development of carbon dioxide removal projects;

(c) Adopt a process for monitoring and invalidating offset credits as necessary to ensure the credit reflects emission reductions or removals that continue to meet the standards required by subsection

(1) of this section. If an offset credit is invalidated, the covered or opt-in entity must, within six months of the invalidation, transfer replacement credits or allowances to meet its compliance obligation. Failure to transfer the required credits or allowances is a violation subject to penalties as provided in section 23 of this act; and

(d) Make use of aggregation or other mechanisms, including cost-effective inventory and monitoring provisions, to increase the development of offset and carbon removal projects by landowners across the broadest possible variety of types and sizes of lands, including lands owned by small forestland owners.

(5) Any offset credits used may not be in addition to or allow for an increase in the allowance budgets established under section 8 of this act.

(6) The offset credit must be registered and tracked as a compliance instrument.

(7) Beginning in 2031, the limits established in subsection (3) of this section apply unless modified by rule as adopted by the department after a public consultation process.

NEW SECTION. Sec. 20. ASSISTANCE PROGRAM FOR OFFSETS ON TRIBAL LANDS. (1) In order to ensure that a sufficient number of high quality offset projects are available under the limits set in section 19 of this act, the department must establish an assistance program for offset projects on federally recognized tribal lands in Washington. The assistance may include, but is not limited to, funding or consultation for federally recognized tribal governments to assess a project's technical feasibility, investment requirements, development and operational costs, expected returns, administrative and legal hurdles, and project risks and pitfalls. The department may provide funding or assistance upon request by a federally recognized tribe.

(2) It is the intent of the legislature that not less than \$5,000,000 be provided in the biennial omnibus operating appropriations act for the purposes of this section.

NEW SECTION. Sec. 21. ASSISTANCE PROGRAM FOR SMALL FORESTLAND OWNERS. (1) The department, in cooperation with the department of natural resources, must

establish an assistance program for small forestland owners that seeks to benefit from carbon sequestration markets, including the provision of offset credits that qualify under section 19 of this act. The assistance may include, but is not limited to, funding or consultation to assess a project's technical feasibility, investment requirements, development and operational costs, expected returns, administrative and legal hurdles, and project risks and pitfalls. The department may assist multiple landowners to develop projects that aggregate sufficient acreage to provide the scale necessary to offer offset credits at a competitive price in either or both voluntary and regulatory carbon markets. Funding or assistance may be provided upon request by a small forestland owner.

(2) It is the intent of the legislature that not less than \$2,000,000 be provided in the biennial omnibus operating appropriations act each biennium for the purposes of this section.

NEW SECTION. Sec. 22. COMPLIANCE OBLIGATIONS. (1) A covered or opt-in entity has a compliance obligation for its emissions during each four-year compliance period, with the first compliance period commencing January 1, 2023, except when the first compliance period commences at a later date as provided in subsection (7) of this section. A covered or opt-in entity shall transfer a number of compliance instruments equal to the entity's covered emissions by November 1st of each calendar year in which a covered or opt-in entity has a compliance obligation. The department shall set by rule a percentage of compliance instruments that must be transferred in each year of the compliance period such that covered or opt-in entities are allowed to smooth their compliance obligation within the compliance period but must fully satisfy their compliance obligation over the course of the compliance period, in a manner similar to external greenhouse gas emissions trading programs in other jurisdictions.

(2) Submission of allowances occurs through the transfer of compliance instruments, on or before the transfer date, from the holding account to the compliance account of the covered or opt-in entity as described in section 10 of this act.

(3) A covered or opt-in entity submitting insufficient compliance instruments to meet its compliance obligation is subject to a penalty as provided in section 23 of this act.

(4) Allowances must be transferred in the order in which they were purchased or acquired.

(5) A covered or opt-in entity may not borrow an allowance from a future allowance year to meet a current or past compliance obligation.

(6) Upon receipt by the department of all compliance instruments transferred by a covered entity or opt-in entity to meet its compliance obligation, the department shall retire the allowances or offset credits.

(7)(a) This section does not take effect until a separate additive transportation funding is received by the state, at which time the department of licensing must provide written notice to the chief clerk of the house of representatives, the secretary of the senate, and the office of the code reviser.

(b) For the purposes of this subsection, "additive transportation funding" means receipt of funding by the state in which the combined total of new revenues deposited into the motor vehicle fund and multimodal transportation account exceed \$500,000,000 in any biennium attributable solely to separate additive transportation funding.

NEW SECTION. Sec. 23. ENFORCEMENT.

(1) All covered and opt-in entities are required to submit compliance instruments in a timely manner to meet the entities' compliance obligations and shall comply with all requirements for monitoring, reporting, holding, and transferring emission allowances and other provisions of this chapter.

(2) If a covered or opt-in entity does not submit sufficient compliance instruments to meet its compliance obligation by the specified transfer dates, a penalty of four allowances for every one compliance instrument that is missing must be submitted to the department within six months. When a covered entity or opt-in entity reasonably believes that it will be unable to meet a compliance obligation, the entity shall immediately notify the department. Upon receiving notification, the department shall issue an order

requiring the entity to submit the penalty allowances.

(3) If a covered entity or opt-in entity fails to submit penalty allowances as required by subsection (2) of this section, the department must issue an order or issue a penalty of up to \$10,000 per day per violation, or both, for failure to submit penalty allowances as required by subsection (2) of the section. The order may include a plan and schedule for coming into compliance.

(4) The department may issue a penalty of up to \$50,000 per day per violation for violations of section 12(8) (a) through (e) of this act.

(5) Except as provided in subsections (3) and (4) of this section, any person that violates the terms of this chapter or an order issued under this chapter incurs a penalty of up to \$10,000 per day per violation for each day that the person does not comply. All penalties under subsections (3) and (4) of this section and this subsection must be deposited into the climate investment account created in section 28 of this act.

(6) Orders and penalties issued under this chapter are appealable to the pollution control hearings board under chapter 43.21B RCW.

(7) For the first compliance period, the department may reduce the amount of the penalty by adjusting the monetary amount or the number of penalty allowances described in subsections (2) and (3) of this section.

(8)(a) No city, town, county, township, or other subdivision or municipal corporation of the state may implement a charge or tax based exclusively upon the quantity of greenhouse gas emissions.

(b) No state agency may adopt or enforce a program that regulates greenhouse gas emissions from a stationary source except as provided in this chapter.

NEW SECTION. Sec. 24. LINKAGE WITH OTHER JURISDICTIONS.

(1) Subject to making the findings and conducting the public comment process described in subsection (3) of this section, the department shall seek to enter into linkage agreements with other jurisdictions with external greenhouse

gas emissions trading programs in order to:

(a) Allow for the mutual use and recognition of compliance instruments issued by Washington and other linked jurisdictions;

(b) Broaden the greenhouse gas emission reduction opportunities to reduce the costs of compliance on covered entities and consumers;

(c) Enable allowance auctions to be held jointly and provide for the use of a unified tracking system for compliance instruments;

(d) Enhance market security;

(e) Reduce program administration costs; and

(f) Provide consistent requirements for covered entities whose operations span jurisdictional boundaries.

(2) The director of the department is authorized to execute linkage agreements with other jurisdictions with established external greenhouse gas emissions trading programs consistent with the requirements in this chapter. A linkage agreement must cover the following:

(a) Provisions relating to regular, periodic auctions, including requirements for eligibility for auction participation, the use of a single auction provider to facilitate joint auctions, publication of auction-related information, processes for auction participation, purchase limits by auction participant type, bidding processes, dates of auctions, and financial requirements;

(b) Provisions related to holding limits to ensure no entities in any of the programs are disadvantaged relative to their counterparts in the other jurisdictions;

(c) Other requirements, such as greenhouse gas reporting and verification, offset protocols, criteria and process, and supervision and enforcement, to prevent fraud, abuse, and market manipulation;

(d) Common program registry, electronic auction platform, tracking systems for compliance instruments, and monitoring of compliance instruments;

(e) Provisions to ensure coordinated administrative and technical support;

(f) Provisions for public notice and participation; and

(g) Provisions to collectively resolve differences, amend the agreements, and delink or otherwise withdraw from the agreements.

(3) Before entering into a linkage agreement under this section, the department must establish a finding that the linking jurisdiction and the linkage agreement meet certain criteria identified under this subsection and conduct a public comment process to obtain input and a review of the linkage agreement by relevant stakeholders and other interested parties. The department must consider input received from the public comment process before finalizing a linkage agreement. In the event that the department determines that a full linkage agreement is unlikely to meet the criteria, it may enter into a linkage agreement with limitations, including limits on the share of compliance that may be met with allowances originating from linked jurisdictions and other limitations deemed necessary by the department. A linkage agreement approved by the department must:

(a) Achieve the purposes identified in subsection (1) of this section;

(b) Ensure that the linking jurisdiction has provisions to ensure the distribution of benefits from the program to vulnerable populations and overburdened communities;

(c) Be determined by the department to not yield net adverse impacts to either jurisdictions' highly impacted communities or analogous communities in the aggregate, relative to the baseline level of emissions; and

(d) Not adversely impact Washington's ability to achieve the emission reduction limits established in RCW 70A.45.020.

(4) The state retains all legal and policymaking authority over its program design and enforcement.

NEW SECTION. Sec. 25. RULES. The department shall adopt rules to implement the provisions of the program established in sections 8 through 24 of this act. The department may adopt emergency rules pursuant to RCW 34.05.350 for initial implementation of the program, to implement the state omnibus appropriations act for the 2021-2023 fiscal biennium, and to ensure that

reporting and other program requirements are determined early for the purpose of program design and early notice to registered entities with a compliance obligation under the program.

NEW SECTION. **Sec. 26.** EXPENDITURE TARGETS. (1) It is the intent of the legislature that each year the total investments made through the carbon emissions reduction account created in section 27 of this act, the climate commitment account created in section 29 of this act, and the natural climate solutions account created in section 30 of this act achieve the following:

(a) A minimum of not less than 35 percent and a goal of 40 percent of total investments that provide direct and meaningful benefits to vulnerable populations within the boundaries of overburdened communities identified under chapter . . . , Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141); and

(b) At least 10 percent of the total investments authorized under this chapter must be used for programs, activities, or projects formally supported by a resolution of an Indian tribe, with priority given to otherwise qualifying projects directly administered or proposed by an Indian tribe. An investment that meets the requirements of both this subsection (1)(b) and (a) of this subsection may count toward the requisite minimum percentage for both subsections.

(2) The expenditure of moneys under this chapter must be consistent with applicable federal, state, and local laws, and treaty rights including, but not limited to, prohibitions on uses of funds imposed by the state Constitution.

(3) For the purposes of this section, "benefits" means investments or activities that:

(a) Reduce vulnerable population characteristics, environmental burdens, or associated risks that contribute significantly to the cumulative impact designation of highly impacted communities;

(b) Meaningfully protect an overburdened community from, or support community response to, the impacts of air pollution or climate change; or

(c) Meet a community need identified by vulnerable members of the community

that is consistent with the intent of this chapter.

NEW SECTION. **Sec. 27.** CARBON EMISSIONS REDUCTION ACCOUNT. The carbon emissions reduction account is created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account are intended to affect reductions in transportation sector carbon emissions through a variety of carbon reducing investments. They can include, but are not limited to: Transportation alternatives to single occupancy passenger vehicles; reductions in single occupancy passenger vehicle miles traveled; reductions in per mile emissions in vehicles, including through the funding of alternative fuel infrastructure and incentive programs; and emission reduction programs for freight transportation, including motor vehicles and rail, as well as for ferries and other maritime and port activities. Expenditures from the account may only be made for transportation carbon emission reducing purposes and may not be made for highway purposes authorized under the 18th Amendment of the Washington state Constitution. It is the legislature's intent that expenditures from the account used to reduce carbon emissions be made with the goal of achieving equity for communities that historically have been omitted or adversely impacted by past transportation policies and practices.

NEW SECTION. **Sec. 28.** CLIMATE INVESTMENT ACCOUNT. (1)(a) The climate investment account is created in the state treasury. Except as otherwise provided in this act, all receipts from the auction of allowances authorized in this chapter must be deposited into the account. Moneys in the account may be spent only after appropriation.

(b) Projects or activities funded from the account must meet high labor standards, including family sustaining wages, providing benefits including health care and pensions, career development opportunities, and maximize access to economic benefits from such projects for local workers and diverse businesses. Each contracting entity's proposal must be reviewed for equity and opportunity improvement efforts, including: (i) Employer paid sick leave programs; (ii) pay practices in relation to living wage indicators such as the federal poverty level; (iii) efforts to evaluate pay equity based on gender

identity, race, and other protected status under Washington law; (iv) facilitating career development opportunities, such as apprenticeship programs, internships, job-shadowing, and on-the-job training; and (v) employment assistance and employment barriers for justice affected individuals.

(2) Moneys in the account may be used only for projects and programs that achieve the purposes of the greenhouse gas emissions cap and invest program established under this chapter. Moneys in the account as described in this subsection must first be appropriated for the administration of the requirements of this chapter, in an amount not to exceed five percent of the total receipt of funds deposited in the account per biennium. Beginning July 1, 2024, and annually thereafter, the state treasurer shall distribute funds in the account as follows:

(a) Seventy-five percent of the moneys to the climate commitment account created in section 29 of this act; and

(b) Twenty-five percent of the moneys to the natural climate solutions account created in section 30 of this act.

(3) The allocations specified in subsection (2) (a) and (b) of this section must be reviewed by the legislature on a biennial basis based on the changing needs of the state in meeting its clean economy and greenhouse gas reduction goals in a timely, economically advantageous, and equitable manner.

NEW SECTION. Sec. 29. CLIMATE COMMITMENT ACCOUNT. (1) The climate commitment account is created in the state treasury. The account must receive moneys distributed to the account from the climate investment account created in section 28 of this act. Moneys in the account may be spent only after appropriation. Projects, activities, and programs eligible for funding from the account must be physically located in Washington state and include, but are not limited to, the following:

(a) Implementing the working families tax rebate in RCW 82.08.0206;

(b) Supplementing the growth management planning and environmental review fund established in RCW 36.70A.490 for the purpose of making grants or loans to local governments for the purposes set forth in RCW 43.21C.240, 43.21C.031,

36.70A.500, and 36.70A.600, for costs associated with RCW 36.70A.610, and to cover costs associated with the adoption of optional elements of comprehensive plans consistent with RCW 43.21C.420;

(c) Programs, activities, or projects that reduce and mitigate impacts from greenhouse gases and copollutants in overburdened communities, including strengthening the air quality monitoring network to measure, track, and better understand air pollution levels and trends and to inform the analysis, monitoring, and pollution reduction measures required in section 3 of this act;

(d) Programs, activities, or projects that deploy renewable energy resources, such as solar and wind power, and projects to deploy distributed generation, energy storage, demand-side technologies and strategies, and other grid modernization projects;

(e) Programs, activities, or projects that increase the energy efficiency or reduce greenhouse gas emissions of industrial facilities including, but not limited to, proposals to implement combined heat and power, district energy, or on-site renewables, such as solar and wind power, to upgrade the energy efficiency of existing equipment, to reduce process emissions, and to switch to less emissions intensive fuel sources;

(f) Programs, activities, or projects that achieve energy efficiency or emissions reductions in the agricultural sector including fertilizer management, soil management, bioenergy, and biofuels;

(g) Programs, activities, or projects that increase energy efficiency in new and existing buildings, or that promote low-carbon architecture, including use of newly emerging alternative building materials that result in a lower carbon footprint in the built environment over the life cycle of the building and component building materials;

(h) Programs, activities, or projects that promote the electrification and decarbonization of new and existing buildings, including residential, commercial, and industrial buildings;

(i) Programs, activities, or projects that improve energy efficiency, including district energy, and investments in market transformation of

high efficiency electric appliances and equipment for space and water heating;

(j) Clean energy transition and assistance programs, activities, or projects that assist affected workers or people with lower incomes during the transition to a clean energy economy, or grow and expand clean manufacturing capacity in communities across Washington state including, but not limited to:

(i) Programs, activities, or projects that directly improve energy affordability and reduce the energy burden of people with lower incomes, as well as the higher transportation fuel burden of rural residents, such as bill assistance, energy efficiency, and weatherization programs;

(ii) Community renewable energy projects that allow qualifying participants to own or receive the benefits of those projects at reduced or no cost;

(iii) Programs, activities, or other worker-support projects for bargaining unit and nonsupervisory fossil fuel workers who are affected by the transition away from fossil fuels to a clean energy economy. Worker support may include, but is not limited to: (A) Full wage replacement, health benefits, and pension contributions for every worker within five years of retirement; (B) full wage replacement, health benefits, and pension contributions for every worker with at least one year of service for each year of service up to five years of service; (C) wage insurance for up to five years for workers reemployed who have more than five years of service; (D) up to two years of retraining costs, including tuition and related costs, based on in-state community and technical college costs; (E) peer counseling services during transition; (F) employment placement services, prioritizing employment in the clean energy sector; and (G) relocation expenses;

(iv) Direct investment in workforce development, via technical education, community college, apprenticeships, and other programs;

(v) Transportation, municipal service delivery, and technology investments that increase a community's capacity for clean manufacturing, with an emphasis on communities in greatest need of job

creation and economic development and potential for commute reduction;

(k) Programs, activities, or projects that reduce emissions from landfills and waste-to-energy facilities through diversion of organic materials, methane capture or conversion strategies, or other means;

(l) Carbon dioxide removal projects, programs, and activities; and

(m) Activities to support efforts to mitigate and adapt to the effects of climate change affecting Indian tribes, including capital investments in support of the relocation of Indian tribes located in areas at heightened risk due to anticipated sea level rise, flooding, or other disturbances caused by climate change. The legislature intends to dedicate at least \$50,000,000 per biennium from the account for purposes of this subsection.

(2) Moneys in the account may not be used for projects or activities that would violate tribal treaty rights or result in significant long-term damage to critical habitat or ecological functions. Investments from this account must result in long-term environmental benefits and increased resilience to the impacts of climate change.

NEW SECTION. Sec. 30. NATURAL CLIMATE SOLUTIONS ACCOUNT. (1) The natural climate solutions account is created in the state treasury. All moneys directed to the account from the climate investment account created in section 28 of this act must be deposited in the account. Moneys in the account may be spent only after appropriation. Moneys in the account are intended to increase the resilience of the state's waters, forests, and other vital ecosystems to the impacts of climate change, conserve working forestlands at risk of conversion, and increase their carbon pollution reduction capacity through sequestration, storage, and overall system integrity. Moneys in the account must be spent in a manner that is consistent with existing and future assessments of climate risks and resilience from the scientific community and expressed concerns of and impacts to overburdened communities.

(2) Moneys in the account may be allocated for the following purposes:

(a) Clean water investments that improve resilience from climate impacts.

Funding under this subsection (2) (a) must be used to:

(i) Restore and protect estuaries, fisheries, and marine shoreline habitats and prepare for sea level rise including, but not limited to, making fish passage correction investments such as those identified in the cost-share barrier removal program for small forestland owners created in RCW 76.13.150 and those that are considered by the fish passage barrier removal board created in RCW 77.95.160;

(ii) Increase carbon storage in the ocean or aquatic and coastal ecosystems;

(iii) Increase the ability to remediate and adapt to the impacts of ocean acidification;

(iv) Reduce flood risk and restore natural floodplain ecological function;

(v) Increase the sustainable supply of water and improve aquatic habitat, including groundwater mapping and modeling;

(vi) Improve infrastructure treating stormwater from previously developed areas within an urban growth boundary designated under chapter 36.70A RCW, with a preference given to projects that use green stormwater infrastructure;

(vii) Either preserve or increase, or both, carbon sequestration and storage benefits in forests, forested wetlands, agricultural soils, tidally influenced agricultural or grazing lands, or freshwater, saltwater, or brackish aquatic lands; or

(viii) Either preserve or establish, or both, carbon sequestration by protecting or planting trees in marine shorelines and freshwater riparian areas sufficient to promote climate resilience, protect cold water fisheries, and achieve water quality standards;

(b) Healthy forest investments to improve resilience from climate impacts. Funding under this subsection (2) (b) must be used for projects and activities that will:

(i) Increase forest and community resilience to wildfire in the face of increased seasonal temperatures and drought;

(ii) Improve forest health and reduce vulnerability to changes in hydrology,

insect infestation, and other impacts of climate change; or

(iii) Prevent emissions by preserving natural and working lands from the threat of conversion to development or loss of critical habitat, through actions that include, but are not limited to, the creation of new conservation lands, community forests, or increased support to small forestland owners through assistance programs including, but not limited to, the forest riparian easement program and the family forest fish passage program. Not less than \$10,000,000 must be expended each biennium for the forestry riparian easement program created in chapter 76.13 RCW.

(3) Moneys in the account may not be used for projects that would violate tribal treaty rights or result in significant long-term damage to critical habitat or ecological functions. Investments from this account must result in long-term environmental benefits and increased resilience to the impacts of climate change.

Sec. 31. RCW 70A.15.2200 and 2020 c 20 s 1090 are each amended to read as follows:

(1) The board of any activated authority or the department, may classify air contaminant sources, by ordinance, resolution, rule or regulation, which in its judgment may cause or contribute to air pollution, according to levels and types of emissions and other characteristics which cause or contribute to air pollution, and may require registration or reporting or both for any such class or classes. Classifications made pursuant to this section may be for application to the area of jurisdiction of such authority, or the state as a whole or to any designated area within the jurisdiction, and shall be made with special reference to effects on health, economic and social factors, and physical effects on property.

(2) Except as provided in subsection (3) of this section, any person operating or responsible for the operation of air contaminant sources of any class for which the ordinances, resolutions, rules or regulations of the department or board of the authority, require registration or reporting shall register therewith and make reports containing information as may be required by such department or

board concerning location, size and height of contaminant outlets, processes employed, nature of the contaminant emission and such other information as is relevant to air pollution and available or reasonably capable of being assembled. In the case of emissions of greenhouse gases as defined in RCW 70A.45.010 the department shall adopt rules requiring reporting of those emissions. The department or board may require that such registration or reporting be accompanied by a fee, and may determine the amount of such fee for such class or classes: PROVIDED, That the amount of the fee shall only be to compensate for the costs of administering such registration or reporting program which shall be defined as initial registration and annual or other periodic reports from the source owner providing information directly related to air pollution registration, on-site inspections necessary to verify compliance with registration requirements, data storage and retrieval systems necessary for support of the registration program, emission inventory reports and emission reduction credits computed from information provided by sources pursuant to registration program requirements, staff review, including engineering or other reliable analysis for accuracy and currentness, of information provided by sources pursuant to registration program requirements, clerical and other office support provided in direct furtherance of the registration program, and administrative support provided in directly carrying out the registration program: PROVIDED FURTHER, That any such registration made with either the board or the department shall preclude a further registration and reporting with any other board or the department, except that emissions of greenhouse gases as defined in RCW 70A.45.010 must be reported as required under subsection (5) of this section.

All registration program and reporting fees collected by the department shall be deposited in the air pollution control account. All registration program fees collected by the local air authorities shall be deposited in their respective treasuries.

(3) If a registration or report has been filed for a grain warehouse or grain elevator as required under this section, registration, reporting, or a registration program fee shall not, after January 1, 1997, again be required under this section for the warehouse or

elevator unless the capacity of the warehouse or elevator as listed as part of the license issued for the facility has been increased since the date the registration or reporting was last made. If the capacity of the warehouse or elevator listed as part of the license is increased, any registration or reporting required for the warehouse or elevator under this section must be made by the date the warehouse or elevator receives grain from the first harvest season that occurs after the increase in its capacity is listed in the license.

This subsection does not apply to a grain warehouse or grain elevator if the warehouse or elevator handles more than ten million bushels of grain annually.

(4) For the purposes of subsection (3) of this section:

(a) A "grain warehouse" or "grain elevator" is an establishment classified in standard industrial classification (SIC) code 5153 for wholesale trade for which a license is required and includes, but is not limited to, such a licensed facility that also conducts cleaning operations for grain;

(b) A "license" is a license issued by the department of agriculture licensing a facility as a grain warehouse or grain elevator under chapter 22.09 RCW or a license issued by the federal government licensing a facility as a grain warehouse or grain elevator for purposes similar to those of licensure for the facility under chapter 22.09 RCW; and

(c) "Grain" means a grain or a pulse.

(5)(a) The department shall adopt rules requiring persons to report emissions of greenhouse gases as defined in RCW 70A.45.010 where those emissions from a single facility, (~~source, or site,~~) or from electricity or fossil fuels sold in Washington by a single supplier or local distribution company, meet or exceed ten thousand metric tons of carbon dioxide equivalent annually. The (~~department may phase in the requirement to report greenhouse gas emissions until the reporting threshold in this subsection is met, which must occur by January 1, 2012~~) rules adopted by the department must support implementation of the program created in section 8 of this act. In addition, the rules must require that:

(i) Emissions of greenhouse gases resulting from the combustion of fossil

fuels be reported separately from emissions of greenhouse gases resulting from the combustion of biomass; and

~~(ii) ((Reporting will start in 2010 for 2009 emissions.)) Each annual report must include emissions data for the preceding calendar year and must be submitted to the department by ((October)) March 31st of the year in which the report is due. ((However, starting in 2011, a person who is required to report greenhouse gas emissions to the United States environmental protection agency under 40 C.F.R. Part 98, as adopted on September 22, 2009, must submit the report required under this section to the department concurrent with the submission to the United States environmental protection agency. Except as otherwise provided in this section, the data for emissions in Washington and any corrections thereto that are reported to the United States environmental protection agency must be the emissions data reported to the department; and~~

~~(iii) Emissions of carbon dioxide associated with the complete combustion or oxidation of liquid motor vehicle fuel, special fuel, or aircraft fuel that is sold in Washington where the annual emissions associated with that combustion or oxidation equal or exceed ten thousand metric tons be reported to the department. Each person who is required to file periodic tax reports of motor vehicle fuel sales under RCW 82.36.031 or special fuel sales under RCW 82.38.150, or each distributor of aircraft fuel required to file periodic tax reports under RCW 82.42.040 must report to the department the annual emissions of carbon dioxide from the complete combustion or oxidation of the fuels listed in those reports as sold in the state of Washington. The department shall not require suppliers to use additional data to calculate greenhouse gas emissions other than the data the suppliers report to the department of licensing. The rules may allow this information to be aggregated when reported to the department. The department and the department of licensing shall enter into an interagency agreement to ensure proprietary and confidential information is protected if the departments share reported information. Any proprietary or confidential information exempt from disclosure when reported to the department of licensing is exempt from~~

~~disclosure when shared by the department of licensing with the department under this provision.))~~

~~(b) (i) ((Except as otherwise provided in this subsection, the rules adopted by the department under (a) of this subsection must be consistent with the regulations adopted by the United States environmental protection agency in 40 C.F.R. Part 98 on September 22, 2009.~~

~~(ii)) The department may by rule include additional gases to the definition of "greenhouse gas" in RCW 70A.45.010 only if the gas has been designated as a greenhouse gas by the United States congress ((or)), by the United States environmental protection agency, or included in external greenhouse gas emission trading programs with which Washington has pursuant to section 24 of this act. Prior to including additional gases to the definition of "greenhouse gas" in RCW 70A.45.010, the department shall notify the appropriate committees of the legislature. ((Decisions to amend the rule to include additional gases must be made prior to December 1st of any year and the amended rule may not take effect before the end of the regular legislative session in the next year.~~

~~(iii)) (ii) The department may by rule exempt persons who are required to report greenhouse gas emissions to the United States environmental protection agency and who emit less than ten thousand metric tons carbon dioxide equivalent annually.~~

~~((iv)) (iii) The department must establish a methodology for persons who are not required to report under this section to voluntarily report their greenhouse gas emissions.~~

~~(c) (i) The department shall review and if necessary update its rules whenever ((the)):~~

~~(A) The United States environmental protection agency adopts final amendments to 40 C.F.R. Part 98 to ensure consistency with federal reporting requirements for emissions of greenhouse gases; or~~

~~(B) Needed to ensure consistency with emissions reporting requirements for jurisdictions with which Washington has entered a linkage agreement. ((However, the))~~

(ii) The department shall not amend its rules in a manner that conflicts with ((a) of) this ((subsection)) section.

(d) The department shall share any reporting information reported to it with the local air authority in which the person reporting under the rules adopted by the department operates.

(e) The fee provisions in subsection (2) of this section apply to reporting of emissions of greenhouse gases. Persons required to report under (a) of this subsection who fail to report or pay the fee required in subsection (2) of this section are subject to enforcement penalties under this chapter. The department shall enforce the reporting rule requirements ((unless it approves a local air authority's request to enforce the requirements for persons operating within the authority's jurisdiction. However, neither the department nor a local air authority approved under this section are authorized to assess enforcement penalties on persons required to report under (a) of this subsection until six months after the department adopts its reporting rule in 2010)). When a person that holds a compliance obligation under section 10 of this act fails to submit an emissions data report or fails to obtain a positive emissions data verification statement in accordance with (g)(ii) of this subsection, the department may assign an emissions level for that person.

(f) The energy facility site evaluation council shall, simultaneously with the department, adopt rules that impose greenhouse gas reporting requirements in site certifications on owners or operators of a facility permitted by the energy facility site evaluation council. The greenhouse gas reporting requirements imposed by the energy facility site evaluation council must be the same as the greenhouse gas reporting requirements imposed by the department. The department shall share any information reported to it from facilities permitted by the energy facility site evaluation council with the council, including notice of a facility that has failed to report as required. The energy facility site evaluation council shall contract with the department to monitor the reporting requirements adopted under this section.

(g)(i) The ((inclusion or failure to include any person, source, classes of persons or sources, or types of emissions

of greenhouse gases into the department's rules for reporting under this section does not indicate whether such a person, source, or category is appropriate for inclusion in state, regional, or national greenhouse gas reduction programs or strategies. Furthermore, aircraft fuel purchased in the state may not be considered equivalent to aircraft fuel combusted in the state)) department must establish by rule the methods of verifying the accuracy of emissions reports.

(ii) Verification requirements apply at a minimum to persons required to report under (a) of this subsection with emissions that equal or exceed 25,000 metric tons of carbon dioxide equivalent emissions, including carbon dioxide from biomass-derived fuels, or to persons who have a compliance obligation under section 10 of this act in any year of the current compliance period. The department may adopt rules to accept verification reports from another jurisdiction with a linkage agreement pursuant to section 20 of this act in cases where the department deems that the methods or procedures are substantively similar.

(h)(i) The definitions in RCW 70A.45.010 apply throughout this subsection (5) unless the context clearly requires otherwise.

(ii) For the purpose of this subsection (5), the term "supplier" includes: (A) ((A motor vehicle fuel supplier or a motor vehicle fuel importer, as those terms are defined in RCW 82.36.010; (B) a special fuel supplier or a special fuel importer, as those terms are defined in RCW 82.38.020; and (C) a distributor of aircraft fuel, as those terms are defined in RCW 82.42.010)) Suppliers that produce, import, or deliver, or any combination of producing, importing, or delivering, a quantity of fuel products in Washington that, if completely combusted, oxidized, or used in other processes, would result in the release of greenhouse gases equivalent to or higher than the threshold established under (a) of this subsection; and (B) suppliers of carbon dioxide that produce, import, or deliver a quantity of carbon dioxide in Washington that, if released, would result in emissions equivalent to or higher than the threshold established under (a) of this subsection.

(iii) For the purpose of this subsection (5), the term "person" includes: (A) An owner or operator (~~(, as those terms are defined by the United States environmental protection agency in its mandatory greenhouse gas reporting regulation in 40 C.F.R. Part 98, as adopted on September 22, 2009;~~ and (B) a ~~supplier~~) of a facility; (B) a supplier; or (C) an electric power entity.

(iv) For the purpose of this subsection (5), the term "facility" includes facilities that directly emit greenhouse gases in Washington equivalent to the threshold established under (a) of this subsection with at least one source category listed in the United States environmental protection agency's mandatory greenhouse gas reporting regulation, 40 C.F.R. Part 98 Subparts C through II and RR through UU, as adopted on April 25, 2011.

(v) For the purpose of this subsection (5), the term "electric power entity" includes any of the following that supply electric power in Washington with associated emissions of greenhouse gases equal to or above the threshold established under (a) of this subsection: (A) Electricity importers and exporters; (B) retail providers, including multijurisdictional retail providers; and (C) first jurisdictional deliverers, as defined in section 2 of this act, not otherwise included here.

NEW SECTION. Sec. 32. A new section is added to chapter 43.21C RCW to read as follows:

The review under this chapter of greenhouse gas emissions from a new or expanded facility subject to the greenhouse gas emission reduction requirements of chapter 70A.--- RCW (the new chapter created in section 35 of this act) must occur consistent with section 10(9) of this act.

NEW SECTION. Sec. 33. A new section is added to chapter 70A.45 RCW to read as follows:

The state, state agencies, and political subdivisions of the state, in implementing their duties and authorities established under other laws, may only consider the greenhouse gas limits established in RCW 70A.45.020 in a manner that recognizes, where applicable, that the siting and placement of new best-in-class facilities that facilitate decarbonization is in the

economic and environmental interests of the state of Washington.

NEW SECTION. Sec. 34. This act may be known and cited as the Washington climate commitment act.

NEW SECTION. Sec. 35. Sections 1 through 30 and 34 of this act constitute a new chapter in Title 70A RCW.

NEW SECTION. Sec. 36. (1) Sections 8 through 24 of this act, and any rules adopted by the department of ecology to implement the program established under those sections, are suspended on December 31, 2055, in the event that the department of ecology determines by December 1, 2055, that the 2050 emissions limits of RCW 70A.45.020 have been met for two or more consecutive years.

(2) Upon the occurrence of the events identified in subsection (1) of this section, the department of ecology must provide written notice of the suspension date of sections 8 through 24 of this act to affected parties, the chief clerk of the house of representatives, the secretary of the senate, the office of the code reviser, and others as deemed appropriate by the department.

Sec. 37. RCW 43.376.020 and 2012 c 122 s 2 are each amended to read as follows:

In establishing a government-to-government relationship with Indian tribes, state agencies must:

(1) Make reasonable efforts to collaborate with Indian tribes in the development of policies, agreements, and program implementation that directly affect Indian tribes and develop a consultation process that is used by the agency for issues involving specific Indian tribes. State agencies described in section 6 of this act must offer consultation with Indian tribes on the actions specified in section 6 of this act;

(2) Designate a tribal liaison who reports directly to the head of the state agency;

(3) Ensure that tribal liaisons who interact with Indian tribes and the executive directors of state agencies receive training as described in RCW 43.376.040; and

(4) Submit an annual report to the governor on activities of the state

agency involving Indian tribes and on implementation of this chapter.

Sec. 38. RCW 43.21B.110 and 2020 c 138 s 11 and 2020 c 20 s 1035 are each reenacted and amended to read as follows:

(1) The hearings board shall only have jurisdiction to hear and decide appeals from the following decisions of the department, the director, local conservation districts, the air pollution control boards or authorities as established pursuant to chapter 70A.15 RCW, local health departments, the department of natural resources, the department of fish and wildlife, the parks and recreation commission, and authorized public entities described in chapter 79.100 RCW:

(a) Civil penalties imposed pursuant to RCW 18.104.155, 70A.15.3160, 70A.300.090, 70A.20.050, 70A.530.040, 70A.350.070, 70A.515.060, section 23 of this act, 76.09.170, 77.55.440, 78.44.250, 88.46.090, 90.03.600, 90.46.270, 90.48.144, 90.56.310, 90.56.330, and 90.64.102.

(b) Orders issued pursuant to RCW 18.104.043, 18.104.060, 43.27A.190, 70A.15.2520, 70A.15.3010, 70A.300.120, 70A.350.070, section 23 of this act, 86.16.020, 88.46.070, 90.14.130, 90.46.250, 90.48.120, and 90.56.330.

(c) Except as provided in RCW 90.03.210(2), the issuance, modification, or termination of any permit, certificate, or license by the department or any air authority in the exercise of its jurisdiction, including the issuance or termination of a waste disposal permit, the denial of an application for a waste disposal permit, the modification of the conditions or the terms of a waste disposal permit, or a decision to approve or deny an application for a solid waste permit exemption under RCW 70A.205.260.

(d) Decisions of local health departments regarding the grant or denial of solid waste permits pursuant to chapter 70A.205 RCW.

(e) Decisions of local health departments regarding the issuance and enforcement of permits to use or dispose of biosolids under RCW 70A.226.090.

(f) Decisions of the department regarding waste-derived fertilizer or micronutrient fertilizer under RCW 15.54.820, and decisions of the

department regarding waste-derived soil amendments under RCW 70A.205.145.

(g) Decisions of local conservation districts related to the denial of approval or denial of certification of a dairy nutrient management plan; conditions contained in a plan; application of any dairy nutrient management practices, standards, methods, and technologies to a particular dairy farm; and failure to adhere to the plan review and approval timelines in RCW 90.64.026.

(h) Any other decision by the department or an air authority which pursuant to law must be decided as an adjudicative proceeding under chapter 34.05 RCW.

(i) Decisions of the department of natural resources, the department of fish and wildlife, and the department that are reviewable under chapter 76.09 RCW, and the department of natural resources' appeals of county, city, or town objections under RCW 76.09.050(7).

(j) Forest health hazard orders issued by the commissioner of public lands under RCW 76.06.180.

(k) Decisions of the department of fish and wildlife to issue, deny, condition, or modify a hydraulic project approval permit under chapter 77.55 RCW, to issue a stop work order, to issue a notice to comply, to issue a civil penalty, or to issue a notice of intent to disapprove applications.

(l) Decisions of the department of natural resources that are reviewable under RCW 78.44.270.

(m) Decisions of an authorized public entity under RCW 79.100.010 to take temporary possession or custody of a vessel or to contest the amount of reimbursement owed that are reviewable by the hearings board under RCW 79.100.120.

(2) The following hearings shall not be conducted by the hearings board:

(a) Hearings required by law to be conducted by the shorelines hearings board pursuant to chapter 90.58 RCW.

(b) Hearings conducted by the department pursuant to RCW 70A.15.3010, 70A.15.3070, 70A.15.3080, 70A.15.3090, 70A.15.3100, 70A.15.3110, and 90.44.180.

(c) Appeals of decisions by the department under RCW 90.03.110 and 90.44.220.

(d) Hearings conducted by the department to adopt, modify, or repeal rules.

(3) Review of rules and regulations adopted by the hearings board shall be subject to review in accordance with the provisions of the administrative procedure act, chapter 34.05 RCW.

Sec. 39. RCW 43.21B.300 and 2020 c 20 s 1038 are each amended to read as follows:

(1) Any civil penalty provided in RCW 18.104.155, 70A.15.3160, 70A.205.280, 70A.300.090, 70A.20.050, section 23 of this act, 88.46.090, 90.03.600, 90.46.270, 90.48.144, 90.56.310, 90.56.330, and 90.64.102 and chapter 70A.355 RCW shall be imposed by a notice in writing, either by certified mail with return receipt requested or by personal service, to the person incurring the penalty from the department or the local air authority, describing the violation with reasonable particularity. For penalties issued by local air authorities, within thirty days after the notice is received, the person incurring the penalty may apply in writing to the authority for the remission or mitigation of the penalty. Upon receipt of the application, the authority may remit or mitigate the penalty upon whatever terms the authority in its discretion deems proper. The authority may ascertain the facts regarding all such applications in such reasonable manner and under such rules as it may deem proper and shall remit or mitigate the penalty only upon a demonstration of extraordinary circumstances such as the presence of information or factors not considered in setting the original penalty.

(2) Any penalty imposed under this section may be appealed to the pollution control hearings board in accordance with this chapter if the appeal is filed with the hearings board and served on the department or authority thirty days after the date of receipt by the person penalized of the notice imposing the penalty or thirty days after the date of receipt of the notice of disposition by a local air authority of the application for relief from penalty.

(3) A penalty shall become due and payable on the later of:

(a) Thirty days after receipt of the notice imposing the penalty;

(b) Thirty days after receipt of the notice of disposition by a local air authority on application for relief from penalty, if such an application is made; or

(c) Thirty days after receipt of the notice of decision of the hearings board if the penalty is appealed.

(4) If the amount of any penalty is not paid to the department within thirty days after it becomes due and payable, the attorney general, upon request of the department, shall bring an action in the name of the state of Washington in the superior court of Thurston county, or of any county in which the violator does business, to recover the penalty. If the amount of the penalty is not paid to the authority within thirty days after it becomes due and payable, the authority may bring an action to recover the penalty in the superior court of the county of the authority's main office or of any county in which the violator does business. In these actions, the procedures and rules of evidence shall be the same as in an ordinary civil action.

(5) All penalties recovered shall be paid into the state treasury and credited to the general fund except those penalties imposed pursuant to RCW 18.104.155, which shall be credited to the reclamation account as provided in RCW 18.104.155(7), RCW 70A.15.3160, the disposition of which shall be governed by that provision, RCW 70A.300.090, which shall be credited to the model toxics control operating account created in RCW 70A.305.180, section 23 of this act, which shall be credited to the climate investment account created in section 28 of this act, RCW 90.56.330, which shall be credited to the coastal protection fund created by RCW 90.48.390, and RCW 70A.355.070, which shall be credited to the underground storage tank account created by RCW 70A.355.090.

NEW SECTION. Sec. 40. 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."

Correct the title.

Signed by Representatives Fitzgibbon, Chair; Duerr, Vice Chair; Berry; Fey; Ramel; Shewmake and Slatter.

MINORITY recommendation: Do not pass. Signed by Representatives Dye, Ranking Minority Member; Klicker, Assistant Ranking Minority Member; Abbarno; Boehnke and Goehner.

MINORITY recommendation: Without recommendation. Signed by Representative Harris-Talley.

Referred to Committee on Appropriations.

There being no objection, the bills listed on the day's committee reports under the fifth order of business were

referred to the committees so designated with the exception of SENATE BILL NO. 5008 and ENGROSSED SUBSTITUTE SENATE BILL NO. 5096 which were placed on the second reading calendar.

There being no objection, the House adjourned until 11:00 a.m., April 20, 2021, the 100th Legislative Day of the Regular Session.

LAURIE JINKINS, Speaker

BERNARD DEAN, Chief Clerk

SIXTY SEVENTH LEGISLATURE - REGULAR SESSION

ONE HUNDREDTH DAY

House Chamber, Olympia, Tuesday, April 20, 2021

The House was called to order at 11:00 a.m. by the Speaker (Representative Lovick presiding).

The Speaker (Representative Lovick presiding) led the Chamber in the Pledge of Allegiance. The prayer was offered by Representative Joe Schmick, 9th Legislative District.

The Speaker assumed the chair.

SIGNED BY THE SPEAKER

The Speaker signed the following bills:

SECOND SUBSTITUTE SENATE BILL NO. 5000
 SENATE BILL NO. 5031
 SENATE BILL NO. 5063
 SUBSTITUTE SENATE BILL NO. 5080
 SENATE BILL NO. 5145
 SENATE BILL NO. 5159
 SENATE BILL NO. 5225
 SUBSTITUTE SENATE BILL NO. 5230
 SENATE BILL NO. 5367
 SUBSTITUTE SENATE BILL NO. 5403
 ENGROSSED SENATE BILL NO. 5454
 SUBSTITUTE SENATE BILL NO. 5460
 SUBSTITUTE SENATE BILL NO. 5003
 SUBSTITUTE SENATE BILL NO. 5011
 SENATE BILL NO. 5027
 SUBSTITUTE SENATE BILL NO. 5030
 SENATE BILL NO. 5032
 SUBSTITUTE SENATE BILL NO. 5034
 SENATE BILL NO. 5146
 ENGROSSED SENATE BILL NO. 5158
 ENGROSSED SECOND SUBSTITUTE SENATE
 BILL NO. 5160
 SUBSTITUTE SENATE BILL NO. 5258
 ENGROSSED SECOND SUBSTITUTE SENATE
 BILL NO. 5259
 ENGROSSED SECOND SUBSTITUTE SENATE
 BILL NO. 5287
 SENATE BILL NO. 5345
 ENGROSSED SUBSTITUTE SENATE BILL NO.
 5452
 SECOND SUBSTITUTE HOUSE BILL NO. 1044
 SECOND SUBSTITUTE HOUSE BILL NO. 1127
 ENGROSSED SECOND SUBSTITUTE HOUSE
 BILL NO. 1139
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1140
 ENGROSSED SECOND SUBSTITUTE HOUSE
 BILL NO. 1152
 SUBSTITUTE HOUSE BILL NO. 1155
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1176

ENGROSSED SECOND SUBSTITUTE HOUSE
 BILL NO. 1186
 SUBSTITUTE HOUSE BILL NO. 1193
 ENGROSSED SECOND SUBSTITUTE HOUSE
 BILL NO. 1194
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1196
 SECOND SUBSTITUTE HOUSE BILL NO. 1219
 ENGROSSED SECOND SUBSTITUTE HOUSE
 BILL NO. 1220
 SUBSTITUTE HOUSE BILL NO. 1223
 ENGROSSED SECOND SUBSTITUTE HOUSE
 BILL NO. 1227
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1267
 SUBSTITUTE HOUSE BILL NO. 1269
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1273
 ENGROSSED SECOND SUBSTITUTE HOUSE
 BILL NO. 1287
 ENGROSSED SECOND SUBSTITUTE HOUSE
 BILL NO. 1295
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1297
 ENGROSSED SECOND SUBSTITUTE HOUSE
 BILL NO. 1320
 ENGROSSED SECOND SUBSTITUTE HOUSE
 BILL NO. 1335
 HOUSE BILL NO. 1399
 SUBSTITUTE HOUSE BILL NO. 1416
 SUBSTITUTE HOUSE BILL NO. 1425
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1443
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1457
 SUBSTITUTE HOUSE BILL NO. 1484
 ENGROSSED SECOND SUBSTITUTE HOUSE
 BILL NO. 1504
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1512
 SUBSTITUTE HOUSE BILL NO. 1532

The Speaker called upon Representative Lovick to preside.

There being no objection, the House reverted to the first order of business.

The Clerk called the roll and a quorum was present.

Reading of the Journal of the previous day was dispensed with and it was ordered to stand approved.

There being no objection, the House advanced to the third order of business.

MESSAGES FROM THE SENATE

April 19, 2021

Mme. SPEAKER:

The Senate has granted the request of the House for a Conference on ENGROSSED SUBSTITUTE HOUSE BILL NO. 1054. The President has appointed the following members as Conferees: Dhingra, Padden, Pedersen

and the same is herewith transmitted.

Brad Hendrickson, Secretary

April 19, 2021

Mme. SPEAKER:

The Senate has granted the request of the House for a Conference on ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1310. The President has appointed the following members as Conferees: Dhingra, Pedersen, Padden

and the same is herewith transmitted.

Brad Hendrickson, Secretary

April 19, 2021

Mme. SPEAKER:

The Senate concurred in the House amendment(s) to the following bills and passed the bills as amended by the House:

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5022,
 SUBSTITUTE SENATE BILL NO. 5025,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5118,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5121,
 ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5160,
 ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5163,
 SECOND SUBSTITUTE SENATE BILL NO. 5183,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5190,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5193,
 ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5194,
 SECOND SUBSTITUTE SENATE BILL NO. 5195,
 SECOND SUBSTITUTE SENATE BILL NO. 5214,
 ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5227,
 SUBSTITUTE SENATE BILL NO. 5236,
 SECOND SUBSTITUTE SENATE BILL NO. 5313,
 SECOND SUBSTITUTE SENATE BILL NO. 5368,
 ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5377,
 ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5399,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5408,

and the same are herewith transmitted.

Brad Hendrickson, Secretary

April 19, 2021

Mme. SPEAKER:

The President has signed:

SECOND SUBSTITUTE HOUSE BILL NO. 1033,
 HOUSE BILL NO. 1034,
 ENGROSSED HOUSE BILL NO. 1049,
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1050,
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1069,
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1086,
 SUBSTITUTE HOUSE BILL NO. 1088,
 ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1089,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1097,
 SUBSTITUTE HOUSE BILL NO. 1107,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1108,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1109,
 HOUSE BILL NO. 1119,
 SUBSTITUTE HOUSE BILL NO. 1129,
 SECOND SUBSTITUTE HOUSE BILL NO. 1161,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1184,
 SUBSTITUTE HOUSE BILL NO. 1207,

and the same are herewith transmitted.

Brad Hendrickson, Secretary

April 19, 2021

Mme. SPEAKER:

The President has signed:

SUBSTITUTE SENATE BILL NO. 5003,
 SUBSTITUTE SENATE BILL NO. 5011,
 SENATE BILL NO. 5027,
 SUBSTITUTE SENATE BILL NO. 5030,
 SENATE BILL NO. 5032,
 SUBSTITUTE SENATE BILL NO. 5034,
 SENATE BILL NO. 5146,
 ENGROSSED SENATE BILL NO. 5158,
 SUBSTITUTE SENATE BILL NO. 5258,
 ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5259,
 ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5287,
 SENATE BILL NO. 5345,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5452,

and the same are herewith transmitted.

Brad Hendrickson, Secretary

April 19, 2021

Mme. SPEAKER:

The Senate receded from its amendment(s) to SUBSTITUTE HOUSE BILL NO. 1425, and passed the bill without said amendments.

and the same is herewith transmitted.

Brad Hendrickson, Secretary

April 20, 2021

Mme. SPEAKER:

The President has signed:

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO.
5160,

and the same is herewith transmitted.

Brad Hendrickson, Secretary

There being no objection, the House advanced to the fourth order of business.

INTRODUCTION & FIRST READING

HB 1580 by Representatives Chambers, Boehnke, Jacobsen, Caldier, Rule, Ybarra, Stokesbary, Walsh, Shewmake, Graham, Chandler and Eslick

AN ACT Relating to ensuring that equitable COVID-19 vaccine dose allocation is considered before a county may be reverted to a more restrictive phase under the healthy Washington: Roadmap to recovery plan; creating a new section; and declaring an emergency.

Referred to Committee on Health Care & Wellness.

There being no objection, the bill listed on the day's introduction sheet under the fourth order of business was referred to the committee so designated.

There being no objection, the House advanced to the seventh order of business.

THIRD READING MESSAGE FROM THE SENATE

April 8, 2021

Mme. SPEAKER:

The Senate has passed ENGROSSED THIRD SUBSTITUTE HOUSE BILL NO. 1091, with the following amendment(s):

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** (1) The legislature finds that rapid innovations in low carbon transportation technologies, including electric vehicles and clean transportation fuels, are at the threshold of widespread commercial deployment. In order to help prompt the use of clean fuels, other

states have successfully implemented programs that reduce the carbon intensity of their transportation fuels. California and Oregon have both implemented low carbon fuel standards that are similar to the program created in this act, and both states have experienced biofuel sector growth and have successfully sited large biofuel projects that had originally been planned for Washington. Washington state has extensively studied the potential impact of a clean fuels program, and most projections show that a low carbon fuel standard would decrease greenhouse gas and conventional air pollutant emissions, while positively impacting the state's economy.

(2) The legislature further finds that the health and welfare of the people of the state of Washington is threatened by the prospect of crumbling or swamped coastlines, rising water, and more intense forest fires caused by higher temperatures and related droughts, all of which are intensified and made more frequent by the volume of greenhouse gas emissions. As of 2017, the transportation sector contributes 45 percent of Washington's greenhouse gas emissions, and the legislature's interest in the life cycle of the fuels used in the state arises from a concern for the effects of the production and use of these fuels on Washington's environment and public health, including its air quality, snowpack, and coastline.

(3) The legislature finds that the clean fuel standard created in this chapter will create jobs in Washington state in the production and distribution of sustainable fuels like biofuels from agricultural feedstocks and forest residuals, hydrogen produced from renewable feedstocks, and more. In order to maximize the benefits of this policy to Washington workers while also protecting the environment for current and future generations, it is necessary to uphold and improve upon the state's siting policies. By identifying priority areas of the state for development and by developing methods to further avoid, minimize, and mitigate environmental impacts consistent with statute, rules, and guidance, Washington can protect its environment, contribute to the global fight against climate change, and support broadly shared prosperity.

(4) Therefore, it is the intent of the legislature to support the deployment of

clean transportation fuel technologies through a carefully designed program that reduces the carbon intensity of fuel used in Washington, in order to:

(a) Reduce levels of conventional air pollutants from diesel and gasoline that are harmful to public health;

(b) Reduce greenhouse gas emissions associated with transportation fuels, which are the state's largest source of greenhouse gas emissions; and

(c) Create jobs and spur economic development based on innovative clean fuel technologies.

NEW SECTION. Sec. 2. The definitions in this section apply throughout this chapter unless the context clearly indicates otherwise.

(1) "Carbon dioxide equivalents" has the same meaning as defined in RCW 70A.45.010.

(2) "Carbon intensity" means the quantity of life-cycle greenhouse gas emissions, per unit of fuel energy, expressed in grams of carbon dioxide equivalent per megajoule (gCO₂e/MJ).

(3) "Clean fuels program" means the requirements established under this chapter.

(4) "Cost" means an expense connected to the manufacture, distribution, or other aspects of the provision of a transportation fuel product.

(5) "Credit" means a unit of measure generated when a transportation fuel with a carbon intensity that is less than the applicable standard adopted by the department under section 3 of this act is produced, imported, or dispensed for use in Washington, such that one credit is equal to one metric ton of carbon dioxide equivalents.

(6) "Deficit" means a unit of measure generated when a transportation fuel with a carbon intensity that is greater than the applicable standard adopted by the department under section 3 of this act is produced, imported, or dispensed for use in Washington, such that one deficit is equal to one metric ton of carbon dioxide equivalents.

(7) "Department" means the department of ecology.

(8) "Electric utility" means a consumer-owned utility or investor-owned

utility, as those terms are defined in RCW 19.29A.010.

(9) "Greenhouse gas" has the same meaning as defined in RCW 70A.45.010.

(10) "Military tactical vehicle" means a motor vehicle owned by the United States department of defense or the United States military services and that is used in combat, combat support, combat service support, tactical or relief operations, or training for such operations.

(11) "Motor vehicle" has the same meaning as defined in RCW 46.04.320.

(12) "Price" means the amount of payment or compensation provided as consideration for a specified quantity of transportation fuel by a consumer or end user of the transportation fuel.

(13) "Regulated party" means a producer or importer of any amount of a transportation fuel that is ineligible to generate credits under this act.

(14)(a) "Tactical support equipment" means equipment using a portable engine, including turbines, that meets military specifications, owned by the United States military services or its allies, and that is used in combat, combat support, combat service support, tactical or relief operations, or training for such operations.

(b) "Tactical support equipment" includes, but is not limited to, engines associated with portable generators, aircraft start carts, heaters, and lighting carts.

(15) "Transportation fuel" means electricity and any liquid or gaseous fuel sold, supplied, offered for sale, or used for the propulsion of a motor vehicle or that is intended for use for transportation purposes.

NEW SECTION. Sec. 3. (1) The department shall adopt rules that establish standards that reduce carbon intensity in transportation fuels used in Washington. The standards established by the rules must be based on the carbon intensity of gasoline and gasoline substitutes and the carbon intensity of diesel and diesel substitutes. The standards:

(a) Must reduce the overall, aggregate carbon intensity of transportation fuels used in Washington;

(b) May only require carbon intensity reductions at the aggregate level of all transportation fuels and may not require a reduction in carbon intensity to be achieved by any individual type of transportation fuel;

(c) Must assign a compliance obligation to fuels whose carbon intensity exceeds the standards adopted by the department, consistent with the requirements of section 4 of this act; and

(d) Must assign credits that can be used to satisfy or offset compliance obligations to fuels whose carbon intensity is below the standards adopted by the department and that elect to participate in the program, consistent with the requirements of section 4 of this act.

(2) The clean fuels program adopted by the department must be designed such that:

(a) Regulated parties generate deficits and may reconcile the deficits, and thus comply with the clean fuels program standards for a compliance period, by obtaining and retiring credits. This point of compliance for motor vehicle fuel is the same as described in chapter 82.38 RCW;

(b) Regulated parties and credit generators may generate credits for fuels used as substitutes or alternatives for gasoline or diesel;

(c) Regulated parties, credit generators, and credit aggregators shall have opportunities to trade credits; and

(d) Regulated parties shall be allowed to carry over to the next compliance period a small deficit without penalty.

(3) The department shall, throughout a compliance period, regularly monitor the availability of fuels needed for compliance with the clean fuels program.

(4)(a) Under the clean fuels program, the department shall monthly calculate the volume-weighted average price of credits and, no later than the last day of the month immediately following the month for which the calculation is completed, post the formula and the nonaggregated data the department used for the calculation and the results of the calculation on the department's website.

(b) In completing the calculation required by this subsection, the department may exclude from the data set credit transfers without a price or other credit transfers made for a price that falls two standard deviations outside of the mean credit price for the month. Data posted on the department's website under this section may not include any individually identifiable information or information that would constitute a trade secret.

(5)(a) Except as provided in this section, the rules adopted under this section must reduce the greenhouse gas emissions attributable to each unit of the fuels to 20 percent below 2017 levels by 2035 based on the following schedule:

(i) No more than 0.5 percent each year in 2023 and 2024;

(ii) No more than an additional 1.0 percent each year beginning in 2025 through 2027;

(iii) No more than an additional 1.5 percent each year beginning in 2028 through 2031; and

(iv) No more than an additional 2.5 percent each year beginning in 2032 through 2034.

(b) The rules adopted under this section must not establish a reduction level beyond 10 percent of greenhouse gas emissions attributable to each unit of the fuels without explicit legislative authorization enacted subsequent to January 1, 2029. By December 1, 2028, the department must submit agency request legislation that if subsequently enacted would provide this authorization.

(c) The rules must establish a start date for the clean fuels program of no later than January 1, 2023, except as provided in subsection (6) of this section.

(6)(a) In order to coordinate and synchronize the clean fuels program with other transportation-related investments, the department must not assign compliance obligations under this act or allow for any actual credit generation until a separate additive transportation funding act becomes law, at which time the department of licensing must provide written notice to the chief clerk of the house of representatives, the secretary of the senate, and the office of the code reviser.

(b) For the purposes of this subsection, "additive transportation funding act" means an act in which the combined total of new state revenues deposited into the motor vehicle fund and multimodal transportation account exceed \$500,000,000 per biennium attributable solely to an increase in revenue from the enactment of the act.

(7) Beginning January 1, 2026, the department may not increase the applicable clean fuels program standard adopted by the department under subsection (5) of this section until the department can demonstrate the following have occurred:

(a) At least a 25 percent net increase in the volume of in-state liquid biofuel production and the use of agricultural feedstocks grown within the state relative to the start of the program; and

(b) At least one new biofuels production facility producing in excess of 60,000,000 gallons of biofuels per year has received all necessary siting, operating, and environmental permits post all applicable appeals.

(8) Beginning January 1, 2028, the department shall not increase the applicable clean fuels program standard adopted by the department under subsection (5) of this section until the department can demonstrate that at least one new biofuel production facility producing in excess of 60,000,000 gallons of biofuels per year has received all necessary siting, operating, and environmental permits post all applicable appeals.

(9) Transportation fuels exported from Washington are not subject to the greenhouse gas emissions reduction requirements in this section.

(10) To the extent the requirements of this chapter conflict with the requirements of chapter 19.112 RCW, the requirements of this chapter prevail.

NEW SECTION. Sec. 4. The rules adopted by the department to achieve the greenhouse gas emissions reductions per unit of fuel energy specified in section 3 of this act must include, but are not limited to, the following:

(1) Standards for greenhouse gas emissions attributable to the transportation fuels throughout their life cycles, including but not limited to emissions from the production, storage,

transportation, and combustion of transportation fuels and from changes in land use associated with transportation fuels and any permanent greenhouse gas sequestration activities.

(a) The rules adopted by the department under this subsection (1) may:

(i) Include provisions to address the efficiency of a fuel as used in a powertrain as compared to a reference fuel;

(ii) Consider carbon intensity calculations for transportation fuels developed by national laboratories or used by similar programs in other states; and

(iii) Consider changes in land use and any permanent greenhouse gas sequestration activities associated with the production of any type of transportation fuel.

(b) The rules adopted by the department under this subsection (1) must:

(i) Neutrally consider the life-cycle emissions associated with transportation fuels with respect to the political jurisdiction in which the fuels originated and may not discriminate against fuels on the basis of having originated in another state or jurisdiction. Nothing in this subsection may be construed to prohibit inclusion or assessment of emissions related to fuel production, storage, transportation, or combustion or associated changes in land use in determining the carbon intensity of a fuel;

(ii) Measure greenhouse gas emissions associated with electricity and hydrogen based on a mix of generation resources specific to each electric utility participating in the clean fuels program. The department may apply an asset-controlling supplier emission factor certified or approved by a similar program to reduce the greenhouse gas emissions associated with transportation fuels in another state;

(iii) Include mechanisms for certifying electricity that has a carbon intensity of zero. This electricity must include, at minimum, electricity:

(A) For which a renewable energy credit or other environmental attribute has been retired or used; and

(B) Produced using a zero emission resource including, but not limited to, solar, wind, geothermal, or the industrial combustion of biomass consistent with RCW 70A.45.020(3), that is directly supplied as a transportation fuel by the generator of the electricity to a metered customer for electric vehicle charging or refueling;

(iv) Allow the generation of credits associated with electricity with a carbon intensity lower than that of standard adopted by the department. The department may not require electricity to have a carbon intensity of zero in order to be eligible to generate credits from use as a transportation fuel; and

(v) Include procedures for setting and adjusting the amounts of greenhouse gas emissions per unit of fuel energy that is assigned to transportation fuels under this subsection.

(c) If the department determines that it is necessary for purposes of accurately measuring greenhouse gas emissions associated with transportation fuels, the department may require transportation fuel suppliers to submit data or information to be used for purposes of calculating greenhouse gas emissions that is different from or additional to the greenhouse gas emissions data reported under RCW 70A.15.2200(5)(a)(iii).

(d) If the department determines that it is necessary for purposes of accurately measuring greenhouse gas emissions associated with electricity supplied to retail customers or hydrogen production facilities by an electric utility, the department may require electric utilities participating in the clean fuels program to submit data or information to be used for purposes of calculating greenhouse gas emissions that is different from or additional to the fuel mix disclosure information submitted under chapter 19.29A RCW. To the extent practicable, rules adopted by the department may allow data requested of utilities to be submitted in a form and manner consistent with other required state or federal data submissions;

(2) Provisions allowing for the achievement of limits on the greenhouse gas emissions intensity of transportation fuels in section 3 of this act to be achieved by any combination of credit generating activities capable of meeting such standards. Where such

provisions would not produce results counter to the emission reduction goals of the program or prove administratively burdensome for the department, the rules should provide each participant in the clean fuels program with the opportunity to demonstrate appropriate carbon intensity values taking into account both emissions from production facilities and elsewhere in the production cycle, including changes in land use and permanent greenhouse gas sequestration activities;

(3)(a) Methods for assigning compliance obligations and methods for tracking tradable credits. The department may assign the generation of a credit when a fuel with associated life-cycle greenhouse gas emissions that are lower than the applicable per-unit standard adopted by the department under section 3 of this act is produced, imported, or dispensed for use in Washington, or when specified activities are undertaken that support the reduction of greenhouse gas emissions associated with transportation in Washington;

(b) Mechanisms that allow credits to be traded and to be banked for future compliance periods; and

(c) Procedures for verifying the validity of credits and deficits generated under the clean fuels program;

(4) Mechanisms to elect to participate in the clean fuels program for persons associated with the supply chains of transportation fuels that are eligible to generate credits consistent with subsection (3) of this section, including producers, importers, distributors, users, or retailers of such fuels, and electric vehicle manufacturers;

(5) Mechanisms for persons associated with the supply chains of transportation fuels that are used for purposes that are exempt from the clean fuels program compliance obligations including, but not limited to, fuels used by aircraft, vessels, railroad locomotives, and other exempt fuels specified in section 5 of this act, to elect to participate in the clean fuels program by earning credits for the production, import, distribution, use, or retail of exempt fuels with associated life-cycle greenhouse gas emissions lower than the per-unit standard established in section 3 of this act;

(6) Mechanisms that allow for the assignment of credits to an electric

utility for electricity used within its utility service area, at minimum, for residential electric vehicle charging or fueling;

(7) Cost containment mechanisms;

(8)(a)(i) A credit clearance market for any compliance period in which at least one regulated party reports that the regulated party has a net deficit balance at the end of the compliance period, after retirement of all credits held by the regulated party, that is greater than a small deficit. A regulated party described by this subsection is required to participate in the credit clearance market.

(ii) If a regulated party has a small deficit at the end of a compliance period, the regulated party shall notify the department that it will achieve compliance with the clean fuels program during the compliance period by either: (A) Participating in a credit clearance market; or (B) carrying forward the small deficit.

(b) For the purposes of administering a credit clearance market required by this section, the department shall:

(i) Allow any regulated party, credit generator, or credit aggregator to hold excess credits at the end of the compliance period to voluntarily participate in the credit clearance market as a seller by pledging a specified number of credits for sale in the market;

(ii) Require each regulated party participating in the credit clearance market as purchaser of credits to:

(A) Have retired all credits in the regulated party's possession prior to participating in the credit clearance market; and

(B) Purchase the specified number of the total pledged credits that the department has determined are that regulated party's pro rata share of the pledged credits;

(iii) Require all sellers to:

(A) Agree to sell pledged credits at a price no higher than a maximum price for credits;

(B) Accept all offers to purchase pledged credits at the maximum price for credits; and

(C) Agree to withhold any pledged credits at the maximum price for credits.

(c)(i) The department shall set the maximum price for credits in a credit clearance market, which may not exceed \$200 for 2028.

(ii) For 2029 and subsequent years, the maximum price may exceed \$200, but only to the extent that a greater maximum price for credits is necessary to annually adjust for inflation, beginning on January 1, 2025, pursuant to the increase, if any, from the preceding calendar year in the consumer price index for all urban consumers, west region (all items), as published by the bureau of labor statistics of the United States department of labor.

(d) A regulated party that has a net deficit balance after the close of a credit clearance market:

(i) Must carry over the remaining deficits into the next compliance period; and

(ii) May not be subject to interest greater than five percent, penalties, or assertions of noncompliance that accrue based on the carryover of deficits under this subsection.

(e) If a regulated party has been required under (a) of this subsection to participate as a purchaser in two consecutive credit clearance markets and continues to have a net deficit balance after the close of the second consecutive credit clearance market, the department shall complete, no later than two months after the close of the second credit clearance market, an analysis of the root cause of an inability of the regulated party to retire the remaining deficits. The department may recommend and implement any remedy that the department determines is necessary to address the root cause identified in the analysis, including but not limited to issuing a deferral, provided that the remedy implemented does not:

(i) Require a regulated party to purchase credits for an amount that exceeds the maximum price for credits in the most recent credit clearance market; or

(ii) Compel a person to sell credits.

(f) If credits sold in a credit clearance market are subsequently invalidated as a result of fraud or any other form of noncompliance on the part

of the generator of the credit, the department may not pursue civil penalties against, or require credit replacement by, the regulated party that purchased the credits unless the regulated party was a party to the fraud or other form of noncompliance.

(g) The department may not disclose the deficit balances or pro rata share purchase requirements of a regulated party that participates in the credit clearance market.

(9) Authority for the department to designate an entity to aggregate and use unclaimed credits associated with persons that elect not to participate in the clean fuels program under subsection (4) of this section.

(10)(a) The legislature intends to promote a growing and sustainable economy and to avoid leakage of emissions from low carbon fuel production to other locations. The legislature further intends to see innovative new businesses locate and grow in Washington that contribute to Washington's prosperity and environmental objectives. Consistent with the intent of the legislature to avoid the leakage of emissions to other jurisdictions, in achieving the state's greenhouse gas limits in RCW 70A.45.020, the state intends to pursue the limits in a manner that recognizes that the siting and placement of new best in class low carbon fuel production facilities that provide for the displacement of more carbon-intensive processes is in the economic and environmental interests of the state of Washington.

(b) For new or expanded low carbon fuel production facilities that require review under chapter 43.21C RCW, the department must evaluate the net cumulative greenhouse gas emissions of the facility. In evaluating the greenhouse gas emissions from a low carbon fuel production facility, the department shall net its direct greenhouse gas emissions with reductions associated with its fuel product compared to the carbon intensity requirements established under this chapter.

(c) The limits in RCW 70A.45.020 may not be the basis for denial of a permit application or for judicial review of the grant of a permit for a new or expanded facility.

NEW SECTION. Sec. 5. (1) The rules adopted under sections 3 and 4 of this act must include exemptions for, at

minimum, the following transportation fuels:

(a) Fuels used in volumes below thresholds adopted by the department;

(b) Fuels used for the propulsion of all aircraft, vessels, and railroad locomotives; and

(c) Fuels used for the operation of military tactical vehicles and tactical support equipment.

(2)(a) The rules adopted under sections 3 and 4 of this act must exempt the following transportation fuels from greenhouse gas emission intensity reduction requirements until January 1, 2028:

(i) Special fuel used off-road in vehicles used primarily to transport logs;

(ii) Dyed special fuel used in vehicles that are not designed primarily to transport persons or property, that are not designed to be primarily operated on highways, and that are used primarily for construction work including, but not limited to, mining and timber harvest operations; and

(iii) Dyed special fuel used for agricultural purposes exempt from chapter 82.38 RCW.

(b) Prior to January 1, 2028, fuels identified in this subsection (2) are eligible to generate credits, consistent with subsection (5) of this section. Beginning January 1, 2028, the fuels identified in this subsection (2) are subject to the greenhouse gas emission intensity reduction requirements applicable to transportation fuels specified in section 3 of this act.

(3) The department may adopt rules to specify the standards for persons to qualify for the exemptions provided in this section. The department may implement the exemptions under subsection (2) of this section to align with the implementation of exemptions for similar fuels exempt from chapter 82.38 RCW.

(4) The rules adopted under sections 3 and 4 of this act may include exemptions in addition to those described in subsections (1) and (2) of this section, but only if such exemptions are necessary, with respect to the relationship between the program and similar greenhouse gas emissions

requirements or low carbon fuel standards, in order to avoid:

(a) Mismatched incentives across programs;

(b) Fuel shifting between markets; or

(c) Other results that are counter to the intent of this chapter.

(5) Nothing in this chapter precludes the department from adopting rules under sections 3 and 4 of this act that allow the generation of credits associated with electric or alternative transportation infrastructure that existed prior to the effective date of this section or to the start date of program requirements. The department must apply the same baseline years to credits associated with electric or alternative transportation infrastructure that apply to gasoline and diesel liquid fuels in any market-based program enacted by the legislature that establishes a cap on greenhouse gas emissions.

NEW SECTION. Sec. 6. (1) The rules adopted under sections 3 and 4 of this act may allow the generation of credits from activities that support the reduction of greenhouse gas emissions associated with transportation in Washington, including but not limited to:

(a) Carbon capture and sequestration projects, including but not limited to:

(i) Innovative crude oil production projects that include carbon capture and sequestration;

(ii) Project-based refinery greenhouse gas mitigation including, but not limited to, process improvements, renewable hydrogen use, and carbon capture and sequestration; or

(iii) Direct air capture projects;

(b) Investments and activities that support deployment of machinery and equipment used to produce gaseous and liquid fuels from nonfossil feedstocks, and derivatives thereof;

(c) The fueling of battery or fuel cell electric vehicles by a commercial, nonprofit, or public entity that is not an electric utility, which may include, but is not limited to, the fueling of vehicles using electricity certified by the department to have a carbon intensity of zero; and

(d) The use of smart vehicle charging technology that results in the fueling of

an electric vehicle during times when the carbon intensity of grid electricity is comparatively low.

(2)(a) The rules adopted under sections 3 and 4 of this act must allow the generation of credits based on capacity for zero emission vehicle refueling infrastructure, including DC fast charging infrastructure and hydrogen refueling infrastructure.

(b) The rules adopted under sections 3 and 4 of this act may allow the generation of credits from the provision of low carbon fuel infrastructure not specified in (a) of this subsection.

(3) The rules adopted under sections 3 and 4 of this act must allow the generation of credits from state transportation investments funded in an omnibus transportation appropriations act for activities and projects that reduce greenhouse gas emissions and decarbonize the transportation sector. These include, but are not limited to: (a) Electrical grid and hydrogen fueling infrastructure investments; (b) ferry operating and capital investments; (c) electrification of the state ferry fleet; (d) alternative fuel vehicle rebate programs; (e) transit grants; (f) infrastructure and other costs associated with the adoption of alternative fuel use by transit agencies; (g) bike and pedestrian grant programs and other activities; (h) complete streets and safe walking grants and allocations; (i) rail funding; and (j) multimodal investments.

(4) The rules adopted by the department may establish limits for the number of credits that may be earned each year by persons participating in the program for some or all of the activities specified in subsections (1), (2), and (3) of this section. Any limits established under this subsection must take into consideration the return on investment required in order for an activity specified in subsection (2) of this section to be financially viable.

NEW SECTION. Sec. 7. (1) Except where otherwise provided in this chapter, the department shall seek to adopt rules that are harmonized with the regulatory standards, exemptions, reporting obligations, and other clean fuels program compliance requirements and methods for credit generation of other states that:

(a) Have adopted low carbon fuel standards or similar greenhouse gas emissions requirements applicable specifically to transportation fuels; and

(b)(i) Supply, or have the potential to supply, significant quantities of transportation fuel to Washington markets; or

(ii) To which Washington supplies, or has the potential to supply, significant quantities of transportation fuel.

(2) The department must establish and periodically consult a stakeholder advisory panel, including representatives of forestland and agricultural landowners, for purposes of soliciting input on how to best incentivize and allot credits for the sequestration of greenhouse gases through activities on agricultural and forestlands in a manner that is consistent with the goals and requirements of this chapter.

(3) The department must conduct a biennial review of innovative technologies and pathways that reduce carbon and increase credit generation opportunities and must modify rules or guidance as needed to maintain stable credit markets.

(4) In any reports to the legislature under section 10 of this act, on the department's website, or in other public documents or communications that refer to assumed public health benefits associated with the program created in this chapter, the department must distinguish between public health benefits from small particulate matter and other conventional pollutant reductions achieved primarily as a result of vehicle emission standards established under chapter 70A.30 RCW, and the incremental benefits to air pollution attributable to the program created under this chapter.

NEW SECTION. Sec. 8. (1)(a) Each producer or importer of any amount of a transportation fuel that is ineligible to generate credits consistent with the requirements of section 4(3) of this act must register with the department.

(b) Electric vehicle manufacturers and producers, importers, distributors, users, and retailers of transportation fuels that are eligible to generate credits consistent with section 4(3) of this act must register with the

department if they elect to participate in the clean fuels program.

(c) Other persons must register with the department to generate credits from other activities that support the reduction of greenhouse gas emissions associated with transportation in Washington.

(2) Each transaction transferring ownership of transportation fuels for which clean fuels program participation is mandated must be accompanied by documentation, in a format approved by the department, that assigns the clean fuels program compliance responsibility associated with the fuels, including the assignment of associated credits. The department may also require documentation assigning clean fuels program compliance responsibility associated with fuels for which program participation has been elected.

(3) The department may adopt rules requiring the periodic reporting of information to the department by persons associated with the supply chains of transportation fuels participating in the clean fuels program. To the extent practicable, the rules must establish reporting procedures and timelines that are consistent with similar programs in other states that reduce the greenhouse gas emission intensity of transportation fuel and with procedures and timelines of state programs requiring similar information to be reported by regulated parties, including electric utilities.

(4) RCW 70A.15.2510 applies to records or information submitted to the department under this chapter.

NEW SECTION. Sec. 9. (1)(a) Fifty percent of the revenues generated by an electric utility from credits earned from the electricity supplied to retail customers by an electric utility under the clean fuels program must be expended by the electric utility on transportation electrification projects, which may include projects to support the production and provision of hydrogen and other gaseous fuels produced from nonfossil feedstocks, and derivatives thereof as a transportation fuel.

(b) Sixty percent of the revenues described in (a) of this subsection, or 30 percent of the revenues generated by an electric utility from credits earned from the electricity supplied to retail customers by an electric utility under the clean fuels program, must be expended

by the electric utility on transportation electrification projects, which may include projects to support the production and provision of hydrogen and other gaseous fuels produced from nonfossil feedstocks, and derivatives thereof as a transportation fuel, located within or directly benefiting a federally designated nonattainment or maintenance area, a federally designated nonattainment or maintenance area that existed as of January 1, 2021, a disproportionately impacted community identified by the department of health, or an area designated by the department as being at risk of nonattainment, if such a nonattainment or maintenance area or disproportionately impacted community is within the service area of the utility.

(2) The 50 percent of revenues not subject to the requirements of subsection (1) of this section must be used for activities and projects jointly determined by the department and the Washington state department of transportation based on those with the highest impact on reducing greenhouse gas emissions and decarbonizing the transportation sector. These include, but are not limited to: (a) Electrical grid and hydrogen fueling infrastructure investments; (b) electrification of the state ferry fleet; (c) alternative fuel vehicle rebate programs; and (d) infrastructure and other costs associated with the adoption of alternative fuel use by transit agencies.

(3) Electric utilities that participate in the clean fuels program must annually provide information to the department accounting for and briefly describing all expenditures of revenues generated from credits earned under the clean fuels program.

NEW SECTION. Sec. 10. (1) Beginning May 1, 2025, and each May 1st thereafter, the department must post a report on the department's website that includes the following information regarding the previous calendar year of clean fuels program activities:

(a) The program-wide number of credits and deficits generated by entities participating in the clean fuels program;

(b) The volumes of each transportation fuel and average price per credit used to comply with the requirements of the clean fuels program;

(c) The best estimate or range in probable costs or cost savings attributable to the clean fuels program per gallon of gasoline and per gallon of diesel, as determined by an independent consultant whose services the department has contracted. The estimate or range in probable costs or cost savings from the independent consultant must be announced in a press release to the news media at the time that the report under this subsection (1) is posted to the department's website, and must be simultaneously reported to the transportation committees of the house of representatives and the senate;

(d) The total greenhouse gas emissions reductions attributable to the clean fuels program isolated from the greenhouse gas emissions reductions attributable to other state and national programs on the same fuels; and

(e) The range in the probable cost per ton of greenhouse gas emissions reductions attributable to fuels supported by the clean fuels program, taking into account the information in (c) and (d) of this subsection.

(2) Nothing in this section prohibits the department from posting information described in subsection (1) of this section on a more frequent basis than once per year.

(3) By May 1, 2025, and each May 1st thereafter, the department must submit the report required under subsection (1) of this section to the appropriate committees of the house of representatives and senate.

(4) The department must contract for a one-time ex ante independent analysis of the information specified in subsection (1)(c) of this section covering each year of the program through 2035. The analysis must be informed by input from stakeholders, including regulated industries, and informed by experience from other jurisdictions. The analysis must impute price impacts using multiple analytical methodologies and must make clear how the assumptions or factors considered differed in each methodology used and price impact imputed. The analysis required in this subsection must be completed and submitted to the appropriate committees of the legislature by July 1, 2022.

NEW SECTION. Sec. 11. (1) In consultation with the department, the utilities and transportation commission,

and the department of agriculture, the department of commerce must develop a periodic fuel supply forecast to project the availability of fuels to Washington necessary for compliance with clean fuels program requirements.

(2) Based upon the estimates in subsection (3) of this section, the fuel supply forecast must include a prediction by the department of commerce regarding whether sufficient credits will be available to comply with clean fuels program requirements.

(3) The fuel supply forecast for each upcoming compliance period must include, but is not limited to, the following:

(a) An estimate of the potential volumes of gasoline, gasoline substitutes, and gasoline alternatives, and diesel, diesel substitutes, and diesel alternatives available to Washington. In developing this estimate, the department of commerce must consider, but is not limited to considering:

(i) The existing and future vehicle fleet in Washington; and

(ii) Any constraints that might be preventing access to available and cost-effective low carbon fuels by Washington, such as geographic and logistical factors, and alleviating factors to the constraints;

(b) An estimate of the total banked credits and carried over deficits held by regulated parties, credit generators, and credit aggregators at the beginning of the compliance period, and an estimate of the total credits attributable to fuels described in (a) of this subsection;

(c) An estimate of the number of credits needed to meet the applicable clean fuels program requirements during the forecasted compliance period; and

(d) A comparison in the estimates of (a) and (b) of this subsection with the estimate in (c) of this subsection, for the purpose of indicating the availability of fuels needed for compliance with the requirements of this chapter.

(4) The department of commerce, in coordination with the department, may appoint a forecast review team of relevant experts to participate in the fuel supply forecast or examination of data required by this section. The department of commerce must finalize a

fuel supply forecast for an upcoming compliance period by no later than 90 days prior to the start of the compliance period.

NEW SECTION. **Sec. 12.** (1) No later than 30 calendar days before the commencement of a compliance period, the department shall issue an order declaring a forecast deferral if the fuel supply forecast under section 10 of this act projects that the amount of credits that will be available during the forecast compliance period will be less than 100 percent of the credits projected to be necessary for regulated parties to comply with the scheduled applicable clean fuels program standard adopted by the department for the forecast compliance period.

(2) An order declaring a forecast deferral under this section must set forth:

(a) The duration of the forecast deferral;

(b) The types of fuel to which the forecast deferral applies; and

(c) Which of the following methods the department has selected for deferring compliance with the scheduled applicable clean fuels program standard during the forecast deferral:

(i) Temporarily adjusting the scheduled applicable clean fuels program standard to a standard identified in the order that better reflects the forecast availability of credits during the forecast compliance period and requiring regulated parties to comply with the temporary standard;

(ii) Requiring regulated parties to comply only with the clean fuels program standard applicable during the compliance period prior to the forecast compliance period; or

(iii) Suspending deficit accrual for part or all of the forecast deferral period.

(3)(a) In implementing a forecast deferral, the department may take an action for deferring compliance with the clean fuels program standard other than, or in addition to, selecting a method under subsection (2)(c) of this section only if the department determines that none of the methods under subsection (2)(c) of this section will provide a sufficient mechanism for containing the costs of compliance with the clean fuels

program standards during the forecast deferral.

(b) If the department makes the determination specified in (a) of this subsection, the department shall:

(i) Include in the order declaring a forecast deferral the determination and the action to be taken; and

(ii) Provide written notification and justification of the determination and the action to:

(A) The governor;

(B) The president of the senate;

(C) The speaker of the house of representatives;

(D) The majority and minority leaders of the senate; and

(E) The majority and minority leaders of the house of representatives.

(4) The duration of a forecast deferral may not be less than one calendar quarter or longer than one compliance period. Only the department may terminate, by order, a forecast deferral before the expiration date of the forecast deferral. Termination of a forecast deferral is effective on the first day of the next calendar quarter after the date that the order declaring the termination is adopted.

NEW SECTION. Sec. 13. (1) The director of the department may issue an order declaring an emergency deferral of compliance with the carbon intensity standard established under section 3 of this act no later than 15 calendar days after the date the department determines, in consultation with the governor's office and the department of commerce, that:

(a) Extreme and unusual circumstances exist that prevent the distribution of an adequate supply of renewable fuels needed for regulated parties to comply with the clean fuels program taking into consideration all available methods of obtaining sufficient credits to comply with the standard;

(b) The extreme and unusual circumstances are the result of a natural disaster, an act of God, a significant supply chain disruption or production facility equipment failure, or another event that could not reasonably have been foreseen or prevented and not the lack of

prudent planning on the part of the suppliers of the fuels to the state; and

(c) It is in the public interest to grant the deferral such as when a deferral is necessary to meet projected temporary shortfalls in the supply of the renewable fuel in the state and that other methods of obtaining compliance credits are unavailable to compensate for the shortage of renewable fuel supply.

(2) If the director of the department makes the determination required under subsection (1) of this section, such a temporary extreme and unusual deferral is permitted only if:

(a) The deferral applies only for the shortest time necessary to address the extreme and unusual circumstances;

(b) The deferral is effective for the shortest practicable time period the director of the department determines necessary to permit the correction of the extreme and unusual circumstances; and

(c) The director has given public notice of a proposed deferral.

(3) An order declaring an emergency deferral under this section must set forth:

(a) The duration of the emergency deferral;

(b) The types of fuel to which the emergency deferral applies;

(c) Which of the following methods the department has selected for deferring compliance with the clean fuels program during the emergency deferral:

(i) Temporarily adjusting the scheduled applicable carbon intensity standard to a standard identified in the order that better reflects the availability of credits during the emergency deferral and requiring regulated parties to comply with the temporary standard;

(ii) Allowing for the carryover of deficits accrued during the emergency deferral into the next compliance period without penalty; or

(iii) Suspending deficit accrual during the emergency deferral period.

(4) An emergency deferral may be terminated prior to the expiration date of the emergency deferral if new information becomes available indicating that the shortage that provided the basis

for the emergency deferral has ended. The director of the department shall consult with the department of commerce and the governor's office in making an early termination decision. Termination of an emergency deferral is effective 15 calendar days after the date that the order declaring the termination is adopted.

(5)(a) In addition to the emergency deferral specified in subsection (1) of this section, the department may issue a full or partial deferral for one calendar quarter of a person's obligation to furnish credits for compliance under section 4 of this act if it finds that the person is unable to comply with the requirements of this chapter due to reasons beyond the person's reasonable control. The department may initiate a deferral under this subsection at its own discretion or at the request of a person regulated under this chapter. The department may renew issued deferrals. In evaluating whether to issue a deferral under this subsection, the department may consider the results of the fuel supply forecast in section 11 of this act, but is not bound in its decision-making discretion by the results of the forecast.

(b) If the department issues a deferral pursuant to this subsection, the department may:

(i) Direct the person subject to the deferral to file a progress report on achieving full compliance with the requirements of this chapter within an amount of time determined to be reasonable by the department; and

(ii) Direct the person to take specific actions to achieve full compliance with the requirements of this chapter.

(c) The issuance of a deferral under this subsection does not permanently relieve the deferral recipient of the obligation to comply with the requirements of this chapter.

NEW SECTION. Sec. 14. (1) The department may require that persons that are required or elect to register or report under this chapter pay a fee. If the department elects to require program participants to pay a fee, the department must, after an opportunity for public review and comment, adopt rules to establish a process to determine the payment schedule and the amount of the fee charged. The amount of the fee must

be set so as to equal but not exceed the projected direct and indirect costs to the department for developing and implementing the program and the projected direct and indirect costs to the department of commerce to carry out its responsibilities under section 11 of this act. The department and the department of commerce must prepare a biennial workload analysis and provide an opportunity for public review of and comment on the workload analysis. The department shall enter into an interagency agreement with the department of commerce to implement this section.

(2) The clean fuels program account is created in the state treasury. All receipts from fees and penalties received under the program created in this chapter must be deposited into the account. Moneys in the account may be spent only after appropriation. The department may only use expenditures from the account for carrying out the program created in this chapter.

(3) All rule making authorized under this act must be conducted according to the standards for significant legislative rules provided in RCW 34.05.328.

NEW SECTION. Sec. 15. (1) By December 1, 2029, the joint legislative audit and review committee must analyze the impacts of the initial five years of clean fuels program implementation and must submit a report summarizing the analysis to the legislature. The analysis must include, at minimum, the following components:

(a) Costs and benefits, including environmental and public health costs and benefits, associated with this chapter for categories of persons participating in the clean fuels program or that are most impacted by air pollution, as defined in consultation with the departments of ecology and health and as measured on a census tract scale. This component of the analysis must, at minimum, assess the costs and benefits of changes in the following metrics since the start of the program:

(i) Levels of greenhouse gas emissions and criteria air pollutants for which the United States environmental protection agency has established national ambient air quality standards;

(ii) Fuel prices; and

(iii) Total employment in categories of industries generating credits or deficits. The categories of industries assessed must include but are not limited to electric utilities, oil refineries, and other industries involved in the production of high carbon fuels, industries involved in the delivery and sale of high carbon fuels, biofuel refineries, and industries involved in the delivery and sale of low carbon fuels;

(b) An evaluation of the information calculated and provided by the department under section 10(1) of this act; and

(c) A summary of the estimated total statewide costs and benefits attributable to the clean fuels program, including state agency administrative costs and regulated entity compliance costs. For purposes of calculating the benefits of the program, the summary may rely, in part, on a constant value of the social costs attributable to greenhouse gas emissions, as identified in contemporary internationally accepted estimates of such global social cost. This summary must include an estimate of the total statewide costs of the program per ton of greenhouse gas emissions reductions achieved by the clean fuels program.

(2) This section expires June 30, 2030.

NEW SECTION. Sec. 16. A new section is added to chapter 82.04 RCW to read as follows:

(1) This chapter does not apply to amounts received from the generation, purchase, sale, transfer, or retirement of credits under chapter 70A.--- RCW (the new chapter created in section 28 of this act).

(2) The provisions of RCW 82.32.805 and 82.32.808 do not apply to subsection (1) of this section.

Sec. 17. RCW 46.17.365 and 2015 3rd sp.s. c 44 s 202 are each amended to read as follows:

(1) A person applying for a motor vehicle registration and paying the vehicle license fee required in RCW 46.17.350(1) (a), (d), (e), (h), (j), (n), and (o) shall pay a motor vehicle weight fee in addition to all other fees and taxes required by law.

(a) For vehicle registrations that are due or become due before July 1, 2016, the motor vehicle weight fee:

(i) Must be based on the motor vehicle scale weight;

(ii) Is the difference determined by subtracting the vehicle license fee required in RCW 46.17.350 from the license fee in Schedule B of RCW 46.17.355, plus two dollars; and

(iii) Must be distributed under RCW 46.68.415.

(b) For vehicle registrations that are due or become due on or after July 1, 2016, the motor vehicle weight fee:

(i) Must be based on the motor vehicle scale weight as follows:

WEIGHT	FEE
4,000 pounds	\$ 25.00
6,000 pounds	\$ 45.00
8,000 pounds	\$ 65.00
16,000 pounds and over	\$ 72.00;

(ii) If the resultant motor vehicle scale weight is not listed in the table provided in (b)(i) of this subsection, must be increased to the next highest weight; and

(iii) Must be distributed under RCW 46.68.415 unless prior to July 1, 2023, the actions described in (b)(iii)(A) or (B) of this subsection occur, in which case the portion of the revenue that is the result of the fee increased in this subsection 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, absent explicit legislative authorization enacted subsequent to July 1, 2015, 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, without explicit legislative

authorization enacted subsequent to July 1, 2015.

(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.

(2) A person applying for a motor home vehicle registration shall, in lieu of the motor vehicle weight fee required in subsection (1) of this section, pay a motor home vehicle weight fee of seventy-five dollars in addition to all other fees and taxes required by law. The motor home vehicle weight fee must be distributed under RCW 46.68.415.

(3) Beginning July 1, 2022, in addition to the motor vehicle weight fee as provided in subsection (1) of this section, the department, county auditor or other agent, or subagent appointed by the director must require an applicant to pay an additional weight fee of ten dollars, which must be distributed to the multimodal transportation account under RCW 47.66.070 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 this subsection 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, absent explicit legislative authorization enacted subsequent to July 1, 2015, 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, without explicit legislative authorization enacted subsequent to July 1, 2015.

(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.

(4) The department shall:

(a) Rely on motor vehicle empty scale weights provided by vehicle manufacturers, or other sources defined by the department, to determine the weight of each motor vehicle; and

(b) Adopt rules for determining weight for vehicles without manufacturer empty scale weights.

Sec. 18. RCW 46.25.100 and 2015 3rd sp.s. c 44 s 208 are each amended to read as follows:

(1) When a person has been disqualified from operating a commercial motor vehicle, the person is not entitled to have the commercial driver's license or commercial learner's permit restored until after the expiration of the appropriate disqualification period required under RCW 46.25.090 or until the department has received a drug and alcohol assessment and evidence is presented of satisfactory participation in or completion of any required drug or alcohol treatment program for ending the disqualification under RCW 46.25.090(7). After expiration of the appropriate period and upon payment of a requalification fee of twenty dollars until June 30, 2016, and thirty-five dollars beginning July 1, 2016, or one hundred fifty dollars if the person has been disqualified under RCW 46.25.090(7), the person may apply for a new, duplicate, or renewal commercial driver's license or commercial learner's permit as provided by law. If the person has been disqualified for a period of one year or more, the person shall demonstrate that he or she meets the commercial driver's license or commercial learner's permit qualification standards specified in RCW 46.25.060.

(2) The fees 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 208, 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, absent explicit legislative authorization enacted subsequent to July 1, 2015, 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, without explicit legislative authorization enacted subsequent to July 1, 2015.

(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.

Sec. 19. RCW 46.20.202 and 2017 c 310 s 3 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 identicard 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 identicard. 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 identicard, or an enhanced driver's license or identicard.

(b) The department shall implement a one-to-many biometric matching system for the enhanced driver's license or identicard. An applicant for an enhanced

driver's license or identicard 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 identicard 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 identicard 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 identicard. 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 identicards 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 identicards from the negative file available to United States customs and border agents for the purposes of verifying identity.

(4) Beginning on July 23, 2017, the fee for an enhanced driver's license or enhanced identicard is 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 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 identicaid 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, absent explicit legislative authorization enacted subsequent to July 1, 2015, 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, without explicit legislative authorization enacted subsequent to July 1, 2015.

(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.

Sec. 20. RCW 46.25.052 and 2015 3rd sp.s. c 44 s 206 are each amended to read as follows:

(1) The department may issue a CLP to an applicant who is at least eighteen years of age and holds a valid Washington state driver's license and who has:

(a) Submitted an application on a form or in a format provided by the department;

(b) Passed the general knowledge examination required for issuance of a CDL under RCW 46.25.060 for the commercial motor vehicle classification in which the applicant operates or expects to operate; and

(c) Paid the appropriate examination fee or fees and an application fee of ten dollars until June 30, 2016, and forty dollars beginning July 1, 2016.

(2) A CLP must be marked "commercial learner's permit" or "CLP," and must be, to the maximum extent practicable, tamperproof. Other than a photograph of the applicant, it must include, but not be limited to, the information required on a CDL under RCW 46.25.080(1).

(3) The holder of a CLP may drive a commercial motor vehicle on a highway only when in possession of a valid driver's license and accompanied by the holder of a valid CDL who has the proper CDL classification and endorsement or endorsements necessary to operate the commercial motor vehicle. The CDL holder must at all times be physically present in the front seat of the vehicle next to the CLP holder or, in the case of a passenger vehicle, directly behind or in the first row behind the driver and must have the CLP holder under observation and direct supervision.

(4) A CLP may be classified in the same manner as a CDL under RCW 46.25.080(2)(a).

(5) CLPs may be issued with only P, S, or N endorsements as described in RCW 46.25.080(2)(b).

(a) The holder of a CLP with a P endorsement must have taken and passed the P endorsement knowledge examination. The holder of a CLP with a P endorsement is prohibited from operating a commercial motor vehicle carrying passengers other than authorized employees or representatives of the department and the federal motor carrier safety administration, examiners, other trainees, and the CDL holder accompanying the CLP holder as required under subsection (2) of this section. The P endorsement must be class specific.

(b) The holder of a CLP with an S endorsement must have taken and passed the S endorsement knowledge examination. The holder of a CLP with an S endorsement is prohibited from operating a school bus with passengers other than authorized employees or representatives of the department and the federal motor carrier safety administration, examiners, other trainees, and the CDL holder accompanying the CLP holder as required under subsection (2) of this section.

(c) The holder of a CLP with an N endorsement must have taken and passed the N endorsement knowledge examination. The holder of a CLP with an N endorsement may only operate an empty tank vehicle and is prohibited from operating any tank

vehicle that previously contained hazardous materials and has not been purged of any residue.

(6) A CLP may be issued with appropriate restrictions as described in RCW 46.25.080(2)(c). In addition, a CLP may be issued with the following restrictions:

(a) "P" restricts the driver from operating a bus with passengers;

(b) "X" restricts the driver from operating a tank vehicle that contains cargo; and

(c) Any restriction as established by rule of the department.

(7) The holder of a CLP is not authorized to operate a commercial motor vehicle transporting hazardous materials.

(8) A CLP may not be issued for a period to exceed one hundred eighty days. The department may renew the CLP for one additional one hundred eighty-day period without requiring the CLP holder to retake the general and endorsement knowledge examinations.

(9) The department must transmit the fees collected for CLPs to the state treasurer for deposit in 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 206, 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, absent explicit legislative authorization enacted subsequent to July 1, 2015, 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, without explicit legislative authorization enacted subsequent to July 1, 2015.

(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.

Sec. 21. RCW 46.25.060 and 2020 c 78 s 2 are each amended to read as follows:

(1)(a) No person may be issued a commercial driver's license unless that person:

(i) Is a resident of this state;

(ii) Has successfully completed a course of instruction in the operation of a commercial motor vehicle that has been approved by the director or has been certified by an employer as having the skills and training necessary to operate a commercial motor vehicle safely;

(iii) If he or she does not hold a valid commercial driver's license of the appropriate classification, has been issued a commercial learner's permit under RCW 46.25.052; and

(iv) Has passed a knowledge and skills examination for driving a commercial motor vehicle that complies with minimum federal standards established by federal regulation enumerated in 49 C.F.R. Part 383, subparts F, G, and H, in addition to other requirements imposed by state law or federal regulation. The department may not allow the person to take the skills examination during the first fourteen days after initial issuance of the person's commercial learner's permit. The examinations must be prescribed and conducted by the department.

(b) In addition to the fee charged for issuance or renewal of any license, the applicant shall pay a fee of no more than ten dollars until June 30, 2016, and thirty-five dollars beginning July 1, 2016, for the classified knowledge examination, classified endorsement knowledge examination, or any combination of classified license and endorsement knowledge examinations. The applicant shall pay a fee of no more than one hundred dollars until June 30, 2016, and two hundred fifty dollars beginning July 1, 2016, for each classified skill examination or combination of classified skill examinations conducted by the department.

(c) The department may authorize a person, including an agency of this or

another state, an employer, a private driver training facility, or other private institution, or a department, agency, or instrumentality of local government, to administer the skills examination specified by this section under the following conditions:

(i) The examination is the same which would otherwise be administered by the state;

(ii) The third party has entered into an agreement with the state that complies with the requirements of 49 C.F.R. Sec. 383.75; and

(iii) The director has adopted rules as to the third party testing program and the development and justification for fees charged by any third party.

(d) If the applicant's primary use of a commercial driver's license is for any of the following, then the applicant shall pay a fee of no more than seventy-five dollars until June 30, 2016, and two hundred twenty-five dollars beginning July 1, 2016, for the classified skill examination or combination of classified skill examinations whether conducted by the department or a third-party tester:

(i) Public benefit not-for-profit corporations that are federally supported head start programs; or

(ii) Public benefit not-for-profit corporations that support early childhood education and assistance programs as described in RCW 43.216.505.

(e) Beginning July 1, 2016, if the applicant's primary use of a commercial driver's license is to drive a school bus, the applicant shall pay a fee of no more than one hundred dollars for the classified skill examination or combination of classified skill examinations conducted by the department.

(f) Beginning July 1, 2016, payment of the examination fees under this subsection entitles the applicant to take the examination up to two times in order to pass.

(2)(a) The department may waive the skills examination and the requirement for completion of a course of instruction in the operation of a commercial motor vehicle specified in this section for a commercial driver's license applicant who meets the requirements of 49 C.F.R. Sec. 383.77. For current or former military service members that meet the

requirements of 49 C.F.R. Sec. 383.77, the department may also waive the requirements for a knowledge test for commercial driver's license applicants. Beginning December 1, 2021, the department shall provide an annual report to the house and senate transportation committees and the joint committee on veterans' and military affairs of the legislature on the number and types of waivers granted pursuant to this subsection.

(b) An applicant who operates a commercial motor vehicle for agribusiness purposes is exempt from the course of instruction completion and employer skills and training certification requirements under this section. By January 1, 2010, the department shall submit recommendations regarding the continuance of this exemption to the transportation committees of the legislature. For purposes of this subsection (2)(b), "agribusiness" means a private carrier who in the normal course of business primarily transports:

(i) Farm machinery, farm equipment, implements of husbandry, farm supplies, and materials used in farming;

(ii) Agricultural inputs, such as seed, feed, fertilizer, and crop protection products;

(iii) Unprocessed agricultural commodities, as defined in RCW 17.21.020, where such commodities are produced by farmers, ranchers, vineyardists, or orchardists; or

(iv) Any combination of (b)(i) through (iii) of this subsection.

The department shall notify the transportation committees of the legislature if the federal government takes action affecting the exemption provided in this subsection (2)(b).

(3) A commercial driver's license or commercial learner's permit may not be issued to a person while the person is subject to a disqualification from driving a commercial motor vehicle, or while the person's driver's license is suspended, revoked, or canceled in any state, nor may a commercial driver's license be issued to a person who has a commercial driver's license issued by any other state unless the person first surrenders all such licenses, which must be returned to the issuing state for cancellation.

(4) The fees 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 207, 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, absent explicit legislative authorization enacted subsequent to July 1, 2015, 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, without explicit legislative authorization enacted subsequent to July 1, 2015.

(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.

Sec. 22. RCW 70A.15.3150 and 2020 c 20 s 1111 are each amended to read as follows:

(1) Any person who knowingly violates any of the provisions of this chapter ~~((~~or~~))~~, chapter 70A.25 or 70A.--- (the new chapter created in section 28 of this act) RCW, RCW 70A.45.080, or any ordinance, resolution, or regulation in force pursuant thereto is guilty of a gross misdemeanor and upon conviction thereof shall be punished by a fine of not more than ten thousand dollars, or by imprisonment in the county jail for up to three hundred sixty-four days, or by both for each separate violation.

(2) Any person who negligently releases into the ambient air any substance listed by the department of ecology as a hazardous air pollutant, other than in compliance with the terms of an applicable permit or emission limit, and who at the time negligently

places another person in imminent danger of death or substantial bodily harm is guilty of a gross misdemeanor and shall, upon conviction, be punished by a fine of not more than ten thousand dollars, or by imprisonment for up to three hundred sixty-four days, or both.

(3) Any person who knowingly releases into the ambient air any substance listed by the department of ecology as a hazardous air pollutant, other than in compliance with the terms of an applicable permit or emission limit, and who knows at the time that he or she thereby places another person in imminent danger of death or substantial bodily harm, is guilty of a class C felony and shall, upon conviction, be punished by a fine of not less than fifty thousand dollars, or by imprisonment for not more than five years, or both.

(4) Any person who knowingly fails to disclose a potential conflict of interest under RCW 70A.15.2000 is guilty of a gross misdemeanor, and upon conviction thereof shall be punished by a fine of not more than five thousand dollars.

Sec. 23. RCW 70A.15.3160 and 2020 c 20 s 1112 are each amended to read as follows:

(1)(a) Except as provided in RCW 43.05.060 through 43.05.080 and 43.05.150, and in addition to or as an alternate to any other penalty provided by law, any person who violates any of the provisions of this chapter, chapter 70A.25 ~~((~~or~~))~~, 70A.450, or 70A.--- (the new chapter created in section 28 of this act) RCW, RCW 70A.45.080, or any of the rules in force under such chapters or section may incur a civil penalty in an amount not to exceed ten thousand dollars per day for each violation. Each such violation shall be a separate and distinct offense, and in case of a continuing violation, each day's continuance shall be a separate and distinct violation.

(b) Any person who fails to take action as specified by an order issued pursuant to this chapter shall be liable for a civil penalty of not more than ten thousand dollars for each day of continued noncompliance.

(2)(a) Penalties incurred but not paid shall accrue interest, beginning on the ninety-first day following the date that the penalty becomes due and payable, at the highest rate allowed by RCW 19.52.020 on the date that the penalty becomes due

and payable. If violations or penalties are appealed, interest shall not begin to accrue until the thirty-first day following final resolution of the appeal.

(b) The maximum penalty amounts established in this section may be increased annually to account for inflation as determined by the state office of the economic and revenue forecast council.

(3) Each act of commission or omission which procures, aids or abets in the violation shall be considered a violation under the provisions of this section and subject to the same penalty. The penalties provided in this section shall be imposed pursuant to RCW 43.21B.300.

(4) All penalties recovered under this section by the department shall be paid into the state treasury and credited to the air pollution control account established in RCW 70A.15.1010 or, if recovered by the authority, shall be paid into the treasury of the authority and credited to its funds. If a prior penalty for the same violation has been paid to a local authority, the penalty imposed by the department under subsection (1) of this section shall be reduced by the amount of the payment.

(5) To secure the penalty incurred under this section, the state or the authority shall have a lien on any vessel used or operated in violation of this chapter which shall be enforced as provided in RCW 60.36.050.

(6) Public or private entities that are recipients or potential recipients of department grants, whether for air quality related activities or not, may have such grants rescinded or withheld by the department for failure to comply with provisions of this chapter.

(7) In addition to other penalties provided by this chapter, persons knowingly under-reporting emissions or other information used to set fees, or persons required to pay emission or permit fees who are more than ninety days late with such payments may be subject to a penalty equal to three times the amount of the original fee owed.

(8) The department shall develop rules for excusing excess emissions from enforcement action if such excess emissions are unavoidable. The rules shall specify the criteria and procedures for the department and local air authorities to determine whether a period

of excess emissions is excusable in accordance with the state implementation plan.

Sec. 24. RCW 19.112.110 and 2013 c 225 s 601 are each amended to read as follows:

(1) Special fuel licensees under chapter 82.38 RCW, as determined by the department of licensing, must provide evidence to the department of licensing that at least two percent of the total annual diesel fuel sold in Washington is biodiesel or renewable diesel fuel, following the earlier of: (a) November 30, 2008; or (b) when a determination is made by the director, published in the Washington State Register, that feedstock grown in Washington state can satisfy a two-percent requirement.

(2) Special fuel licensees under chapter 82.38 RCW, as determined by the department of licensing, must provide evidence to the department of licensing that at least five percent of total annual diesel fuel sold in Washington is biodiesel or renewable diesel fuel, when the director determines, and publishes this determination in the Washington State Register, that both in-state oil seed crushing capacity and feedstock grown in Washington state can satisfy a three-percent requirement.

(3) The requirements of subsections (1) and (2) of this section may take effect no sooner than one hundred eighty days after the determination has been published in the Washington State Register.

(4) The director and the director of licensing must each adopt rules, in coordination with each other, for enforcing and carrying out the purposes of this section.

(5) To the extent that the requirements of this section conflict with the requirements of chapter 70A.--- (the new chapter created in section 28 of this act) RCW, the requirements of chapter 70A.--- (the new chapter created in section 28 of this act) RCW prevail.

Sec. 25. RCW 19.112.120 and 2013 c 225 s 602 are each amended to read as follows:

(1) By December 1, 2008, motor vehicle fuel licensees under chapter 82.38 RCW, as determined by the department of licensing, must provide evidence to the department of licensing that at least two

percent of total gasoline sold in Washington, measured on a quarterly basis, is denatured ethanol.

(2) If the director of ecology determines that ethanol content greater than two percent of the total gasoline sold in Washington will not jeopardize continued attainment of the federal clean air act's national ambient air quality standard for ozone pollution in Washington and the director of agriculture determines and publishes this determination in the Washington State Register that sufficient raw materials are available within Washington to support economical production of ethanol at higher levels, the director of agriculture may require by rule that licensees provide evidence to the department of licensing that denatured ethanol comprises between two percent and at least ten percent of total gasoline sold in Washington, measured on a quarterly basis.

(3) The requirements of subsections (1) and (2) of this section may take effect no sooner than one hundred eighty days after the determination has been published in the Washington State Register.

(4) The director and the director of licensing must each adopt rules, in coordination with each other, for enforcing and carrying out the purposes of this section.

(5) Nothing in this section is intended to prohibit the production, sale, or use of motor fuel for use in federally designated flexibly fueled vehicles capable of using E85 motor fuel. Nothing in this section is intended to limit the use of high octane gasoline not blended with ethanol for use in aircraft.

(6) To the extent that the requirements of this section conflict with the requirements of chapter 70A.--- (the new chapter created in section 28 of this act) RCW, the requirements of chapter 70A.--- (the new chapter created in section 28 of this act) RCW prevail.

NEW SECTION. Sec. 26. A new section is added to chapter 28B.30 RCW to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, Washington State University's energy program must initiate a least conflict priority clean energy project siting program in coordination with the

energy facility site evaluation council, the department of ecology, the department of commerce, the department of fish and wildlife, local governments, clean energy stakeholders, conservation stakeholders, and Indian tribes. This program must engage all relevant agencies, stakeholders, and Indian tribes to identify priority areas in Washington state with the least amount of potential environmental impact and other conflict over competing land uses in the siting of major clean energy projects with the potential to produce significant volumes of transportation fuel with a low carbon intensity, or that support the production of such transportation fuel. Washington State University's energy program may identify different priority areas for different types of industrial or manufacturing clean energy projects with the potential to produce significant volumes of transportation fuel with a low carbon intensity in sectors including, but not limited to, biofuels, agricultural and forest biomass, hydrogen produced via electrolysis of water, and renewable natural gas.

(2) A project proposed in an area designated under subsection (1) of this section does not receive a guarantee or assurance of being permitted and is subject to review consistent with chapter 43.21C RCW and applicable environmental permit processes. Project proponents are not limited to proposing projects in identified least conflict zones.

(3) The identification of priority areas completed in subsection (1) of this section must be updated at least once every six years.

NEW SECTION. Sec. 27. A new section is added to chapter 43.21A RCW to read as follows:

Subject to the availability of amounts appropriated for this specific purpose, the department, in consultation with the department of commerce, must periodically convene stakeholders, including all of those identified in section 26 of this act, Indian tribes, and the member agencies of the energy facility site evaluation council to identify and discuss avoidance, minimization, and mitigation of significant likely environmental impacts of clean energy projects specified in section 26 of this act. The environmental impacts identified and discussed must include, but are not limited to, air quality impacts, impacts to land and

aquatic habitats, and wildlife impacts that may result from clean energy projects. The department must periodically provide a report to the appropriate committees of the house of representatives and the senate identifying mitigation resources, funding needs, and potential policies and programs to modify permitting and environmental review necessary for construction of clean energy projects with the potential to produce significant volumes of transportation fuel with a low carbon intensity, or that support the production of such transportation fuel, in Washington state.

NEW SECTION. **Sec. 28.** Sections 1 through 15 of this act constitute a new chapter in Title 70A RCW.

NEW SECTION. **Sec. 29.** If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2021, in the omnibus appropriations act, this act is null and void.

NEW SECTION. **Sec. 30.** 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."

On page 1, line 2 of the title, after "fuel;" strike the remainder of the title and insert "amending RCW 46.17.365, 46.25.100, 46.20.202, 46.25.052, 46.25.060, 70A.15.3150, 70A.15.3160, 19.112.110, and 19.112.120; adding a new section to chapter 82.04 RCW; adding a new section to chapter 28B.30 RCW; adding a new section to chapter 43.21A RCW; adding a new chapter to Title 70A RCW; creating a new section; prescribing penalties; providing a contingent effective date; and providing an expiration date."

and the same is herewith transmitted.

Sarah Bannister, Deputy Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House refused to concur in the Senate amendment to ENGROSSED THIRD SUBSTITUTE HOUSE BILL NO. 1091 and asked the Senate to recede therefrom.

MESSAGE FROM THE SENATE

April 19, 2021

Madame Speaker:

The Senate refuses to concur in the House amendment to ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5237 and asks the House for a Conference thereon. The President has appointed the following members as Conferees: Senators Billig, Hawkins and Wilson C.,

and the same is herewith transmitted,

Sarah Bannister, Deputy Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House granted the Senate's request for a Conference on ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5237. The Speaker (Representative Lovick presiding) appointed the following members as Conferees: Representatives Senn, Bergquist and Dent.

MESSAGE FROM THE SENATE

April 5, 2021

Madame Speaker:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL NO. 1189 with the following amendment:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Assessed value of real property" means the valuation of taxable real property as placed on the last completed assessment roll prepared pursuant to Title 84 RCW.

(2) "Increment area" means the geographic area within which regular property tax revenues are to be apportioned to pay public improvement costs, as authorized under this chapter.

(3) "Increment value" means 100 percent of any increase in the true and fair value of real property in an increment area that is placed on the tax rolls after the increment area is created. The increment value shall not be less than zero.

(4) "Local government" means any city, town, county, port district, or any combination thereof.

(5) "Ordinance" means any appropriate method of taking legislative action by a local government, including a resolution adopted by a port district organized under Title 53 RCW.

(6) "Public improvement costs" means the costs of:

(a) Design, planning, acquisition, required permitting, required environmental studies and mitigation, seismic studies or surveys, archaeological studies or surveys, land surveying, site preparation, construction, reconstruction, rehabilitation, improvement, and installation of public improvements and other directly related costs;

(b) Relocating, maintaining, and operating property pending construction of public improvements;

(c) Relocating utilities as a result of public improvements;

(d) Financing public improvements, including capitalized interest for up to six months following completion of construction, legal and other professional services, taxes, insurance, principal and interest costs on general indebtedness issued to finance public improvements, and any necessary debt service reserves;

(e) Expenses incurred in revaluing real property for the purpose of determining the tax allocation base value by a county assessor under chapter 84.41 RCW and expenses incurred by a county treasurer under chapter 84.56 RCW in apportioning the taxes and complying with this chapter and other applicable law. For purposes of this subsection (6)(e), "expenses incurred" means actual staff and software costs directly related to the implementation and ongoing administration of increment areas under this chapter; and

(f) Administrative expenses and feasibility studies reasonably necessary and related to these costs, including related costs that may have been incurred before adoption of the ordinance authorizing the public improvements and the use of tax increment financing to fund the costs of the public improvements.

(7) "Public improvements" means:

(a) Infrastructure improvements owned by a local government within or outside

of and serving the increment area that include:

(i) Street and road construction;

(ii) Water and sewer system construction and improvements;

(iii) Sidewalks and other nonmotorized transportation improvements and streetlights;

(iv) Parking, terminal, and dock facilities;

(v) Park and ride facilities or other transit facilities;

(vi) Park and community facilities and recreational areas;

(vii) Stormwater and drainage management systems;

(viii) Electric, broadband, or rail service;

(ix) Mitigation of brownfields; or

(b) Expenditures for any of the following purposes:

(i) Purchasing, rehabilitating, retrofitting for energy efficiency, and constructing housing for the purpose of creating or preserving long-term affordable housing;

(ii) Purchasing, rehabilitating, retrofitting for energy efficiency, and constructing child care facilities serving children and youth that are low-income, homeless, or in foster care;

(iii) Providing maintenance and security for the public improvements; or

(iv) Historic preservation activities authorized under RCW 35.21.395.

(8) "Regular property taxes" means regular property taxes as defined in RCW 84.04.140, except: (a) Regular property taxes levied by port districts or public utility districts to the extent necessary for the payments of principal and interest on general obligation debt; and (b) regular property taxes levied by the state for the support of the common schools under RCW 84.52.065. Regular property taxes do not include excess property tax levies that are exempt from the aggregate limits for junior and senior taxing districts as provided in RCW 84.52.043. "Regular property taxes" does not include excess property taxes levied by local school districts.

(9) "Tax allocation base value" means the assessed value of real property

located within an increment area for taxes imposed in the year in which the increment area is first designated.

(10) "Tax allocation revenues" means those revenues derived from the imposition of regular property taxes on the increment value.

(11) "Taxing district" means a governmental entity that levies or has levied for it regular property taxes upon real property located within a proposed or approved increment area.

NEW SECTION. **Sec. 2.** (1) A local government may designate an increment area under this chapter and use the tax allocation revenues to pay public improvement costs, subject to the following conditions:

(a) The local government must adopt an ordinance designating an increment area within its boundaries and describing the public improvements proposed to be paid for, or financed with, tax allocation revenues;

(b) The local government may not designate increment area boundaries such that the entirety of its territory falls within an increment area;

(c) The increment area may not have an assessed valuation of more than \$200,000,000 or more than 20 percent of the sponsoring jurisdiction's total assessed valuation, whichever is less, when the ordinance is passed. If a sponsoring jurisdiction creates two increment areas, the total combined assessed valuation in both of the two increment areas may not equal more than \$200,000,000 or more than 20 percent of the sponsoring jurisdiction's total assessed valuation, whichever is less, when the ordinances are passed creating the increment areas;

(d) A local government can create no more than two active increment areas at any given time and they may not physically overlap by including the same land in more than one increment area at any time;

(e) The ordinance must set a sunset date for the increment area, which may be no more than 25 years after the first year in which tax allocation revenues are collected from the increment area;

(f) The ordinance must identify the public improvements to be financed and indicate whether the local government intends to issue bonds or other

obligations, payable in whole or in part, from tax allocation revenues to finance the public improvement costs, and must estimate the maximum amount of obligations contemplated;

(g) The ordinance must provide that the increment takes effect on June 1st following the adoption of the ordinance in (a) of this subsection;

(h) The sponsoring jurisdiction may not add additional public improvements to the project after adoption of the ordinance creating the increment area or change the boundaries of the increment area. The sponsoring jurisdiction may expand, alter, or add to the original public improvements when doing so is necessary to assure the originally approved improvements can be constructed or operated;

(i) The ordinance must impose a deadline by which commencement of construction of the public improvements shall begin, which deadline must be at least five years into the future and for which extensions shall be made available for good cause; and

(j) The local government must make a finding that:

(i) The public improvements proposed to be paid or financed with tax allocation revenues are expected to encourage private development within the increment area and to increase the assessed value of real property within the increment area;

(ii) Private development that is anticipated to occur within the increment area as a result of the proposed public improvements will be permitted consistent with the permitting jurisdiction's applicable zoning and development standards;

(iii) The private development would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future without the proposed public improvements; and

(iv) The increased assessed value within the increment area that could reasonably be expected to occur without the proposed public improvements would be less than the increase in the assessed value estimated to result from the proposed development with the proposed public improvements.

(2) In considering whether to designate an increment area, the legislative body of the local government must prepare a project analysis that shall include, but need not be limited to, the following:

(a) A statement of objectives of the local government for the designated increment area;

(b) A statement as to the property within the increment area, if any, that the local government may intend to acquire;

(c) The duration of the increment area;

(d) Identification of all parcels to be included in the area;

(e) A description of the expected private development within the increment area, including a comparison of scenarios with the proposed public improvements and without the proposed public improvements;

(f) A description of the public improvements, estimated public improvement costs, and the estimated amount of bonds or other obligations expected to be issued to finance the public improvement costs and repaid with tax allocation revenues;

(g) The assessed value of real property listed on the tax roll as certified by the county assessor under RCW 84.52.080 from within the increment area and an estimate of the increment value and tax allocation revenues expected to be generated;

(h) An estimate of the job creation reasonably expected to result from the public improvements and the private development expected to occur in the increment area; and

(i) An assessment of any impacts and any necessary mitigation to address the impacts identified on the following:

- (i) Affordable and low-income housing;
- (ii) The local business community;
- (iii) The local school districts; and
- (iv) The local fire service.

(3) The local government may charge a private developer, who agrees to participate in creating the increment area, a fee sufficient to cover the cost of the project analysis and establishing the increment area, including staff time,

professionals and consultants, and other administrative costs related to establishing the increment area.

(4) Nothing in this section prohibits a local government from entering into an agreement under chapter 39.34 RCW with another local government for the administration or other activities related to tax increment financing authorized under this section.

(5) If the project analysis indicates that an increment area will impact at least 20 percent of the assessed value in a fire protection district or regional fire protection service authority, or the fire service agency's annual report demonstrates an increase in the level of service directly related to the increment area, the local government must negotiate a mitigation plan with the fire protection district or regional fire protection service authority to address level of service issues in the increment area.

(6) The local government may reimburse the assessor and treasurer for their costs as provided in section 1(6)(e) of this act.

(7) Prior to the adoption of an ordinance authorizing creation of an increment area, the local government must:

(a) Hold at least two public briefings for the community solely on the tax increment project that include the description of the increment area, the public improvements proposed to be financed with the tax allocation revenues, and a detailed estimate of tax revenues for the participating local governments and taxing districts, including the amounts allocated to the increment public improvements. The briefings must be announced at least two weeks prior to the date being held, including publishing in a legal newspaper of general circulation and posting information on the local government website and all local government social media sites; and

(b) Submit the project analysis to the office of the treasurer for review and consider any comments that the treasurer may provide upon completion of their review of the project analysis as provided under this subsection. The treasurer must complete the review within 90 days of receipt of the project analysis and may consult with other agencies and outside experts as

necessary. Upon completing their review, the treasurer must promptly provide to the local government any comments regarding suggested revisions or enhancements to the project analysis that the treasurer deems appropriate based on the requirements in subsection (2) of this section.

NEW SECTION. **Sec. 3.** (1) Public improvements that are financed under this chapter may be undertaken and coordinated with other programs or efforts undertaken by the local government and other taxing districts and may be funded in part from revenue sources other than tax allocation revenues.

(2) Public improvements that are constructed by a private developer must meet all applicable state and local laws.

NEW SECTION. **Sec. 4.** The local government designating the increment area must:

(1) Publish notice in a legal newspaper of general circulation within the jurisdiction of the local government that describes the public improvements, describes the boundaries of the increment area, and identifies the location and times where the ordinance and other public information concerning the public improvement may be inspected; and

(2) Deliver a certified copy of the ordinance to the county treasurer, the county assessor, and the governing body of each taxing district within which the increment area is located.

NEW SECTION. **Sec. 5.** Apportionment of taxes shall be as follows:

(1) Commencing in the calendar year following the passage of the ordinance, the county treasurer shall distribute receipts from regular property taxes imposed on real property located in the increment area as follows:

(a) Each taxing district shall receive that portion of its regular property taxes produced by the rate of tax levied by or for the taxing district on the tax allocation base value for that increment area;

(b) The local government that designated the increment area shall be entitled to receive an additional amount equal to the amount derived from the regular property taxes levied by or for each taxing district upon the increment value within the increment area. The local government that designated the

increment area shall receive no more than is needed to pay or repay costs directly associated with the public improvements identified in the approved ordinance and may agree to receive less than the full amount of this portion, as long as bond debt service, reserve, and other bond covenant requirements are satisfied, in which case the balance of these tax receipts shall be allocated to the taxing districts that imposed regular property taxes, or have regular property taxes imposed for them, in the increment area for collection that year in proportion to their regular tax levy rates for collection that year. The local government may request that the treasurer transfer this additional portion of the property taxes to its designated agent. The portion of the tax receipts distributed to the local government or its agent under this subsection (1)(b) may only be expended to finance public improvement costs associated with the public improvements financed in whole or in part by tax increment financing; and

(c) This section shall not apply to any receipts from the regular property taxes levied by:

(i) The state for the support of the common schools under RCW 84.52.065;

(ii) Local school district excess levies; and

(iii) Port districts or public utility districts specifically for the purpose of making required payments of principal and interest or general indebtedness.

(2) The apportionment of tax allocation revenues must cease when the taxing district certifies to the county assessor in writing that tax allocation revenues are no longer necessary or obligated to pay public improvement costs, but in no event shall the apportionment of tax allocation revenues continue beyond the sunset date established pursuant to section 2(1)(e) of this act. Any excess tax allocation revenues and earnings on the tax allocation revenues remaining at the time the apportionment of tax receipts terminates must be returned to the county treasurer and distributed to the taxing districts that imposed regular property taxes, or had regular property taxes imposed for it, in the increment area for collection that year, in proportion to the rates of their regular property tax levies for collection that year.

(3) The apportionment and distribution of portions of the regular property taxes levied by or for each taxing district upon the increment value within the increment area pursuant to and subject to the requirements of this chapter is declared to be a public purpose of and benefit each such taxing district.

(4) The apportionment and distribution of portions of the regular property taxes levied by or for each taxing district upon the increment value within the increment area pursuant to this section shall not affect or be deemed to affect the rate of taxes levied by or within any such taxing district or the consistency of any such levies with the uniformity requirement of Article VII, section 1 of the state Constitution.

NEW SECTION. Sec. 6. (1) A local government designating an increment area may incur general indebtedness, and issue general obligation bonds or notes to finance the public improvements and retire the indebtedness, in whole or in part, from tax allocation revenues it receives.

(2) The general indebtedness incurred under subsection (1) of this section may be payable from tax allocation revenues and any other sources available to the local government for payment of the public improvement costs, including without limitation: Other tax revenues; the full faith and credit of the local government; nontax income, revenues, fees, and rents from the public improvements; and contributions, grants, and nontax resources.

(3) In addition to the requirements in subsection (1) of this section, a local government designating an increment area and authorizing the use of tax increment financing may require the nonpublic participant to provide adequate security to protect the public investment in the public improvement within the increment area.

NEW SECTION. Sec. 7. A direct or collateral attack on the designation of the increment area or the allocation of regular property tax revenues in conformance with applicable legal requirements, including this chapter, may not be commenced more than 30 days after adoption of the ordinance as required by section 2 of this act.

NEW SECTION. Sec. 8. (1) A local government may issue revenue bonds to fund revenue-generating public

improvements, or portions of public improvements, that are located within an increment area and that it is authorized to provide or operate. Whenever revenue bonds are to be issued, the legislative authority of the local government shall create or have created a special fund or funds from which, along with any reserves created pursuant to RCW 39.44.140, the principal and interest on these revenue bonds shall exclusively be payable. The legislative authority of the local government may obligate the local government to set aside and pay into the special fund or funds a fixed proportion or a fixed amount of the revenues from the public improvements that are funded by the revenue bonds. This amount or proportion is a lien and charge against these revenues, subject only to operating and maintenance expenses. The local government shall have due regard for the cost of operation and maintenance of the public improvements that are funded by the revenue bonds, and shall not set aside into the special fund or funds a greater amount or proportion of the revenues that in its judgment will be available over and above the cost of maintenance and operation and the amount or proportion, if any, of the revenue previously pledged. The local government may also provide that revenue bonds payable out of the same source or sources of revenue may later be issued on a parity with any revenue bonds being issued and sold.

(2) Revenue bonds issued under this section are not an indebtedness of the local government issuing the bonds, and the interest and principal on the bonds shall only be payable from the revenues lawfully pledged to meet the principal and interest requirements and any reserves created pursuant to RCW 39.44.140. The owner or bearer of a revenue bond or any interest coupon issued under this section shall not have any claim against the local government arising from the bond or coupon except for payment from the revenues lawfully pledged to meet the principal and interest requirements and any reserves created pursuant to RCW 39.44.140. The substance of the limitations included in this subsection shall be plainly printed, written, or engraved on each bond issued under this section.

(3) Revenue bonds with a maturity in excess of 25 years shall not be issued under this section.

(4) The legislative authority of the local government shall by resolution determine for each revenue bond issue the amount, date, form, terms, conditions, denominations, maximum fixed or variable interest rate or rates, maturity or maturities, redemption rights, registration privileges, manner of execution, manner of sale, callable provisions, if any, and covenants including the refunding of existing revenue bonds. Facsimile signatures may be used on the bonds and any coupons. Refunding revenue bonds may be issued in the same manner as revenue bonds are issued.

(5) The authority to issue revenue bonds under this section is supplementary and in addition to any authority otherwise existing. Nothing in this section limits a local government in the issuance of revenue bonds that are otherwise authorized by law for the construction of additions, betterments, or extensions of utilities within the increment area.

(6) Notwithstanding anything to the contrary in this section, revenue bonds issued to finance public improvements may be issued in accordance with chapter 39.46 RCW.

NEW SECTION. Sec. 9. This chapter supplements and neither restricts nor limits any powers that the state or any local government might otherwise have under any laws of this state.

Sec. 10. RCW 84.55.010 and 2017 3rd sp.s. c 13 s 302 are each amended to read as follows:

(1) Except as provided in this chapter, the levy for a taxing district in any year must be set so that the regular property taxes payable in the following year do not exceed the limit factor multiplied by the amount of regular property taxes lawfully levied for such district in the highest of the three most recent years in which such taxes were levied for such district, excluding any increase due to (e) of this subsection, unless the highest levy was the statutory maximum rate amount, plus an additional dollar amount calculated by multiplying the regular property tax levy rate of that district for the preceding year by the increase in assessed value in that district resulting from:

(a) New construction;

(b) Increases in assessed value due to construction of wind turbine, solar, biomass, and geothermal facilities, if such facilities generate electricity and the property is not included elsewhere under this section for purposes of providing an additional dollar amount. The property may be classified as real or personal property;

(c) Improvements to property; ~~((and))~~

(d) Any increase in the assessed value of state-assessed property; and

(e) Any increase in the assessed value of real property, as that term is defined in section 1 of this act, within an increment area as designated by any local government in section 2 of this act provided that such increase is not included elsewhere under this section. This subsection (1) (e) does not apply to levies by the state or by port districts and public utility districts for the purpose of making required payments of principal and interest on general indebtedness.

(2) The requirements of this section do not apply to:

(a) State property taxes levied under RCW 84.52.065(1) for collection in calendar years 2019 through 2021; and

(b) State property taxes levied under RCW 84.52.065(2) for collection in calendar years 2018 through 2021.

Sec. 11. RCW 84.55.120 and 2014 c 4 s 5 are each amended to read as follows:

(1) A taxing district, other than the state, that collects regular levies must hold a public hearing on revenue sources for the district's following year's current expense budget. The hearing must include consideration of possible increases in property tax revenues and must be held prior to the time the taxing district levies the taxes or makes the request to have the taxes levied. The county legislative authority, or the taxing district's governing body if the district is a city, town, or other type of district, must hold the hearing. For purposes of this section, "current expense budget" means that budget which is primarily funded by taxes and charges and reflects the provision of ongoing services. It does not mean the capital, enterprise, or special assessment budgets of cities, towns, counties, or special purpose districts.

(2) If the taxing district is otherwise required to hold a public hearing on its proposed regular tax levy, a single public hearing may be held on this matter.

(3)(a) Except as provided in (b) of this subsection (3), no increase in property tax revenue may be authorized by a taxing district, other than the state, except by adoption of a separate ordinance or resolution, pursuant to notice, specifically authorizing the increase in terms of both dollars and percentage. The ordinance or resolution may cover a period of up to two years, but the ordinance must specifically state for each year the dollar increase and percentage change in the levy from the previous year.

(b) Exempt from the requirements of (a) of this subsection are increases in revenue resulting from the addition of:

(i) New construction;

(ii) Increases in assessed value due to construction of wind turbine, solar, biomass, and geothermal facilities, if such facilities generate electricity and the property is not included elsewhere under this section for purposes of providing an additional dollar amount. The property may be classified as real or personal property;

(iii) Improvements to property;
(~~and~~)

(iv) Any increase in the value of state-assessed property; and

(v) Any increase in the assessed value of real property, as that term is defined in section 1 of this act, within an increment area as designated by any local government in section 2 of this act provided that such increase is not included elsewhere under this section. This subsection (3)(b)(v) does not apply to levies by the state or by port districts and public utility districts for the purpose of making required payments of principal and interest on general indebtedness.

NEW SECTION. Sec. 12. Sections 1 through 9 of this act constitute a new chapter in Title 39 RCW.

NEW SECTION. Sec. 13. 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."

On page 1, line 1 of the title, after "financing;" strike the remainder of the title and insert "amending RCW 84.55.010 and 84.55.120; and adding a new chapter to Title 39 RCW."

and the same is herewith transmitted.

Brad Hendrickson, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SUBSTITUTE HOUSE BILL NO. 1189 and advanced the bill, as amended by the Senate, to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representative Duerr spoke in favor of the passage of the bill.

Representative Orcutt spoke against the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1189, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1189, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 68; Nays, 30; Absent, 0; Excused, 0.

Voting yea: Representatives Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Callan, Chapman, Chopp, Cody, Corry, Davis, Dolan, Duerr, Entenman, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris-Talley, Hoff, J. Johnson, Kirby, Klippert, Kloba, Lekanoff, Lovick, MacEwen, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Ryu, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Wicks, Wylie and Mme. Speaker.

Voting nay: Representatives Abbarno, Bronoske, Caldier, Chambers, Chandler, Chase, Dent, Dufault, Dye, Eslick, Harris, Jacobsen, Klicker, Kraft, Kretz, Leavitt, Maycumber, McCaslin, McEntire, Mosbrucker, Orcutt, Paul, Rule, Santos, Schmick, Sutherland, Walsh, Wilcox, Ybarra and Young.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1189, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 10, 2021

Madame Speaker:

The Senate has passed SUBSTITUTE HOUSE BILL NO. 1218 with the following amendment:

Strike everything after the enacting clause and insert the following:

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

(1) Residents in licensed long-term care facilities have been disproportionately impacted and isolated by the COVID-19 pandemic and over 50 percent of all COVID-19 deaths in Washington have been associated with long-term care facilities;

(2) According to a University of Washington report, social isolation creates a "double pandemic" that disrupts care and exacerbates the difficulties of dementia, depression, suicide risk, chronic health conditions, and other challenges faced by long-term care residents and providers;

(3) A "digital divide" exists in many parts of Washington, particularly for older adults of color with low incomes and those in rural communities;

(4) Residents with sensory limitations, mental illness, intellectual disabilities, dementia, cognitive limitations, traumatic brain injuries, or other disabilities may not be able to fully utilize digital tools which exacerbates their social isolation;

(5) Long-term care facilities already have the legal responsibility to care for their residents in a manner and in an environment that promotes the maintenance or enhancement of each resident's quality of life. A resident should have a safe, clean, comfortable, and homelike environment as detailed in chapter 70.129 RCW; and

(6) The COVID-19 pandemic has exposed systematic weaknesses in the state's long-term care system and there is a need to enact additional measures to protect and improve the health, safety, and quality of life of residents.

NEW SECTION. **Sec. 2.** A new section is added to chapter 18.20 RCW to read as follows:

The department must require an assisted living facility that is subject to a stop placement order or limited stop placement order under RCW 18.20.190 to publicly post in a conspicuous place at the facility a standardized notice that the department has issued a stop placement order or limited stop placement order for the facility. The standardized notice shall be developed by the department to include the date of the stop placement order or limited stop placement order, any conditions placed upon the facility's license, contact information for the department, contact information for the administrator or provider of the assisted living facility, and a statement that anyone may contact the department or the administrator or provider for further information. The notice must remain posted until the department has terminated the stop placement order or limited stop placement order.

NEW SECTION. **Sec. 3.** A new section is added to chapter 18.20 RCW to read as follows:

(1) The department shall require each assisted living facility to:

(a) Create and regularly maintain a current resident roster containing the name and room number of each resident and provide a written copy immediately upon an in-person request from any long-term care ombuds;

(b) Create and regularly maintain current, accurate, and aggregated contact information for all residents, including contact information for the resident representative, if any, of each resident. The contact information for each resident must include the resident's name, room number, and, if available, telephone number and email address. The contact information for each resident representative must include the resident representative's name, relationship to the resident, phone number, and, if available, email and mailing address;

(c) Record and update the aggregated contact information required by this section, upon receipt of new or updated contact information from the resident or resident representative; and

(d) Upon the written request of any long-term care ombuds that includes reference to this section and the relevant legal functions and duties of long-term care ombuds, provide a copy of the aggregated contact information

required by this section within 48 hours, or within a reasonable time if agreed to by the requesting long-term care ombuds by electronic copy to the secure email address or facsimile number provided in the written request.

(2) In accordance with the federal Older Americans act, federal regulations, and state laws that govern the state long-term care ombuds program, the department shall inform assisted living facilities that:

(a) Any long-term care ombuds is authorized to request and obtain from assisted living facilities the information required by this section in order to perform the functions and duties of long-term care ombuds as set forth in federal and state laws;

(b) The state long-term care ombuds program and all long-term care ombuds are considered a "health oversight agency," so that the federal health insurance portability and accountability act and chapter 70.02 RCW do not preclude assisted living facilities from providing the information required by this section when requested by any long-term care ombuds, and pursuant to these laws, the federal older Americans act, federal regulations, and state laws that govern the state long-term care ombuds program, facilities are not required to seek or obtain consent from residents or resident representatives prior to providing the information required by this section in accordance with the requirements of this section;

(c) The information required by this section, when provided by an assisted living facility to a requesting long-term care ombuds, becomes property of the state long-term care ombuds program and is subject to all state and federal laws governing the confidentiality and disclosure of the files, records, and information maintained by the state long-term care ombuds program or any local long-term care ombuds entity; and

(d) The assisted living facility may not refuse to provide or unreasonably delay providing the resident roster, the contact information for a resident or resident representative, or the aggregated contact information required by this section on any basis, including on the basis that the facility must first seek or obtain consent from one or more of the residents or resident representatives.

(3) Nothing in this section shall interfere with or diminish the authority of any long-term care ombuds to access facilities, residents, and resident records as otherwise authorized by law.

(4) For the purposes of this section, "resident representative" has the same meaning as in RCW 70.129.010.

NEW SECTION. **Sec. 4.** A new section is added to chapter 18.20 RCW to read as follows:

(1) Each assisted living facility shall be responsive to incoming communications and respond within a reasonable time to phone and electronic messages.

(2) Each assisted living facility must have a communication system, including a sufficient quantity of working telephones and other communication equipment, to ensure that residents have 24-hour access to communications with family, medical providers, and others, and also to allow for emergency contact to and from facility staff. The telephones and communication equipment must provide for auditory privacy, not be located in a staff office or station, be accessible and usable by persons with hearing loss and other disabilities, and not require payment for local calls. An assisted living facility is not required to provide telephones at no cost in each resident room.

NEW SECTION. **Sec. 5.** A new section is added to chapter 18.20 RCW to read as follows:

(1) Each assisted living facility shall develop and maintain a comprehensive disaster preparedness plan to be followed in the event of a disaster or emergency, including fires, earthquakes, floods, infectious disease outbreaks, loss of power or water, and other events that may require sheltering in place, evacuations, or other emergency measures to protect the health and safety of residents. The facility shall review the comprehensive disaster preparedness plan annually, update the plan as needed, and train all employees when they begin work in the facility on the comprehensive disaster preparedness plan and related staff procedures.

(2) The department shall adopt rules governing the comprehensive disaster preparedness plan. At a minimum, the rules must address: Timely communication with the residents' emergency contacts;

timely communication with state and local agencies, long-term care ombuds, and developmental disabilities ombuds; contacting and requesting emergency assistance; on-duty employees' responsibilities; meeting residents' essential needs; procedures to identify and locate residents; and procedures to provide emergency information to provide for the health and safety of residents. In addition, the rules shall establish standards for maintaining personal protective equipment and infection control capabilities, as well as department inspection procedures with respect to the plans.

Sec. 6. RCW 18.51.009 and 1994 c 214 s 22 are each amended to read as follows:

RCW 70.129.007, 70.129.105, ~~((and))~~ 70.129.150 through 70.129.170, and section 20 of this act apply to this chapter and persons regulated under this chapter.

Sec. 7. RCW 18.51.260 and 1987 c 476 s 26 are each amended to read as follows:

(1) Each citation for a violation specified in RCW 18.51.060 which is issued pursuant to this section (~~and which has become final~~), or a copy or copies thereof, shall be prominently posted, as prescribed in regulations issued by the director, until the violation is corrected to the satisfaction of the department up to a maximum of one hundred twenty days. The citation or copy shall be posted in a place or places in plain view of the patients in the nursing home, persons visiting those patients, and persons who inquire about placement in the facility.

(2) The department shall require a nursing home that is subject to a stop placement order or limited stop placement order under RCW 18.51.060 to publicly post in a conspicuous place at the nursing home a standardized notice that the department has issued a stop placement order or limited stop placement order for the nursing home. The standardized notice shall be developed by the department to include the date of the stop placement order or limited stop placement order, any conditions placed upon the nursing home's license, contact information for the department, contact information for the administrator or provider of the nursing home, and a statement that anyone may contact the department or the administrator or provider for further information. The

notice must remain posted until the department has terminated the stop placement order or limited stop placement order.

NEW SECTION. Sec. 8. A new section is added to chapter 18.51 RCW to read as follows:

(1) The department shall require each nursing home to:

(a) Create and regularly maintain a current resident roster containing the name and room number of each resident and provide a written copy immediately upon an in-person request from any long-term care ombuds;

(b) Create and regularly maintain current, accurate, and aggregated contact information for all residents, including contact information for the resident representative, if any, of each resident. The contact information for each resident must include the resident's name, room number, and, if available, telephone number and email address. The contact information for each resident representative must include the resident representative's name, relationship to the resident, phone number, and, if available, email and mailing address;

(c) Record and update the aggregated contact information required by this section, upon receipt of new or updated contact information from the resident or resident representative; and

(d) Upon the written request of any long-term care ombuds that includes reference to this section and the relevant legal functions and duties of long-term care ombuds, provide a copy of the aggregated contact information required by this section within 48 hours, or within a reasonable time if agreed to by the requesting long-term care ombuds, by electronic copy to the secure email address or facsimile number provided in the written request.

(2) In accordance with the federal older Americans act, federal regulations, and state laws that govern the state long-term care ombuds program, the department shall inform nursing homes that:

(a) Any long-term care ombuds is authorized to request and obtain from nursing homes the information required by this section in order to perform the functions and duties of long-term care

ombuds as set forth in federal and state laws;

(b) The state long-term care ombuds program and all long-term care ombuds are considered a "health oversight agency," so that the federal health insurance portability and accountability act and chapter 70.02 RCW do not preclude nursing homes from providing the information required by this section when requested by any long-term care ombuds, and pursuant to these laws, the federal older Americans act, federal regulations, and state laws that govern the state long-term care ombuds program, nursing homes are not required to seek or obtain consent from residents or resident representatives prior to providing the information required by this section in accordance with the requirements of this section;

(c) The information required by this section, when provided by a nursing home to a requesting long-term care ombuds, becomes property of the state long-term care ombuds program and is subject to all state and federal laws governing the confidentiality and disclosure of the files, records, and information maintained by the state long-term care ombuds program or any local long-term care ombuds entity; and

(d) The nursing home may not refuse to provide or unreasonably delay providing the resident roster, the contact information for a resident or resident representative, or the aggregated contact information required by this section, on any basis, including on the basis that the nursing home must first seek or obtain consent from one or more of the residents or resident representatives.

(3) Nothing in this section shall interfere with or diminish the authority of any long-term care ombuds to access nursing homes, residents, and resident records as otherwise authorized by law.

(4) For the purposes of this section, "resident representative" has the same meaning as in RCW 70.129.010.

NEW SECTION. **Sec. 9.** A new section is added to chapter 18.51 RCW to read as follows:

(1) Each nursing home must be responsive to incoming communications and respond within a reasonable time to phone and electronic messages.

(2) Each nursing home must have a communication system, including a sufficient quantity of working telephones and other communication equipment to ensure that residents have 24-hour access to communications with family, medical providers, and others, and also to allow for emergency contact to and from facility staff. The telephones and communication equipment must provide for auditory privacy, not be located in a staff office or station, be accessible and usable by persons with hearing loss and other disabilities, and not require payment for local calls. A nursing home is not required to provide telephones at no cost in each resident room.

Sec. 10. RCW 74.42.420 and 1979 ex.s. c 211 s 42 are each amended to read as follows:

The facility shall maintain an organized record system containing a record for each resident. The record shall contain:

(1) Identification information, including the information listed in section 8(1) of this act;

(2) Admission information, including the resident's medical and social history;

(3) A comprehensive plan of care and subsequent changes to the comprehensive plan of care;

(4) Copies of initial and subsequent periodic examinations, assessments, evaluations, and progress notes made by the facility and the department;

(5) Descriptions of all treatments, services, and medications provided for the resident since the resident's admission;

(6) Information about all illnesses and injuries including information about the date, time, and action taken; and

(7) A discharge summary.

Resident records shall be available to the staff members directly involved with the resident and to appropriate representatives of the department. The facility shall protect resident records against destruction, loss, and unauthorized use. The facility shall keep a resident's record after the resident is discharged as provided in RCW 18.51.300.

NEW SECTION. Sec. 11. A new section is added to chapter 18.51 RCW to read as follows:

(1) Each nursing home shall develop and maintain a comprehensive disaster preparedness plan to be followed in the event of a disaster or emergency, including fires, earthquakes, floods, infectious disease outbreaks, loss of power or water, and other events that may require sheltering in place, evacuations, or other emergency measures to protect the health and safety of residents. The nursing home shall review the comprehensive disaster preparedness plan annually, update the plan as needed, and train all employees when they begin work in the nursing home on the comprehensive disaster preparedness plan and related staff procedures.

(2) The department shall adopt rules governing the comprehensive disaster preparedness plan. At a minimum, the rules must address the following if not already adequately addressed by federal requirements for emergency planning: Timely communication with the residents' emergency contacts; timely communication with state and local agencies, long-term care ombuds, and developmental disabilities ombuds; contacting and requesting emergency assistance; on-duty employees' responsibilities; meeting residents' essential needs; procedures to identify and locate residents; and procedures to provide emergency information to provide for the health and safety of residents. In addition, the rules shall establish standards for maintaining personal protective equipment and infection control capabilities, as well as department inspection procedures with respect to the plans.

Sec. 12. RCW 74.42.460 and 1979 ex.s. c 211 s 46 are each amended to read as follows:

The facility shall have a written staff organization plan and detailed written procedures to meet potential emergencies and disasters. The facility shall clearly communicate and periodically review the plan and procedures with the staff and residents. The plan and procedures shall be posted at suitable locations throughout the facility. The planning requirement of this section shall complement the comprehensive disaster preparedness planning requirement of section 11 of this act.

NEW SECTION. Sec. 13. A new section is added to chapter 70.97 RCW to read as follows:

The department shall require an enhanced services facility that is subject to a stop placement order or limited stop placement order under RCW 70.97.110 to publicly post in a conspicuous place at the facility a standardized notice that the department has issued a stop placement order or limited stop placement order for the facility. The standardized notice shall be developed by the department to include the date of the stop placement order or limited stop placement order, any conditions placed upon the facility's license, contact information for the department, contact information for the administrator or provider of the facility, and a statement that anyone may contact the department or the administrator or provider for further information. The notice must remain posted until the department has terminated the stop placement order or limited stop placement order.

NEW SECTION. Sec. 14. A new section is added to chapter 70.97 RCW to read as follows:

(1) The department shall require each enhanced services facility to:

(a) Create and regularly maintain a current resident roster containing the name and room number of each resident and provide a written copy immediately upon an in-person request from any long-term care ombuds;

(b) Create and regularly maintain current, accurate, and aggregated contact information for all residents, including contact information for the resident representative, if any, of each resident. The contact information for each resident must include the resident's name, room number, and, if available, telephone number and email address. The contact information for each resident representative must include the resident representative's name, relationship to the resident, phone number, and, if available, email and mailing address;

(c) Record and update the aggregated contact information required by this section, upon receipt of new or updated contact information from the resident or resident representative; and

(d) Upon the written request of any long-term care ombuds that includes

reference to this section and the relevant legal functions and duties of long-term care ombuds, provide a copy of the aggregated contact information required by this section within 48 hours, or within a reasonable time if agreed to by the requesting long-term care ombuds, by electronic copy to the secure email address or facsimile number provided in the written request.

(2) In accordance with the federal older Americans act, federal regulations, and state laws that govern the state long-term care ombuds program, the department shall inform enhanced services facilities that:

(a) Any long-term care ombuds is authorized to request and obtain from enhanced services facilities the information required by this section in order to perform the functions and duties of long-term care ombuds as set forth in federal and state laws;

(b) The state long-term care ombuds program and all long-term care ombuds are considered a "health oversight agency," so that the federal health insurance portability and accountability act and chapter 70.02 RCW do not preclude enhanced services facilities from providing the information required by this section when requested by any long-term care ombuds, and pursuant to these laws, the federal older Americans act, federal regulations, and state laws that govern the state long-term care ombuds program, facilities are not required to seek or obtain consent from residents or resident representatives prior to providing the information required by this section in accordance with the requirements of this section;

(c) The information required by this section, when provided by an enhanced services facility to a requesting long-term care ombuds, becomes property of the state long-term care ombuds program and is subject to all state and federal laws governing the confidentiality and disclosure of the files, records, and information maintained by the state long-term care ombuds program or any local long-term care ombuds entity; and

(d) The enhanced services facility may not refuse to provide or unreasonably delay providing the resident roster, the contact information for a resident or resident representative, or the aggregated contact information required by this section, on any basis, including

on the basis that the enhanced services facility must first seek or obtain consent from one or more of the residents or resident representatives.

(3) Nothing in this section shall interfere with or diminish the authority of any long-term care ombuds to access facilities, residents, and resident records as otherwise authorized by law.

(4) For the purposes of this section, "resident representative" has the same meaning as in RCW 70.129.010.

NEW SECTION. **Sec. 15.** A new section is added to chapter 70.97 RCW to read as follows:

(1) Each enhanced services facility must be responsive to incoming communications and respond within a reasonable time to phone and electronic messages.

(2) Each enhanced services facility must have a communication system, including a sufficient quantity of working telephones and other communication equipment to assure that residents have 24-hour access to communications with family, medical providers, and others, and also to allow for emergency contact to and from facility staff. The telephones and communication equipment must provide for auditory privacy, not be located in a staff office or station, be accessible and usable by persons with hearing loss and other disabilities, and not require payment for local calls. An enhanced services facility is not required to provide telephones at no cost in each resident room.

NEW SECTION. **Sec. 16.** A new section is added to chapter 70.97 RCW to read as follows:

(1) Each enhanced services facility shall develop and maintain a comprehensive disaster preparedness plan to be followed in the event of a disaster or emergency, including fires, earthquakes, floods, infectious disease outbreaks, loss of power or water, and other events that may require sheltering in place, evacuations, or other emergency measures to protect the health and safety of residents. The enhanced services facility must review the comprehensive disaster preparedness plan annually, update the plan as needed, and train all employees when they begin work in the enhanced services facility on the

comprehensive disaster preparedness plan and related staff procedures.

(2) The department shall adopt rules governing the comprehensive disaster preparedness plan. At a minimum, the rules must address: Timely communication with the residents' emergency contacts; timely communication with state and local agencies, long-term care ombuds, and developmental disabilities ombuds; contacting and requesting emergency assistance; on-duty employees' responsibilities; meeting residents' essential needs; procedures to identify and locate residents; and procedures to provide emergency information to provide for the health and safety of residents. In addition, the rules shall establish standards for maintaining personal protective equipment and infection control capabilities, as well as department inspection procedures with respect to the plans.

NEW SECTION. Sec. 17. A new section is added to chapter 70.128 RCW to read as follows:

(1) The department shall require each adult family home to:

(a) Create and regularly maintain a current resident roster containing the name and room number of each resident and provide a written copy immediately upon an in-person request from any long-term care ombuds;

(b) Create and regularly maintain current, accurate, and aggregated contact information for all residents, including contact information for the resident representative, if any, of each resident. The contact information for each resident must include the resident's name, room number, and, if available, telephone number and email address. The contact information for each resident representative must include the resident representative's name, relationship to the resident, phone number, and, if available, email and mailing address;

(c) Record and update the aggregated contact information required by this section, upon receipt of new or updated contact information from the resident or resident representative; and

(d) Upon the written request of any long-term care ombuds that includes reference to this section and the relevant legal functions and duties of long-term care ombuds, provide a copy of the aggregated contact information

required by this section within 48 hours, or within a reasonable time if agreed to by the requesting long-term care ombuds, by electronic copy to the secure email address or facsimile number provided in the written request.

(2) In accordance with the federal older Americans act, federal regulations, and state laws that govern the state long-term care ombuds program, the department shall inform adult family homes that:

(a) Any long-term care ombuds is authorized to request and obtain from adult family homes the information required by this section in order to perform the functions and duties of long-term care ombuds as set forth in federal and state laws;

(b) The state long-term care ombuds program and all long-term care ombuds are considered a "health oversight agency," so that the federal health insurance portability and accountability act and chapter 70.02 RCW do not preclude adult family homes from providing the information required by this section when requested by any long-term care ombuds, and pursuant to these laws, the federal older Americans act, federal regulations, and state laws that govern the state long-term care ombuds program, adult family homes are not required to seek or obtain consent from residents or resident representatives prior to providing the information required by this section in accordance with the requirements of this section;

(c) The information required by this section, when provided by an adult family home to a requesting long-term care ombuds, becomes property of the state long-term care ombuds program and is subject to all state and federal laws governing the confidentiality and disclosure of the files, records, and information maintained by the state long-term care ombuds program or any local long-term care ombuds entity; and

(d) The adult family home may not refuse to provide or unreasonably delay providing the resident roster, the contact information for a resident or resident representative, or the aggregated contact information required by this section, on any basis, including on the basis that the adult family home must first seek or obtain consent from one or more of the residents or resident representatives.

(3) Nothing in this section shall interfere with or diminish the authority of any long-term care ombuds to access facilities, residents, and resident records as otherwise authorized by law.

(4) For the purposes of this section, "resident representative" has the same meaning as in RCW 70.129.010.

NEW SECTION. **Sec. 18.** A new section is added to chapter 70.128 RCW to read as follows:

The department must require an adult family home that is subject to a stop placement order or limited stop placement order under RCW 70.128.160 to publicly post in a conspicuous place at the adult family home a standardized notice that the department has issued a stop placement order or limited stop placement order for the adult family home. The standardized notice shall be developed by the department to include the date of the stop placement order or limited stop placement order, any conditions placed upon the adult family home's license, contact information for the department, contact information for the administrator or provider of the adult family home, and a statement that anyone may contact the department or the administrator or provider for further information. The notice must remain posted until the department has terminated the stop placement order or limited stop placement order.

NEW SECTION. **Sec. 19.** A new section is added to chapter 70.129 RCW to read as follows:

The department of social and health services and the department of health, in collaboration with the state office of the long-term care ombuds and representatives of long-term care facilities, shall develop training materials to educate the leadership and staff of local health jurisdictions on the state's long-term care system. The training materials must provide information to assist local health jurisdiction personnel when establishing and enforcing public health measures in long-term care facilities and nursing homes, including:

(1) All applicable state and federal resident rights, including the due process rights of residents; and

(2) The process for local health jurisdiction personnel to report abuse and neglect in facilities and nursing

homes, including during periods when visitation may be limited.

NEW SECTION. **Sec. 20.** A new section is added to chapter 70.129 RCW to read as follows:

(1) In circumstances in which limitations must be placed on resident visitation due to a public health emergency or other threat to the health and safety of the residents and staff of a facility or nursing home, residents must still be allowed access to an essential support person, subject to reasonable limitations on such access tailored to protecting the health and safety of essential support persons, residents, and staff.

(2) The facility or nursing home must allow private, in-person access to the resident by the essential support person in the resident's room. If the resident resides in a shared room, and the roommate, or the roommate's resident representative, if any, does not consent or the visit cannot be conducted safely in a shared room, then the facility or nursing home shall designate a substitute location in the facility or nursing home for the resident and essential support person to visit.

(3) The facility or nursing home shall develop and implement reasonable conditions on access by an essential support person tailored to protecting the health and safety of the essential support person, residents, and staff, based upon the particular public health emergency or other health or safety threat.

(4) The facility or nursing home may temporarily suspend an individual's designation as an essential support person for failure to comply with these requirements or reasonable conditions developed and implemented by the facility or nursing home that are tailored to protecting that health and safety of the essential support person, residents, and staff, based upon the particular public health emergency or other health or safety threat. Unless immediate action is necessary to prevent an imminent and serious threat to the health or safety of residents or staff, the facility or nursing home shall attempt to resolve the concerns with the essential support person and the resident prior to temporarily suspending the individual's designation as an essential support person. The suspension shall last no

longer than 48 hours during which time the facility or nursing home must contact the department for guidance and must provide the essential support person:

(a) Information regarding the steps the essential support person must take to resume the visits, such as agreeing to comply with reasonable conditions tailored to protecting the health and safety of the essential support person, residents, and staff, based upon the particular public health emergency or other health or safety threat;

(b) The contact information for the long-term care ombuds program; and

(c) As appropriate, the contact information for the developmental disabilities ombuds, the agency responsible for the protection and advocacy system for individuals with developmental disabilities, and the agency responsible for the protection and advocacy system for individuals with mental illness.

(5) For the purposes of this section, "essential support person" means an individual who is:

(a) At least 18 years of age;

(b) Designated by the resident, or by the resident's representative, if the resident is determined to be incapacitated or otherwise legally incapacitated; and

(c) Necessary for the resident's emotional, mental, or physical well-being during situations that include, but are not limited to, circumstances involving compassionate care or end-of-life care, circumstances where visitation from a familiar person will assist with important continuity of care or the reduction of confusion and anxiety for residents with cognitive impairments, or other circumstances where the presence of an essential support person will prevent or reduce significant emotional distress to the resident.

Sec. 21. RCW 70.129.010 and 2020 c 278 s 13 are each reenacted and amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Chemical restraint" means a psychopharmacologic drug that is used for discipline or convenience and not

required to treat the resident's medical symptoms.

(2) "Department" means the department of state government responsible for licensing the provider in question.

(3) "Facility" means a long-term care facility.

(4) "Long-term care facility" means a facility that is licensed or required to be licensed under chapter 18.20, 70.97, 72.36, or 70.128 RCW.

(5) "Physical restraint" means a manual method, obstacle, or physical or mechanical device, material, or equipment attached or adjacent to the resident's body that restricts freedom of movement or access to his or her body, is used for discipline or convenience, and not required to treat the resident's medical symptoms.

(6) "Reasonable accommodation" by a facility to the needs of a prospective or current resident has the meaning given to this term under the federal Americans with disabilities act of 1990, 42 U.S.C. Sec. 12101 et seq. and other applicable federal or state antidiscrimination laws and regulations.

(7) (~~"Representative" means a person appointed under RCW 7.70.065.~~

~~(8)~~) "Resident" means the individual receiving services in a long-term care facility, that resident's attorney-in-fact, guardian, or other (~~legal~~) representative acting within the scope of their authority.

(8) "Resident representative" means:

(a) (i) A court-appointed guardian or conservator of a resident, if any;

(ii) An individual otherwise authorized by state or federal law including, but not limited to, agents under power of attorney, representative payees, and other fiduciaries, to act on behalf of the resident in order to support the resident in decision making; access medical, social, or other personal information of the resident; manage financial matters; or receive notifications; or

(iii) If there is no individual who meets the criteria under (a) (i) or (ii) of this subsection, an individual chosen by the resident to act on behalf of the resident in order to support the resident in decision making; access medical, social, or other personal information of

the resident; manage financial matters; or receive notifications.

(b) The term "resident representative" does not include any individual described in (a) of this subsection who is affiliated with any long-term care facility or nursing home where the resident resides, or its licensee or management company, unless the affiliated individual is a family member of the resident.

Sec. 22. RCW 70.129.020 and 1994 c 214 s 3 are each amended to read as follows:

The resident has a right to a dignified existence, self-determination, and communication with and access to persons and services inside and outside the facility. A facility must protect and promote the rights of each resident and assist the resident which include:

(1) The resident has the right to exercise his or her rights as a resident of the facility and as a citizen or resident of the United States and the state of Washington.

(2) The resident has the right to be free of interference, coercion, discrimination, and reprisal from the facility in exercising his or her rights.

(3) In the case of a resident adjudged incompetent by a court of competent jurisdiction, the rights of the resident are exercised by the person appointed to act on the resident's behalf.

(4) In the case of a resident who has not been adjudged incompetent by a court of competent jurisdiction, a resident representative may exercise the resident's rights to the extent provided by law.

Sec. 23. RCW 70.129.030 and 2013 c 23 s 184 are each amended to read as follows:

(1) The facility must inform the resident both orally and in writing in a language that the resident understands of his or her rights and all rules and regulations governing resident conduct and responsibilities during the stay in the facility. The notification must be made prior to or upon admission. Receipt of the information must be acknowledged in writing.

(2) The resident to the extent provided by law or ((his or her legal))

resident representative to the extent provided by law, has the right:

(a) Upon an oral or written request, to access all records pertaining to himself or herself including clinical records within twenty-four hours; and

(b) After receipt of his or her records for inspection, to purchase at a cost not to exceed the community standard photocopies of the records or portions of them upon request and two working days' advance notice to the facility.

(3) The facility shall only admit or retain individuals whose needs it can safely and appropriately serve in the facility with appropriate available staff and through the provision of reasonable accommodations required by state or federal law. Except in cases of genuine emergency, the facility shall not admit an individual before obtaining a thorough assessment of the resident's needs and preferences. The assessment shall contain, unless unavailable despite the best efforts of the facility, the resident applicant, and other interested parties, the following minimum information: Recent medical history; necessary and contraindicated medications; a licensed medical or other health professional's diagnosis, unless the individual objects for religious reasons; significant known behaviors or symptoms that may cause concern or require special care; mental illness, except where protected by confidentiality laws; level of personal care needs; activities and service preferences; and preferences regarding other issues important to the resident applicant, such as food and daily routine.

(4) The facility must inform each resident in writing in a language the resident or ~~((his or her))~~ resident representative understands before admission, and at least once every twenty-four months thereafter of: (a) Services, items, and activities customarily available in the facility or arranged for by the facility as permitted by the facility's license; (b) charges for those services, items, and activities including charges for services, items, and activities not covered by the facility's per diem rate or applicable public benefit programs; and (c) the rules of facility operations required under RCW 70.129.140(2). Each resident and ~~((his or her))~~ resident representative must be informed in

writing in advance of changes in the availability or the charges for services, items, or activities, or of changes in the facility's rules. Except in emergencies, thirty days' advance notice must be given prior to the change. However, for facilities licensed for six or fewer residents, if there has been a substantial and continuing change in the resident's condition necessitating substantially greater or lesser services, items, or activities, then the charges for those services, items, or activities may be changed upon fourteen days' advance written notice.

(5) The facility must furnish a written description of residents rights that includes:

(a) A description of the manner of protecting personal funds, under RCW 70.129.040;

(b) A posting of names, addresses, and telephone numbers of the state survey and certification agency, the state licensure office, the state ombuds program, and the protection and advocacy systems; and

(c) A statement that the resident may file a complaint with the appropriate state licensing agency concerning alleged resident abuse, neglect, and misappropriation of resident property in the facility.

(6) Notification of changes.

(a) A facility must immediately consult with the resident's physician, and if known, make reasonable efforts to notify the ~~((resident's legal))~~ resident representative ((or an interested family member)) to the extent provided by law when there is:

(i) An accident involving the resident which requires or has the potential for requiring physician intervention;

(ii) A significant change in the resident's physical, mental, or psychosocial status (i.e., a deterioration in health, mental, or psychosocial status in either life-threatening conditions or clinical complications).

(b) The facility must promptly notify the resident or ~~((the resident's))~~ resident representative ((shall make reasonable efforts to notify an interested family member, if known,)) when there is:

(i) A change in room or roommate assignment; or

(ii) A decision to transfer or discharge the resident from the facility.

(c) The facility must record and update the address ~~((and))~~, phone number, and any other contact information of the ~~((resident's))~~ resident representative ((or interested family member)), upon receipt of notice from them.

Sec. 24. RCW 70.129.040 and 2011 1st sp.s. c 3 s 301 are each amended to read as follows:

(1) The resident has the right to manage his or her financial affairs, and the facility may not require residents to deposit their personal funds with the facility.

(2) Upon written authorization of a resident, if the facility agrees to manage the resident's personal funds, the facility must hold, safeguard, manage, and account for the personal funds of the resident deposited with the facility as specified in this section.

(a) The facility must deposit a resident's personal funds in excess of one hundred dollars in an interest-bearing account or accounts that is separate from any of the facility's operating accounts, and that credits all interest earned on residents' funds to that account. In pooled accounts, there must be a separate accounting for each resident's share.

(b) The facility must maintain a resident's personal funds that do not exceed one hundred dollars in a noninterest-bearing account, interest-bearing account, or petty cash fund.

(3) The facility must establish and maintain a system that assures a full and complete and separate accounting of each resident's personal funds entrusted to the facility on the resident's behalf.

(a) The system must preclude any commingling of resident funds with facility funds or with the funds of any person other than another resident.

(b) The individual financial record must be available on request to the resident, or ~~((his or her legal))~~ resident representative to the extent provided by law.

(4) Upon the death of a resident with personal funds deposited with the facility, the facility must convey within

thirty days the resident's funds, and a final accounting of those funds, to the individual or probate jurisdiction administering the resident's estate; but in the case of a resident who received long-term care services paid for by the state, the funds and accounting shall be sent to the state of Washington, department of social and health services, office of financial recovery. The department shall establish a release procedure for use for burial expenses.

(5) If any funds in excess of one hundred dollars are paid to an adult family home by the resident or ~~((a))~~ resident representative ~~((of the resident))~~, as a security deposit for performance of the resident's obligations, or as prepayment of charges beyond the first month's residency, the funds shall be deposited by the adult family home in an interest-bearing account that is separate from any of the home's operating accounts, and that credits all interest earned on the resident's funds to that account. In pooled accounts, there must be a separate accounting for each resident's share. The account or accounts shall be in a financial institution as defined by RCW ~~((30.22.041))~~ 30A.22.041, and the resident shall be notified in writing of the name, address, and location of the depository. The adult family home may not commingle resident funds from these accounts with the adult family home's funds or with the funds of any person other than another resident. The individual resident's account record shall be available upon request by the resident or ~~((the resident's))~~ resident representative to the extent provided by law.

(6) The adult family home shall provide the resident or ~~((the resident's))~~ resident representative full disclosure in writing, prior to the receipt of any funds for a deposit, security, prepaid charges, or any other fees or charges, specifying what the funds are paid for and the basis for retaining any portion of the funds if the resident dies, is hospitalized, or is transferred or discharged from the adult family home. The disclosure must be in a language that the resident or ~~((the resident's))~~ resident representative understands, and be acknowledged in writing by the resident or ~~((the resident's))~~ resident representative. The adult family home shall retain a copy of the disclosure and the acknowledgment.

The adult family home may not retain funds for reasonable wear and tear by the resident or for any basis that would violate RCW 70.129.150.

(7) Funds paid by the resident or ~~((the resident's))~~ resident representative to the adult family home, which the adult family home in turn pays to a placement agency or person, shall be governed by the disclosure requirements of this section. If the resident then dies, is hospitalized, or is transferred or discharged from the adult family home, and is entitled to any refund of funds under this section or RCW 70.129.150, the adult family home shall refund the funds to the resident or ~~((the resident's))~~ resident representative to the extent provided by law, within thirty days of the resident leaving the adult family home, and may not require the resident to obtain the refund from the placement agency or person.

(8) If, during the stay of the resident, the status of the adult family home licensee or ownership is changed or transferred to another, any funds in the resident's accounts affected by the change or transfer shall simultaneously be deposited in an equivalent account or accounts by the successor or new licensee or owner, who shall promptly notify the resident or ~~((the resident's))~~ resident representative to the extent provided by law, in writing of the name, address, and location of the new depository.

(9) Because it is a matter of great public importance to protect residents who need long-term care from deceptive disclosures and unfair retention of deposits, fees, or prepaid charges by adult family homes, a violation of this section or RCW 70.129.150 shall be construed for purposes of the consumer protection act, chapter 19.86 RCW, to constitute an unfair or deceptive act or practice or an unfair method of competition in the conduct of trade or commerce. The resident's claim to any funds paid under this section shall be prior to that of any creditor of the adult family home, its owner, or licensee, even if such funds are commingled.

Sec. 25. RCW 70.129.080 and 1994 c 214 s 9 are each amended to read as follows:

The resident has the right to privacy in communications, including the right to:

(1) Send and promptly receive mail that is unopened;

(2) Have access to stationery, postage, and writing implements at the resident's own expense; and

(3) Have reasonable access within a reasonable time to the use of a telephone and other communication equipment where calls can be made without being overheard.

Sec. 26. RCW 70.129.090 and 2013 c 23 s 185 are each amended to read as follows:

(1) The resident has the right and the facility must not interfere with access to any resident by the following:

(a) Any representative of the state;

(b) The resident's individual physician;

(c) The state long-term care ombuds as established under chapter 43.190 RCW;

(d) The agency responsible for the protection and advocacy system for individuals with developmental disabilities as established under part C of the developmental disabilities assistance and bill of rights act;

(e) The agency responsible for the protection and advocacy system for individuals with mental illness as established under the protection and advocacy for mentally ill individuals act;

(f) Subject to reasonable restrictions to protect the rights of others and to the resident's right to deny or withdraw consent at any time, resident representative, immediate family or other relatives of the resident, and others who are visiting with the consent of the resident;

(g) The agency responsible for the protection and advocacy system for individuals with disabilities as established under section 509 of the rehabilitation act of 1973, as amended, who are not served under the mandates of existing protection and advocacy systems created under federal law.

(2) The facility must provide reasonable access to a resident by ~~((his or her))~~ the resident representative or an entity or individual that provides health, social, legal, or other services to the resident, subject to the

resident's right to deny or withdraw consent at any time.

(3) The facility must allow representatives of the state ombuds to examine a resident's clinical records with the permission of the resident or ~~((the resident's legal))~~ resident representative to the extent provided by law, and consistent with state and federal law.

Sec. 27. RCW 70.129.110 and 2013 c 23 s 186 are each amended to read as follows:

(1) The facility must permit each resident to remain in the facility, and not transfer or discharge the resident from the facility unless:

(a) The transfer or discharge is necessary for the resident's welfare and the resident's needs cannot be met in the facility;

(b) The safety of individuals in the facility is endangered;

(c) The health of individuals in the facility would otherwise be endangered;

(d) The resident has failed to make the required payment for his or her stay; or

(e) The facility ceases to operate.

(2) All long-term care facilities shall fully disclose to potential residents or ~~((their legal))~~ resident representatives the service capabilities of the facility prior to admission to the facility. If the care needs of the applicant who is medicaid eligible are in excess of the facility's service capabilities, the department shall identify other care settings or residential care options consistent with federal law.

(3) Before a long-term care facility transfers or discharges a resident, the facility must:

(a) First attempt through reasonable accommodations to avoid the transfer or discharge, unless agreed to by the resident;

(b) Notify the resident and resident representative ~~((and make a reasonable effort to notify, if known, an interested family member))~~ of the transfer or discharge and the reasons for the move in writing and in a language and manner they understand;

(c) Record the reasons in the resident's record; and

(d) Include in the notice the items described in subsection (5) of this section.

(4)(a) Except when specified in this subsection, the notice of transfer or discharge required under subsection (3) of this section must be made by the facility at least thirty days before the resident is transferred or discharged.

(b) Notice may be made as soon as practicable before transfer or discharge when:

(i) The safety of individuals in the facility would be endangered;

(ii) The health of individuals in the facility would be endangered;

(iii) An immediate transfer or discharge is required by the resident's urgent medical needs; or

(iv) A resident has not resided in the facility for thirty days.

(5) The written notice specified in subsection (3) of this section must include the following:

(a) The reason for transfer or discharge;

(b) The effective date of transfer or discharge;

(c) The location to which the resident is transferred or discharged;

(d) The name, address, and telephone number of the state long-term care ombuds;

(e) For residents with developmental disabilities, the mailing address and telephone number of the agency responsible for the protection and advocacy of individuals with developmental disabilities established under part C of the developmental disabilities assistance and bill of rights act; and

(f) For residents with mental illness, the mailing address and telephone number of the agency responsible for the protection and advocacy of individuals with mental illness established under the protection and advocacy for mentally ill individuals act.

(6) A facility must provide sufficient preparation and orientation to residents

to ensure safe and orderly transfer or discharge from the facility.

(7) A resident discharged in violation of this section has the right to be readmitted immediately upon the first availability of a gender-appropriate bed in the facility.

Sec. 28. RCW 70.129.150 and 1997 c 392 s 206 are each amended to read as follows:

(1) Prior to admission, all long-term care facilities or nursing facilities licensed under chapter 18.51 RCW that require payment of an admissions fee, deposit, or a minimum stay fee, by or on behalf of a person seeking admission to the long-term care facility or nursing facility, shall provide the resident, or ~~((his or her))~~ resident representative, full disclosure in writing in a language the resident or ~~((his or her))~~ resident representative understands, a statement of the amount of any admissions fees, deposits, prepaid charges, or minimum stay fees. The facility shall also disclose to the person, or ~~((his or her))~~ resident representative, the facility's advance notice or transfer requirements, prior to admission. In addition, the long-term care facility or nursing facility shall also fully disclose in writing prior to admission what portion of the deposits, admissions fees, prepaid charges, or minimum stay fees will be refunded to the resident or ~~((his or her))~~ resident representative to the extent provided by law, if the resident leaves the long-term care facility or nursing facility. Receipt of the disclosures required under this subsection must be acknowledged in writing. If the facility does not provide these disclosures, the deposits, admissions fees, prepaid charges, or minimum stay fees may not be kept by the facility. If a resident dies or is hospitalized or is transferred to another facility for more appropriate care and does not return to the original facility, the facility shall refund any deposit or charges already paid less the facility's per diem rate for the days the resident actually resided or reserved or retained a bed in the facility notwithstanding any minimum stay policy or discharge notice requirements, except that the facility may retain an additional amount to cover its reasonable, actual expenses incurred as a result of a private-pay resident's move, not to exceed five days' per diem charges, unless the resident has given

advance notice in compliance with the admission agreement. All long-term care facilities or nursing facilities covered under this section are required to refund any and all refunds due the resident or ~~((his or her))~~ resident representative to the extent provided by law, within thirty days from the resident's date of discharge from the facility. Nothing in this section applies to provisions in contracts negotiated between a nursing facility or long-term care facility and a certified health plan, health or disability insurer, health maintenance organization, managed care organization, or similar entities.

(2) Where a long-term care facility or nursing facility requires the execution of an admission contract by or on behalf of an individual seeking admission to the facility, the terms of the contract shall be consistent with the requirements of this section, and the terms of an admission contract by a long-term care facility shall be consistent with the requirements of this chapter.

Sec. 29. RCW 70.129.180 and 2009 c 489 s 1 are each amended to read as follows:

(1) A long-term care facility must fully disclose to residents the facility's policy on accepting medicaid as a payment source. The policy shall clearly state the circumstances under which the facility provides care for medicaid eligible residents and for residents who may later become eligible for medicaid.

(2) The policy under this section must be provided to residents orally and in writing prior to admission, in a language that the resident or ~~((the resident's))~~ resident representative understands. The written policy must be in type font no smaller than fourteen point and written on a page that is separate from other documents. The policy must be signed and dated by the resident or ~~((the resident's))~~ resident representative to the extent provided by law, if the resident lacks capacity. The facility must retain a copy of the disclosure. Current residents must receive a copy of the policy consistent with this section by July 26, 2009.

NEW SECTION. Sec. 30. A new section is added to chapter 70.01 RCW to read as follows:

(1) The department of health and the department of social and health services

shall develop a report and guidelines on epidemic disease preparedness and response for long-term care facilities. In developing the report and guidelines, the department of health and the department of social and health services shall consult with interested stakeholders, including but not limited to:

- (a) Local health jurisdictions;
- (b) Advocates for consumers of long-term care;
- (c) Associations representing long-term care facility providers; and
- (d) The office of the state long-term care ombuds.

(2) The report must identify best practices and lessons learned about containment and mitigation strategies for controlling the spread of the infectious agent. At a minimum, the report must consider:

- (a) Visitation policies that balance the psychosocial and physical health of residents;
- (b) Timely and adequate access to personal protective equipment and other infection control supplies so that employees in long-term care facilities are prioritized for distribution in the event of supply shortages;
- (c) Admission and discharge policies and standards; and
- (d) Rapid and accurate testing to identify infectious outbreaks for:
 - (i) Resident cohorting and treatment;
 - (ii) Contact tracing purposes; and
 - (iii) Protecting the health and well-being of residents and employees.

(3) In developing the report, the department of health and the department of social and health services shall work with the stakeholders identified in subsection (1) of this section to:

- (a) Ensure that any corresponding federal rules and guidelines take precedence over the state guidelines;
- (b) Avoid conflict between federal requirements and state guidelines;
- (c) Develop a timeline for implementing the guidelines and a process for communicating the guidelines to long-term care facilities, local health jurisdictions, and other interested

stakeholders in a clear and timely manner;

(d) Consider options for targeting available resources towards infection control when epidemic disease outbreaks occur in long-term care facilities;

(e) Establish methods for ensuring that epidemic preparedness and response guidelines are consistently applied across all local health jurisdictions and long-term care facilities in Washington state. This may include recommendations to the legislature for any needed statutory changes;

(f) Develop a process for maintaining and updating epidemic preparedness and response guidelines as necessary; and

(g) Ensure appropriate considerations for each unique provider type.

(4) By December 1, 2021, the department of health and the department of social and health services shall provide a draft report and guidelines on COVID-19 as outlined in subsection (2) of this section to the health care committees of the legislature.

(5) By July 1, 2022, the department of health and the department of social and health services shall finalize the report and guidelines on COVID-19 and provide the report to the health care committees of the legislature.

(6) Beginning December 1, 2022, and annually thereafter, the department of health and the department of social and health services shall:

(a) Review the report and any corresponding guidelines;

(b) Make any necessary changes regarding COVID-19 and add information about any emerging epidemic of public health concern; and

(c) Provide the updated report and guidelines to the health care committees of the legislature. When providing the updated guidelines to the legislature, the department of health and the department of social and health services may include recommendations to the legislature for any needed statutory changes.

(7) For purposes of this section, "long-term care facilities" includes:

(a) Licensed skilled nursing facilities, assisted living facilities,

adult family homes, and enhanced services facilities;

(b) Certified community residential services and supports; and

(c) Registered continuing care retirement communities."

On page 1, line 4 of the title, after "sanctions;" strike the remainder of the title and insert "amending RCW 18.51.009, 18.51.260, 74.42.420, 74.42.460, 70.129.020, 70.129.030, 70.129.040, 70.129.080, 70.129.090, 70.129.110, 70.129.150, and 70.129.180; reenacting and amending RCW 70.129.010; adding new sections to chapter 18.20 RCW; adding new sections to chapter 18.51 RCW; adding new sections to chapter 70.97 RCW; adding new sections to chapter 70.128 RCW; adding new sections to chapter 70.129 RCW; adding a new section to chapter 70.01 RCW; and creating a new section."

and the same is herewith transmitted.

Sarah Bannister, Deputy, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 1218 and advanced the bill, as amended by the Senate, to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Bateman and Schmick spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1218, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1218, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 96; Nays, 2; Absent, 0; Excused, 0.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Klippert, Kloba, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McEntire, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude,

Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Voting nay: Representatives Kraft and McCaslin.

SUBSTITUTE HOUSE BILL NO. 1218, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 10, 2021

Madame Speaker:

The Senate has passed SUBSTITUTE HOUSE BILL NO. 1411 with the following amendment:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** A new section is added to chapter 43.20A RCW to read as follows:

(1) Where the department is required to screen a long-term care worker, contracted provider, or licensee through a background check to determine whether the person has a history that would disqualify the person from having unsupervised access to, working with, or providing supervision, care, or treatment to vulnerable adults or children, the department may not automatically disqualify a person on the basis of a criminal record that includes a conviction of any of the following crimes once the specified amount of time has passed for the particular crime:

(a) Selling marijuana to a person under RCW 69.50.401 after three years or more have passed between the most recent conviction and the date the background check is processed;

(b) Theft in the first degree under RCW 9A.56.030 after 10 years or more have passed between the most recent conviction and the date the background check is processed;

(c) Robbery in the second degree under RCW 9A.56.210 after five years or more have passed between the most recent conviction and the date the background check is processed;

(d) Extortion in the second degree under RCW 9A.56.130 after five years or more have passed between the most recent

conviction and the date the background check is processed;

(e) Assault in the second degree under RCW 9A.36.021 after five years or more have passed between the most recent conviction and the date the background check is processed; and

(f) Assault in the third degree under RCW 9A.36.031 after five years or more have passed between the most recent conviction and the date the background check is processed.

(2) The provisions of subsection (1) of this section do not apply where the department is performing background checks for the department of children, youth, and families.

(3) The provisions of subsection (1) of this section do not apply to department employees or applicants for department positions except for positions in the state-operated community residential program.

(4) Notwithstanding subsection (1) of this section, a long-term care worker, contracted provider, or licensee may not provide, or be paid to provide, care to children or vulnerable adults under the medicare or medicaid programs if the worker is excluded from participating in those programs by federal law.

(5) The department, a contracted provider, or a licensee, when conducting a character, competence, and suitability review for the purpose of hiring, licensing, certifying, contracting with, permitting, or continuing to permit a person to be employed in any position caring for or having unsupervised access to vulnerable adults or children, may, in its sole discretion, determine whether to consider any of the convictions identified in subsection (1) of this section. If the department or a consumer directed employer as defined in RCW 74.39A.009 determines that an individual with any of the convictions identified in subsection (1) of this section is qualified to provide services to a department client as an individual provider as defined in RCW 74.39A.240, the department or the consumer directed employer must provide the client, and their guardian if any, with the results of the state background check for their determination of character, suitability, and competence of the individual before the individual begins providing services. The department, a contracted provider, or a licensee, when conducting

a character, competence, and suitability review for the purpose of hiring, licensing, certifying, contracting with, permitting, or continuing to permit a person to be employed in any position caring for or having unsupervised access to vulnerable adults or children, has a rebuttable presumption that its exercise of discretion under this section or the refusal to exercise such discretion was appropriate. This subsection does not create a duty for the department to conduct a character, competence, and suitability review.

(6) For the purposes of the section:

(a) "Contracted provider" means a provider, and its employees, contracted with the department or an area agency on aging to provide services to department clients under programs under chapter 74.09, 74.39, 74.39A, or 71A.12 RCW. "Contracted provider" includes area agencies on aging and their subcontractors who provide case management.

(b) "Licensee" means a nonstate facility or setting that is licensed or certified, or has applied to be licensed or certified, by the department and includes the licensee and its employees.

NEW SECTION. Sec. 2. A new section is added to chapter 74.39A RCW to read as follows:

(1) The department shall facilitate a work group dedicated to expanding the long-term care workforce while continuing to recognize the importance of protecting vulnerable adults, racial equity in client choice, just compensation for unpaid care work while preserving choice for those who wish to be informal caregivers without pay, and paid services. The work group shall identify recommendations on informed choice through a process by which older adults and people with disabilities may hire a trusted individual with a criminal record that would otherwise disqualify the person from providing paid home care services under this chapter. The work group's recommendations on the informed choice process shall include:

- (a) Client safety;
- (b) Client direction;
- (c) Racial equity;
- (d) Cultural competence;

(e) Economic consequences of unpaid caregiving on caregivers and people receiving care;

(f) Categories of eligible workers (family, friend, trusted individuals, or others);

(g) Disqualifying crimes, if any;

(h) Mechanisms for consideration (attestation, petition, other); and

(i) Workforce development.

(2) (a) The work group shall consist of:

(i) Two representatives from the department;

(ii) Two representatives from community-based organizations that represent people with criminal records;

(iii) One representative from a community-based organization that represents Black communities;

(iv) Two representatives, one from the west side of the Cascade mountains and one from the east side of the Cascade mountains, from federally recognized tribes;

(v) One representative from a community-based organization that represents immigrant populations or persons of color;

(vi) Three representatives from the union representing the majority of long-term care workers in Washington;

(vii) One representative of a consumer-directed employer;

(viii) One representative of an association representing area agencies on aging in Washington;

(ix) One representative from the office of the state long-term care ombuds;

(x) One representative from the office of the state developmental disability ombuds;

(xi) One representative of an association representing medicaid home care agencies;

(xii) One representative from the Washington state attorney general's office;

(xiii) Four representatives from organizations representing seniors and

individuals with physical or developmental disabilities;

(xiv) Two representatives who are current or previous consumers of personal care services and who represent the diversity of the disability community; and

(xv) Two representatives who receive unpaid care from individuals who are unable to become medicaid paid home care workers because of disqualifying convictions.

(b) The department shall invite the participation of persons with expertise in the background check process to provide advice and consultation to the work group with respect to the development of the proposed process under subsection (1) of this section.

(c) Appointments to the work group shall be made by the department. The department shall convene the meetings of the work group and serve as the facilitator.

(3) The work group shall devote at least one meeting to reviewing and analyzing racial disparities relevant to the work group's direction under subsection (1) of this section, including disparities in charges and disqualifications in providing paid home care services under this chapter.

(4) The work group must submit its recommendations to the legislature by December 1, 2022. The recommendations must include a proposed process for clients to hire a trusted individual with a criminal record. The proposed process must include a recommended communication strategy to inform older adults and people with disabilities in Washington about the process.

(5) This section expires July 1, 2023.

Sec. 3. RCW 9.97.020 and 2017 3rd sp.s. c 6 s 806 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 42.45 RCW; 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, who are not home care aides, chapter 18.88B RCW, or contracted providers or licensees as defined in section 1 of this act.

(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))~~ prohibited by law, in cases where an applicant would be disqualified under RCW ~~((43.20A.710))~~ 43.216.170, and the applicant has obtained a certificate of restoration of opportunity for a disqualifying conviction, ~~((the department of social and health services and))~~ the department of children, youth, and families 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 their 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) Unless otherwise prohibited by law, in cases in which an applicant would be disqualified under RCW 43.20A.710, 43.43.842, or department rule, and the applicant has obtained a certificate of restoration of opportunity for a disqualifying conviction, 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.

(d) 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))~~ (e) The state of Washington, any of its counties, cities, towns, municipal corporations, or quasi-municipal corporations, the department of health, the department of social and health services, 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) The department of social and health services, and contracted providers and licensees as defined in section 1 of this act, when hiring, licensing, certifying, contracting with, permitting, or continuing to permit a person to be employed in any position caring for or having unsupervised access to vulnerable adults or children, may, in their sole discretion, determine whether to consider a certificate of restoration of opportunity issued under this chapter. If the department or a consumer directed employer as defined in RCW 74.39A.009 determines that an individual with a certificate of restoration of opportunity is qualified to work as an individual provider as defined in RCW 74.39A.240, the department or the consumer directed employer must provide the client, and their guardian if any, with the results of the state background check for their determination of character, suitability, and competence of the individual before the individual begins providing services. The department of social and health services, or contracted providers or licensees as defined in section 1 of this act, when hiring, licensing, certifying, contracting with, permitting, or continuing to permit a person to be employed in any position caring for or having unsupervised access to vulnerable adults or children, have a rebuttable presumption that their exercise of discretion under this subsection or the refusal to exercise such discretion was appropriate. This subsection does not create a protected class, a private right of action, or any right, privilege, or

duty, or to change any right, privilege, or duty existing under law related to the department of social and health services, contracted providers, and licensees as defined in section 1 of this act.

(5) (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 website if:

(i) Its website 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.

(f) Department of children, youth, and families: A certificate of restoration of opportunity does not apply to founded findings of child abuse or neglect. No finding of child abuse or neglect may be destroyed based solely on a certificate. The department of children, youth, and families 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 of children, youth, and families shall adopt rules to implement this subsection ((4+)) (5) (f).

((5+)) (6) 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+)) (7) Application for a certificate of restoration of opportunity must be filed as a civil action.

((7+)) (8) 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.

((9+)) (9) 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+)) (10) 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+)) (11) (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. 4. RCW 43.20A.710 and 2020 c 270 s 10 are each amended to read as follows:

(1) The secretary shall investigate the conviction records, pending charges and disciplinary board final decisions of:

(a) Any current employee or applicant seeking or being considered for any position with the department who will or may have unsupervised access to children, vulnerable adults, or individuals with mental illness or developmental disabilities. This includes, but is not limited to, positions conducting comprehensive assessments, financial eligibility determinations, licensing and certification activities, investigations, surveys, or case management; or for state positions otherwise required by federal law to meet employment standards;

(b) Individual providers as defined in RCW 74.39A.240 and providers who are paid by home care agencies to provide in-home services involving unsupervised access to persons with physical, mental, or developmental disabilities or mental illness, or to vulnerable adults as defined in chapter 74.34 RCW, including but not limited to services provided under chapter 74.39 or 74.39A RCW; and

(c) Individuals or businesses or organizations for the care, supervision, case management, or treatment of children, persons with developmental disabilities, or vulnerable adults, including but not limited to services contracted for under chapter 18.20, 70.127, 70.128, 72.36, or 74.39A RCW or Title 71A RCW.

(2) The secretary shall require a fingerprint-based background check through both the Washington state patrol and the federal bureau of investigation as provided in RCW 43.43.837. Unless otherwise authorized by law, the secretary shall use the information solely for the purpose of determining the character, suitability, and competence of the applicant.

(3) Except as provided in subsection (4) of this section, an individual provider or home care agency provider who has resided in the state less than three years before applying for employment involving unsupervised access to a vulnerable adult as defined in chapter 74.34 RCW must be fingerprinted for the purpose of investigating conviction records through both the Washington state

patrol and the federal bureau of investigation. This subsection applies only with respect to the provision of in-home services funded by medicaid personal care under RCW 74.09.520, community options program entry system waiver services under RCW 74.39A.030, or chore services under RCW 74.39A.110. However, this subsection does not supersede RCW 74.15.030(2).

(4) Long-term care workers, as defined in RCW 74.39A.009, who are hired after January 7, 2012, are subject to background checks under RCW 74.39A.056, except that the department may require a background check at any time under RCW 43.43.837. For the purposes of this subsection, "background check" includes, but is not limited to, a fingerprint check submitted for the purpose of investigating conviction records through both the Washington state patrol and the federal bureau of investigation.

(5) An individual provider or home care agency provider hired to provide in-home care for and having unsupervised access to a vulnerable adult as defined in chapter 74.34 RCW must have no conviction for a disqualifying crime under RCW 43.43.830 and 43.43.842. An individual or home care agency provider must also have no conviction for a crime relating to drugs as defined in RCW 43.43.830. This subsection applies only with respect to the provision of in-home services funded by medicaid personal care under RCW 74.09.520, community options program entry system waiver services under RCW 74.39A.030, or chore services under RCW 74.39A.110.

(6) The secretary shall provide the results of the state background check on long-term care workers, including individual providers, to the persons hiring them or to their legal guardians, if any, for their determination of the character, suitability, and competence of the applicants. If the person elects to hire or retain an individual provider after receiving notice from the department that the applicant has a conviction for an offense that would disqualify the applicant from having unsupervised access to persons with physical, mental, or developmental disabilities or mental illness, or to vulnerable adults as defined in chapter 74.34 RCW, then the secretary shall deny payment for any subsequent services rendered by the disqualified individual provider.

(7) Criminal justice agencies shall provide the secretary such information as they may have and that the secretary may require for such purpose.

(8) Any person whose criminal history would otherwise disqualify the person under this section or RCW 43.43.842, from a position which will or may have unsupervised access to children, vulnerable adults, or persons with mental illness or developmental disabilities shall not be automatically disqualified if ((the)):

(a) The department of social and health services reviewed the person's otherwise disqualifying criminal history through the department of social and health services' background assessment review team process conducted in 2002 and determined that such person could remain in a position covered by this section(~~or if the otherwise disqualifying~~)):

(b) The conviction is no longer automatically disqualifying pursuant to section 1 of this act;

(c) The applicant has received a certificate of restoration of opportunity for the convictions pursuant to RCW 9.97.020, and the department of social and health services has not disqualified the applicant based on character, competence, and suitability review; or

(d) The conviction or disposition has been the subject of a pardon, annulment, or other equivalent procedure.

(9) The department may not consider any founded finding of physical abuse or negligent treatment or maltreatment of a child made pursuant to chapter 26.44 RCW that is accompanied by a certificate of parental improvement or dependency as a result of a finding of abuse or neglect pursuant to chapter 13.34 RCW that is accompanied by a certificate of parental improvement when evaluating an applicant or employee's character, competency, and suitability pursuant to any background check authorized or required by this chapter, RCW 74.39A.056 or 43.43.832, or any of the rules adopted thereunder.

Sec. 5. RCW 70.128.120 and 2015 c 66 s 2 are each amended to read as follows:

Each adult family home provider, applicant, and each resident manager shall have the following minimum qualifications, except that only applicants are required to meet the

provisions of subsections (10) and (11) of this section:

(1) Twenty-one years of age or older;

(2) For those applying after September 1, 2001, to be licensed as providers, and for resident managers whose employment begins after September 1, 2001, a United States high school diploma or high school equivalency certificate as provided in RCW 28B.50.536 or any English or translated government documentation of the following:

(a) Successful completion of government-approved public or private school education in a foreign country that includes an annual average of one thousand hours of instruction over twelve years or no less than twelve thousand hours of instruction;

(b) A foreign college, foreign university, or United States community college two-year diploma;

(c) Admission to, or completion of coursework at, a foreign university or college for which credit was granted;

(d) Admission to, or completion of coursework at, a United States college or university for which credits were awarded;

(e) Admission to, or completion of postgraduate coursework at, a United States college or university for which credits were awarded; or

(f) Successful passage of the United States board examination for registered nursing, or any professional medical occupation for which college or university education preparation was required;

(3) Good moral and responsible character and reputation;

(4) Literacy and the ability to communicate in the English language;

(5) Management and administrative ability to carry out the requirements of this chapter;

(6) Satisfactory completion of department-approved basic training and continuing education training as required by RCW 74.39A.074, and in rules adopted by the department;

(7) Satisfactory completion of department-approved, or equivalent, special care training before a provider

may provide special care services to a resident;

(8) ~~Not ((been convicted of any crime that is disqualifying under RCW 43.43.830 or 43.43.842, or department rules adopted under this chapter, or been found to have abused, neglected, exploited, or abandoned a minor or vulnerable adult as specified in RCW 74.39A.056(2)))~~ be disqualified by a department background check;

(9) For those applying to be licensed as providers, and for resident managers whose employment begins after August 24, 2011, at least one thousand hours in the previous sixty months of successful, direct caregiving experience obtained after age eighteen to vulnerable adults in a licensed or contracted setting prior to operating or managing an adult family home. The applicant or resident manager must have credible evidence of the successful, direct caregiving experience or, currently hold one of the following professional licenses: Physician licensed under chapter 18.71 RCW; osteopathic physician licensed under chapter 18.57 RCW; osteopathic physician assistant licensed under chapter 18.57A RCW; physician assistant licensed under chapter 18.71A RCW; registered nurse, advanced registered nurse practitioner, or licensed practical nurse licensed under chapter 18.79 RCW;

(10) For applicants, proof of financial solvency, as defined in rule; and

(11) Applicants must successfully complete an adult family home administration and business planning class, prior to being granted a license. The class must be a minimum of forty-eight hours of classroom time and approved by the department. The department shall promote and prioritize bilingual capabilities within available resources and when materials are available for this purpose. Under exceptional circumstances, such as the sudden and unexpected death of a provider, the department may consider granting a license to an applicant who has not completed the class but who meets all other requirements. If the department decides to grant the license due to exceptional circumstances, the applicant must have enrolled in or completed the class within four months of licensure.

Sec. 6. RCW 70.128.120 and 2020 c 80 s 47 are each amended to read as follows:

Each adult family home provider, applicant, and each resident manager shall have the following minimum qualifications, except that only applicants are required to meet the provisions of subsections (10) and (11) of this section:

(1) Twenty-one years of age or older;

(2) For those applying after September 1, 2001, to be licensed as providers, and for resident managers whose employment begins after September 1, 2001, a United States high school diploma or high school equivalency certificate as provided in RCW 28B.50.536 or any English or translated government documentation of the following:

(a) Successful completion of government-approved public or private school education in a foreign country that includes an annual average of one thousand hours of instruction over twelve years or no less than twelve thousand hours of instruction;

(b) A foreign college, foreign university, or United States community college two-year diploma;

(c) Admission to, or completion of coursework at, a foreign university or college for which credit was granted;

(d) Admission to, or completion of coursework at, a United States college or university for which credits were awarded;

(e) Admission to, or completion of postgraduate coursework at, a United States college or university for which credits were awarded; or

(f) Successful passage of the United States board examination for registered nursing, or any professional medical occupation for which college or university education preparation was required;

(3) Good moral and responsible character and reputation;

(4) Literacy and the ability to communicate in the English language;

(5) Management and administrative ability to carry out the requirements of this chapter;

(6) Satisfactory completion of department-approved basic training and continuing education training as required by RCW 74.39A.074, and in rules adopted by the department;

(7) Satisfactory completion of department-approved, or equivalent, special care training before a provider may provide special care services to a resident;

(8) ~~Not ((been convicted of any crime that is disqualifying under RCW 43.43.830 or 43.43.842, or department rules adopted under this chapter, or been found to have abused, neglected, exploited, or abandoned a minor or vulnerable adult as specified in RCW 74.39A.056(2))~~ be disqualified by a department background check;

(9) For those applying to be licensed as providers, and for resident managers whose employment begins after August 24, 2011, at least one thousand hours in the previous sixty months of successful, direct caregiving experience obtained after age eighteen to vulnerable adults in a licensed or contracted setting prior to operating or managing an adult family home. The applicant or resident manager must have credible evidence of the successful, direct caregiving experience or, currently hold one of the following professional licenses: Physician licensed under chapter 18.71 RCW; osteopathic physician licensed under chapter 18.57 RCW; physician assistant licensed under chapter 18.71A RCW; registered nurse, advanced registered nurse practitioner, or licensed practical nurse licensed under chapter 18.79 RCW;

(10) For applicants, proof of financial solvency, as defined in rule; and

(11) Applicants must successfully complete an adult family home administration and business planning class, prior to being granted a license. The class must be a minimum of forty-eight hours of classroom time and approved by the department. The department shall promote and prioritize bilingual capabilities within available resources and when materials are available for this purpose. Under exceptional circumstances, such as the sudden and unexpected death of a provider, the department may consider granting a license to an applicant who has not completed the class but who meets all other requirements. If the department decides to grant the license due to exceptional circumstances, the applicant must have enrolled in or completed the class within four months of licensure.

Sec. 7. RCW 70.128.130 and 2019 c 80 s 1 are each amended to read as follows:

(1) The provider is ultimately responsible for the day-to-day operations of each licensed adult family home.

(2) The provider shall promote the health, safety, and well-being of each resident residing in each licensed adult family home.

(3) Adult family homes shall be maintained internally and externally in good repair and condition. Such homes shall have safe and functioning systems for heating, cooling, hot and cold water, electricity, plumbing, garbage disposal, sewage, cooking, laundry, artificial and natural light, ventilation, and any other feature of the home.

(4) In order to preserve and promote the residential home-like nature of adult family homes, adult family homes licensed after August 24, 2011, shall:

(a) Have sufficient space to accommodate all residents at one time in the dining and living room areas;

(b) Have hallways and doorways wide enough to accommodate residents who use mobility aids such as wheelchairs and walkers; and

(c) Have outdoor areas that are safe and accessible for residents to use.

(5) The adult family home must provide all residents access to resident common areas throughout the adult family home including, but not limited to, kitchens, dining and living areas, and bathrooms, to the extent that they are safe under the resident's care plan.

(6) Adult family homes shall be maintained in a clean and sanitary manner, including proper sewage disposal, food handling, and hygiene practices.

(7) Adult family homes shall develop a fire drill plan for emergency evacuation of residents, shall have working smoke detectors in each bedroom where a resident is located, shall have working fire extinguishers on each floor of the home, and shall house nonambulatory residents on a level with safe egress to a public right-of-way. Nonambulatory residents must have a bedroom on the floor of the home from which the resident can be evacuated to a designated safe location outside the home without the use

of stairs, elevators, chair lifts, platform lifts, or other devices as determined by the department in rule.

(8) The adult family home shall ensure that all residents can be safely evacuated from the home in an emergency as established by the department in rule. The rules established by the department must be developed in consultation with the largest organization representing fire chiefs in the state of Washington.

(9) Adult family homes shall have clean, functioning, and safe household items and furnishings.

(10) Adult family homes shall provide a nutritious and balanced diet and shall recognize residents' needs for special diets.

(11) Adult family homes shall establish health care procedures for the care of residents including medication administration and emergency medical care.

(a) Adult family home residents shall be permitted to self-administer medications.

(b) Adult family home providers may administer medications and deliver special care only to the extent authorized by law.

(12) Adult family home providers shall either: (a) Reside at the adult family home; or (b) employ or otherwise contract with a qualified resident manager to reside at the adult family home. The department may exempt, for good cause, a provider from the requirements of this subsection by rule.

(13) A provider will ensure that any volunteer, student, employee, or person residing within the adult family home who will have unsupervised access to any resident shall not (~~have been convicted of a crime listed under RCW 43.43.830 or 43.43.842, or been found to have abused, neglected, exploited, or abandoned a minor or vulnerable adult as specified in RCW 74.39A.056(2)-~~) be disqualified by a department background check. A provider may conditionally employ a person pending the completion of a criminal conviction background inquiry, but may not allow the person to have unsupervised access to any resident.

(14) A provider shall offer activities to residents under care as defined by the department in rule.

(15) An adult family home must be financially solvent, and upon request for good cause, shall provide the department with detailed information about the home's finances. Financial records of the adult family home may be examined when the department has good cause to believe that a financial obligation related to resident care or services will not be met.

(16) An adult family home provider must ensure that staff are competent and receive necessary training to perform assigned tasks. Staff must satisfactorily complete department-approved staff orientation, basic training, and continuing education as specified by the department by rule. The provider shall ensure that a qualified caregiver is on-site whenever a resident is at the adult family home; any exceptions will be specified by the department in rule. Notwithstanding RCW 70.128.230, until orientation and basic training are successfully completed, a caregiver may not provide hands-on personal care to a resident without on-site supervision by a person who has successfully completed basic training or been exempted from the training pursuant to statute.

(17) The provider and resident manager must assure that there is:

(a) A mechanism to communicate with the resident in his or her primary language either through a qualified person on-site or readily available at all times, or other reasonable accommodations, such as language lines; and

(b) Staff on-site at all times capable of understanding and speaking English well enough to be able to respond appropriately to emergency situations and be able to read and understand resident care plans.

NEW SECTION. Sec. 8. The department of social and health services and the department of health may adopt rules to implement this act.

NEW SECTION. Sec. 9. If any part of this act is found to be in conflict with federal requirements that are a prescribed condition to the allocation of federal funds to the state, the conflicting part of this act is inoperative solely to the extent of the conflict and with respect to the agencies directly affected, and this finding does not affect the operation of the remainder

of this act in its application to the agencies concerned. Rules adopted under this act must meet federal requirements that are a necessary condition to the receipt of federal funds by the state.

NEW SECTION. Sec. 10. Section 5 of this act expires July 1, 2022.

NEW SECTION. Sec. 11. Section 6 of this act takes effect July 1, 2022."

On page 1, line 2 of the title, after "system;" strike the remainder of the title and insert "amending RCW 9.97.020, 43.20A.710, 70.128.120, 70.128.120, and 70.128.130; adding a new section to chapter 43.20A RCW; adding a new section to chapter 74.39A RCW; creating new sections; providing an effective date; and providing expiration dates."

and the same is herewith transmitted.

Sarah Bannister, Deputy, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 1411 and advanced the bill, as amended by the Senate, to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representative Simmons spoke in favor of the passage of the bill.

Representative Schmick spoke against the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1411, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1411, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 58; Nays, 40; Absent, 0; Excused, 0.

Voting yea: Representatives Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chapman, Chopp, Cody, Davis, Dolan, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris, Harris-Talley, J. Johnson, Kirby, Kloba, Leavitt, Lekanoff, Lovick, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Peterson, Pollet, Ramel, Ramos, Riccelli, Rule, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Vick, Walen, Wicks, Wylie and Mme. Speaker.

Voting nay: Representatives Abbarno, Barkis, Boehnke, Caldier, Chambers, Chandler, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, MacEwen, Maycumber, McCaslin, McEntire, Mosbrucker, Orcutt, Paul, Robertson, Rude, Schmick, Steele, Stokesbary, Sutherland, Volz, Walsh, Wilcox, Ybarra and Young.

SUBSTITUTE HOUSE BILL NO. 1411, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

The Speaker (Representative Lovick presiding) called upon Representative Orwall to preside.

There being no objection, the House reverted to the third order of business.

MESSAGES FROM THE SENATE

April 20, 2021

Mme. SPEAKER:

The Senate concurred in the House amendment(s) to the following bills and passed the bills as amended by the House:

ENGROSSED SUBSTITUTE SENATE BILL NO. 5038,
ENGROSSED SUBSTITUTE SENATE BILL NO. 5044,
ENGROSSED SECOND SUBSTITUTE SENATE BILL NO.
5052,
SUBSTITUTE SENATE BILL NO. 5066,
ENGROSSED SUBSTITUTE SENATE BILL NO. 5097,
ENGROSSED SECOND SUBSTITUTE SENATE BILL NO.
5128,
SUBSTITUTE SENATE BILL NO. 5140,
ENGROSSED SECOND SUBSTITUTE SENATE BILL NO.
5141,
SUBSTITUTE SENATE BILL NO. 5151,
SECOND SUBSTITUTE SENATE BILL NO. 5331,
SUBSTITUTE SENATE BILL NO. 5361,

and the same are herewith transmitted.

Brad Hendrickson, Secretary

April 20, 2021

Mme. SPEAKER:

The President has signed:

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO.
1216,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1236,
ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO.
1272,
HOUSE BILL NO. 1289,
ENGROSSED HOUSE BILL NO. 1311,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1326,
SUBSTITUTE HOUSE BILL NO. 1355,
SUBSTITUTE HOUSE BILL NO. 1356,
SUBSTITUTE HOUSE BILL NO. 1373,
SUBSTITUTE HOUSE BILL NO. 1379,

SUBSTITUTE HOUSE BILL NO. 1423,
 SUBSTITUTE HOUSE BILL NO. 1472,
 SUBSTITUTE HOUSE BILL NO. 1502,
 SUBSTITUTE HOUSE BILL NO. 1514,

and the same are herewith transmitted.

Brad Hendrickson, Secretary

April 20, 2021

Mme. SPEAKER:

The President has signed:

SUBSTITUTE SENATE BILL NO. 5009,
 SUBSTITUTE SENATE BILL NO. 5013,
 SENATE BILL NO. 5040,
 ENGROSSED SECOND SUBSTITUTE SENATE BILL NO.
 5071,
 SUBSTITUTE SENATE BILL NO. 5073,
 SENATE BILL NO. 5101,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5115,
 SUBSTITUTE SENATE BILL NO. 5157,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5178,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5180,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5235,
 SECOND SUBSTITUTE SENATE BILL NO. 5253,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5353,

and the same are herewith transmitted.

Brad Hendrickson, Secretary

April 20, 2021

Mme. SPEAKER:

The President has signed:

ENGROSSED SUBSTITUTE SENATE BILL NO. 5024,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5172,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5226,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5295,
 SENATE BILL NO. 5299,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5370,
 SUBSTITUTE SENATE BILL NO. 5378,
 SUBSTITUTE SENATE BILL NO. 5381,
 SUBSTITUTE SENATE BILL NO. 5423,
 SENATE BILL NO. 5430,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5432,

and the same are herewith transmitted.

Brad Hendrickson, Secretary

There being no objection, the House advanced to the sixth order of business.

SECOND READING

ENGROSSED SUBSTITUTE SENATE BILL NO. 5096, by Senate Committee on Ways & Means (originally sponsored by Robinson, Hunt, Nguyen and C. Wilson)

Concerning an excise tax on gains from the sale or exchange of certain capital assets. Revised for 1st Substitute: Enacting an excise tax on gains from the sale or exchange of certain capital assets. (REVISED FOR ENGROSSED: Investing in Washington families and creating a more progressive tax system in Washington by enacting an excise tax on the sale or exchange of certain capital assets.)

The bill was read the second time.

There being no objection, the committee striking amendment by the Committee on Finance was before the House for purpose of amendment. (For Committee amendment, see Journal, Day 99, April 19, 2021).

Representative Chase moved the adoption of amendment (726) to the committee striking amendment:

Beginning on page 1, line 23, strike sections 2 and 3 and insert the following:

"NEW SECTION. **Sec. 2.** (1) The taxpayer fairness account is created in the state treasury. All taxes, interest, and penalties collected under this chapter shall be deposited into the account. Expenditures from the account must only be used as provided in this section.

(2) (a) Beginning July 1, 2023, the state treasurer must notify the department monthly of the amount of revenue in the taxpayer fairness account.

(b) (i) Beginning, October 1, 2023, and each subsequent October 1st, the department must calculate a reduction in the state sales and use tax rate provided in RCW 82.08.020 that would provide a reduction in state revenues collected by the state sales and use tax for the following calendar year that would be equal to the amount of revenue in the taxpayer fairness account as of October 1st of the current year.

(ii) In calculating the rate reduction for the upcoming calendar year, the department must round the state sales and use tax rate to the nearest 100th of one percent and the estimated revenue reduction must be within \$100,000 of the available balance in the taxpayer fairness account on October 1st of the current calendar year.

(iii) Any reduction in the state sales and use tax rate made pursuant to this section must be effective January 1st through December 31st of the tax year.

(iv) The department shall publish the sales and use tax rate by December 1, 2023, and each subsequent December 1st, for the upcoming calendar year. Any notice must clearly state if it is the rate provided in RCW 82.08.020 or if it is a new rate reduced by the provisions of this section. The notice must also include the percentage change between statutory rate, current rate if not the statutory rate, and the new rate.

(c) The department must notify the state treasurer that a rate reduction is being funded pursuant to this section, as well as the estimated revenue reduction calculated in (b) (ii) of this subsection. The state treasurer must transfer an amount equal to the estimated revenue reduction calculated into the state general fund."

Renumber the remaining sections consecutively and correct any internal references accordingly.

Representative Chase spoke in favor of the adoption of the amendment to the committee striking amendment.

Representative Thai spoke against the adoption of the amendment to the committee striking amendment.

MOTIONS

On motion of Representative Riccelli, Representative Berg was excused.

On motion of Representative Maycumber, Representative Griffey was excused.

An electronic roll call was requested.

ROLL CALL

The Clerk called the roll on the adoption of amendment (726) to the committee striking amendment, and the amendment was not adopted by the following vote: Yeas: 42; Nays: 54; Absent: 0; Excused: 2

Voting yea: Representatives Abbarno, Barkis, Boehnke, Caldier, Chambers, Chapman, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, MacEwen, Maycumber, McCaslin, McEntire, Mosbrucker, Orcutt, Paul, Robertson, Rude, Rule, Schmick, Steele, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox, Ybarra, and Young

Voting nay: Representatives Bateman, Bergquist, Berry, Bronoske, Callan, Chandler, Chopp, Cody, Davis, Dolan, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, Jinkins, Johnson, J., Kirby, Kloba, Leavitt, Lekanoff, Lovick, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Peterson, Pollet, Ramel, Ramos, Riccelli, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier,

Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, and Wylie

Excused: Representatives Berg, and Griffey

Representative Orcutt moved the adoption of amendment (730) to the committee striking amendment:

Beginning on page 1, line 23, strike all of sections 2 and 3 and insert the following:

"NEW SECTION. **Sec. 2.** The capital gains account is created in the state treasury. All taxes, interest, and penalties collected under this chapter must be deposited into the capital gains account. These funds shall not be used to fund ongoing operations of government. Moneys in this account may only be appropriated for one-time expenditures including, but not limited to:

(1) Unfunded pension liabilities;

(2) Backlogs in the forest riparian easement program; and

(3) Maintenance and operation backlogs at state parks, the department of fish and wildlife public lands, the department of transportation related maintenance and preservation, and the department of natural resources healthy forest initiative treatments."

Renumber the remaining sections consecutively and correct any internal references accordingly.

Representatives Orcutt, Orcutt (again) and Stokesbary spoke in favor of the adoption of the amendment to the committee striking amendment.

Representative Senn spoke against the adoption of the amendment to the committee striking amendment.

Amendment (730) to the committee striking amendment was not adopted.

Representative Dufault moved the adoption of amendment (731) to the committee striking amendment:

Beginning on page 1, line 23, strike all of sections 2 and 3 and insert the following:

"NEW SECTION. **Sec. 2.** All taxes, interest, and penalties collected under this chapter must be deposited into the fair start for kids account created in chapter . . . (Engrossed Second Substitute Senate Bill No. 5237), Laws of 2021."

Renumber the remaining sections consecutively and correct any internal references accordingly.

Representatives Dufault, Walsh, Dent and Dufault (again) spoke in favor of the adoption of the amendment to the committee striking amendment.

Representatives Senn and Harris-Talley spoke against the adoption of the amendment to the committee striking amendment.

Amendment (731) to the committee striking amendment was not adopted.

Representative Orcutt moved the adoption of amendment (733) to the committee striking amendment:

On page 1, beginning on line 23, strike all of section 2 and insert the following:

"NEW SECTION. **Sec. 2.** All taxes, interest, and penalties collected under this chapter must be deposited as follows:

(1) Seventy percent into the education legacy trust account created in RCW 83.100.230; and

(2) Thirty percent into the budget stabilization account established in RCW 43.79.490."

Representative Orcutt and Orcutt (again) spoke in favor of the adoption of the amendment to the committee striking amendment.

Representative Ormsby spoke against the adoption of the amendment to the committee striking amendment.

Amendment (733) to the committee striking amendment was not adopted.

Representative Dufault moved the adoption of amendment (729) to the committee striking amendment:

On page 2, line 31, after "gain;" strike "and"

On page 2, line 35, after "gain" insert "; and"

(f) Less any amount of long-term capital gain from the sale or exchange as provided in section 7 of this act, to the extent that such gain was included in calculating federal net long-term capital gain"

On page 7, after line 22, insert the following:

"NEW SECTION. **Sec. 7.** In computing the tax under this chapter, a taxpayer must deduct the value of the long-term capital gain of a capital asset that accrued prior to January 1, 2022, if the sale or exchange occurs after the effective date of this section."

Renumber the remaining sections consecutively and correct any internal references accordingly.

Representatives Dufault, Corry, Vick, Orcutt, Kraft, Barkis, MacEwen, Caldier, Walsh, MacEwen (again), Kraft (again), Vick (again), Chambers, Stokesbary and Jacobsen spoke in favor of the adoption of the amendment to the committee striking amendment.

Representatives Harris-Talley, Springer, Frame and Harris-Talley (again) spoke against the adoption of the amendment to the committee striking amendment.

Amendment (729) to the committee striking amendment was not adopted.

Representative Stokesbary moved the adoption of amendment (745) to the committee striking amendment:

On page 3, line 5, after "59" strike ", 1400Z-1, and 1400Z-2"

Representatives Stokesbary, Walsh, MacEwen, Vick, Barkis, Dufault, Corry, Orcutt and Wilcox spoke in favor of the adoption of the amendment to the committee striking amendment.

Representatives Harris-Talley and Springer spoke against the adoption of the amendment to the committee striking amendment.

An electronic roll call was requested.

ROLL CALL

The Clerk called the roll on the adoption of amendment (745) to the committee striking amendment, and the amendment was not adopted by the following vote: Yeas: 45; Nays: 53; Absent: 0; Excused: 0

Voting yea: Representatives Abbarno, Barkis, Boehnke, Caldier, Chambers, Chandler, Chapman, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, MacEwen, Maycumber, McCaslin, McEntire, Mosbrucker, Orcutt, Paul, Robertson, Rude, Rule, Schmick, Steele, Stokesbary, Sutherland, Tharinger, Vick, Volz, Walsh, Wilcox, Ybarra, and Young

Voting nay: Representatives Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chopp, Cody, Davis, Dolan, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, Jinkins, Johnson, J., Kirby, Kloba, Leavitt, Lekanoff, Lovick, Macri, Morgan, Ormsby,

Ortiz-Self, Orwall, Peterson, Pollet, Ramel, Ramos, Riccelli, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Valdez, Walen, Wicks, and Wylie

Representative Dufault moved the adoption of amendment (728) to the committee striking amendment:

On page 3, beginning on line 18, after "means" strike all material through "land" on line 20 and insert "'real property" as defined in RCW 84.04.090 and includes all buildings, structures, and permanent improvements built upon or attached to privately owned land. Such items are considered permanently affixed when they are owned by the owner of the real property and they are securely attached to the real property or the item appears permanently situated in one location on real property and is adapted to use in the place it is located"

Representative Dufault spoke in favor of the adoption of the amendment to the committee striking amendment.

Representative Springer spoke against the adoption of the amendment to the committee striking amendment.

Amendment (728) to the committee striking amendment was not adopted.

Representative Young moved the adoption of amendment (739) to the committee striking amendment:

On page 4, beginning on line 2, after "capital" strike all material through "chapter" on line 4 and insert "gains, less the standard deduction provided in section 7 of this act"

On page 7, beginning on line 25, after "individual," strike all material through "returns" on line 28 and insert "or \$500,000 for individuals filing joint returns under this chapter"

Representatives Young, Dufault, Vick, Stokesbary and Walsh spoke in favor of the adoption of the amendment to the committee striking amendment.

Representatives Wicks and Senn spoke against the adoption of the amendment to the committee striking amendment.

An electronic roll call was requested.

ROLL CALL

The Clerk called the roll on the adoption of amendment (739) to the committee striking amendment, and the

amendment was not adopted by the following vote: Yeas: 45; Nays: 53; Absent: 0; Excused: 0

Voting yea: Representatives Abbarno, Barkis, Berg, Boehnke, Calder, Chambers, Chandler, Chapman, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, MacEwen, Maycumber, McCaslin, McEntire, Mosbrucker, Orcutt, Paul, Robertson, Rude, Rule, Schmick, Steele, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox, Ybarra, and Young

Voting nay: Representatives Bateman, Bergquist, Berry, Bronoske, Callan, Chopp, Cody, Davis, Dolan, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, Jinkins, Johnson, J., Kirby, Kloba, Leavitt, Lekanoff, Lovick, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Peterson, Pollet, Ramel, Ramos, Riccelli, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, and Wylie

Representative Orcutt moved the adoption of amendment (735) to the committee striking amendment:

On page 4, line 6, after "2022," insert "or the effective date provided pursuant to section 19 of this act, whichever is later,"

On page 14, after line 19, insert the following:

"NEW SECTION. Sec. 19. (1) Upon the passage of this act, the department of revenue must submit a letter of inquiry to the internal revenue service regarding whether the tax imposed under this act is an excise tax or an income tax.

(2) If the internal revenue service responds to the department's inquiry advising that the tax imposed under this act is an excise tax, the department must provide written notice of the effective date of this section to affected parties, the chief clerk of the house of representatives, the secretary of the senate, the office of the code reviser, and others as deemed appropriate by the department. No tax may be imposed or collected prior to the effective date of this section."

Re-number the remaining sections consecutively and correct any internal references accordingly.

Representatives Orcutt, Dufault, Kraft, Dufault (again), Orcutt (again) and Stokesbary spoke in favor of the adoption of the amendment to the committee striking amendment.

Representatives Hansen and Hackney spoke against the adoption of the amendment to the committee striking amendment.

Amendment (735) to the committee striking amendment was not adopted.

Representative Dufault moved the adoption of amendment (732) to the committee striking amendment:

On page 4, line 12, after "institutions." insert "This subsection does not constitute, and shall not be construed as, an emergency clause."

Representatives Dufault, Dufault (again), Orcutt and Corry spoke in favor of the adoption of the amendment to the committee striking amendment.

Representatives Hackney and Frame spoke against the adoption of the amendment to the committee striking amendment.

Amendment (732) to the committee striking amendment was not adopted.

The Speaker (Representative Orwall presiding) called upon Representative Lovick to preside.

Representative Orcutt moved the adoption of amendment (734) to the committee striking amendment:

On page 4, beginning on line 10, strike all of subsection (2)

Re-number the remaining subsections consecutively and correct any internal references accordingly.

On page 14, after line 33, insert the following:

"**NEW SECTION. Sec. 21.** The secretary of state shall submit this act to the people for their adoption and ratification, or rejection, at the next general election to be held in this state, in accordance with Article II, section 1 of the state Constitution and the laws adopted to facilitate its operation."

Representatives Orcutt, Walsh, Kraft, Corry, Orcutt (again) and Dufault spoke in favor of the adoption of the amendment to the committee striking amendment.

Representatives Chopp and Senn spoke against the adoption of the amendment to the committee striking amendment.

An electronic roll call was requested.

ROLL CALL

The Clerk called the roll on the adoption of amendment (734) to the committee striking amendment, and the amendment was not adopted by the following vote: Yeas: 48; Nays: 50; Absent: 0; Excused: 0

Voting yea: Representatives Abbarno, Barkis, Berg, Boehnke, Bronoske, Caldier, Chambers, Chandler, Chapman, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, Leavitt, MacEwen, Maycumber, McCaslin, McEntire, Mosbrucker, Orcutt, Paul, Robertson, Rude, Rule, Schmick, Shewmake, Steele, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox, Ybarra, and Young

Voting nay: Representatives Bateman, Bergquist, Berry, Callan, Chopp, Cody, Davis, Dolan, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, Jinkins, Johnson, J., Kirby, Kloba, Lekanoff, Lovick, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Peterson, Pollet, Ramel, Ramos, Riccelli, Ryu, Santos, Sells, Senn, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, and Wylie

Representative Orcutt moved the adoption of amendment (740) to the committee striking amendment:

On page 4, beginning on line 10, strike all of subsection (2)

Re-number the remaining subsections consecutively and correct any internal references accordingly.

Representatives Orcutt, Stokesbary, Walsh, Caldier, Abbarno, Corry, Vick, Rude, Harris, Sutherland and Dufault spoke in favor of the adoption of the amendment to the committee striking amendment.

Representatives Senn, Wylie, Ramel and Frame spoke against the adoption of the amendment to the committee striking amendment.

An electronic roll call was requested.

ROLL CALL

The Clerk called the roll on the adoption of amendment (740) to the committee striking amendment, and the amendment was not adopted by the following vote: Yeas: 47; Nays: 51; Absent: 0; Excused: 0

Voting yea: Representatives Abbarno, Barkis, Boehnke, Bronoske, Caldier, Chambers, Chandler, Chapman, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, Leavitt, MacEwen, Maycumber, McCaslin, McEntire, Mosbrucker, Orcutt, Paul, Robertson, Rude, Rule, Schmick, Shewmake, Steele, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox, Ybarra, and Young

Voting nay: Representatives Bateman, Berg, Bergquist, Berry, Callan, Chopp, Cody, Davis, Dolan, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, Jinkins, Johnson, J., Kirby,

Kloba, Lekanoff, Lovick, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Peterson, Pollet, Ramel, Ramos, Riccelli, Ryu, Santos, Sells, Senn, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, and Wylie

Representative Stokesbary moved the adoption of amendment (746) to the committee striking amendment:

On page 7, after line 22, insert the following:

"NEW SECTION. **Sec. 7.** In calculating the tax due under this chapter, an individual may elect to claim a lifetime exemption from the tax imposed pursuant to this chapter of \$1,000,000 in long-term capital gains. In the case of individuals filing joint returns, each individual is eligible for the full amount of the exemption, which may be combined with the other individual's exemption in calculating the tax due under this chapter. The lifetime exemption may be applied in whole or in part to any tax due pursuant to this chapter until the individual has claimed a total of \$1,000,000 in lifetime exemptions for any and all tax years. Once the individual has claimed a total of \$1,000,000 in lifetime exemptions, the individual is not eligible to claim additional lifetime exemptions. This exemption is applied after all other applicable exemptions, deductions, and credits are applied."

Renumber the remaining sections consecutively and correct any internal references accordingly.

Representatives Stokesbary, Vick, Barkis and Orcutt spoke in favor of the adoption of the amendment to the committee striking amendment.

Representatives Ramel and Berry spoke against the adoption of the amendment to the committee striking amendment.

Amendment (746) to the committee striking amendment was not adopted.

Representative Orcutt moved the adoption of amendment (741) to the committee striking amendment:

On page 7, line 30, after "(2)" insert "The amount of adjusted capital gain derived in the taxable year from the sale of all of the fair market value of the assets of, or the transfer of all of the taxpayer's interest in, a business;

(3) "

Renumber the remaining subsection consecutively and correct any internal references accordingly.

Representative Orcutt spoke in favor of the adoption of the amendment to the committee striking amendment.

Representative Stonier spoke against the adoption of the amendment to the committee striking amendment.

Amendment (741) to the committee striking amendment was not adopted.

Representative Vick moved the adoption of amendment (744) to the committee striking amendment:

On page 7, line 30, after "(2)" insert "Any amounts that an individual contributed to a charitable organization qualified under Title 26 U.S.C. Sec. 170(c) of the internal revenue code and deducted on the individual's federal tax return for the same tax year;

(3) "

Renumber the remaining subsection consecutively and correct any internal references accordingly.

Representatives Vick, Corry, Harris, Hoff, Corry (again), Orcutt and Chase spoke in favor of the adoption of the amendment to the committee striking amendment.

Representatives Harris-Talley and Wylie spoke against the adoption of the amendment to the committee striking amendment.

An electronic roll call was requested.

ROLL CALL

The Clerk called the roll on the adoption of amendment (744) to the committee striking amendment, and the amendment was not adopted by the following vote: Yeas: 44; Nays: 54; Absent: 0; Excused: 0

Voting yea: Representatives Abbarno, Barkis, Boehnke, Caldier, Chambers, Chandler, Chapman, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, MacEwen, Maycumber, McCaslin, McEntire, Mosbrucker, Orcutt, Paul, Robertson, Rude, Rule, Schmick, Steele, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox, Ybarra, and Young

Voting nay: Representatives Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chopp, Cody, Davis, Dolan, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, Jinkins, Johnson, J., Kirby, Kloba, Leavitt, Lekanoff, Lovick, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Peterson, Pollet, Ramel, Ramos, Riccelli, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter,

Springer, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, and Wylie

Representative Callan moved the adoption of amendment (736) to the committee striking amendment:

On page 8, at the beginning of line 22, strike "eight" and insert "five"

Representatives Callan, Orcutt, Dufault and Walen spoke in favor of the adoption of the amendment to the committee striking amendment.

Amendment (736) to the committee striking amendment was adopted.

Representative Ramos moved the adoption of amendment (738) to the committee striking amendment:

On page 8, line 26, after "of the" strike "eight" and insert "10"

Representatives Ramos, Orcutt, Walen and Dufault spoke in favor of the adoption of the amendment to the committee striking amendment.

Amendment (738) to the committee striking amendment was adopted.

Representative Vick moved the adoption of amendment (742) to the committee striking amendment:

On page 9, after line 11, insert the following:

"NEW SECTION. Sec. 9. (1) Subject to the limits and provisions of this section, a credit is authorized against the tax otherwise due under this chapter for an individual's contributions to a charitable organization.

(2) The credit under this section equals the amount deducted by the individual on the individual's federal tax return for the tax year for contributions made to organizations qualified under Title 26 U.S.C. Sec. 170(c) of the internal revenue code. The amount of the credit may not exceed the tax otherwise due under this chapter for that reporting period. No credits may be claimed for contributions made prior to January 1, 2022.

(3) No application is necessary for the tax credit. The individual must keep records necessary for the department to verify eligibility under this section.

(4) Any amount of a tax credit otherwise allowable under this section not claimed by the person in any tax year may be carried forward and claimed against a person's tax liability for the next succeeding tax year; and any credit not used in that next succeeding year may be carried forward and claimed against a person's tax liability for the second succeeding tax year, but may not be carried over for any tax year thereafter. No refunds may be granted for credits under this section.

(5) If at any time the department finds that an individual is not eligible for the tax credit under this section, the amount of taxes for which the credit has been claimed is immediately due. The department must assess interest, but not penalties, on the tax for which the person is not eligible. The interest must be assessed at the rate provided for delinquent excise taxes under chapter 82.32 RCW, is retroactive to the date the tax credit was taken, and accrues until the taxes for which the credit was used are repaid.

(6) A person claiming a credit under this section is not subject to the annual tax performance reporting requirements in chapter 82.32 RCW."

Renumber the remaining sections consecutively and correct any internal references accordingly.

Representative Vick spoke in favor of the adoption of the amendment to the committee striking amendment.

Representative Ramel spoke against the adoption of the amendment to the committee striking amendment.

An electronic roll call was requested.

ROLL CALL

The Clerk called the roll on the adoption of amendment (742) to the committee striking amendment, and the amendment was not adopted by the following vote: Yeas: 44; Nays: 54; Absent: 0; Excused: 0

Voting yea: Representatives Abbarno, Barkis, Boehnke, Caldier, Chambers, Chandler, Chapman, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, MacEwen, Maycumber, McCaslin, McEntire, Mosbrucker, Orcutt, Paul, Robertson, Rude, Rule, Schmick, Steele, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox, Ybarra, and Young

Voting nay: Representatives Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chopp, Cody, Davis, Dolan, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson,

Hackney, Hansen, Harris-Talley, Jinkins, Johnson, J., Kirby, Kloba, Leavitt, Lekanoff, Lovick, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Peterson, Pollet, Ramel, Ramos, Riccelli, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, and Wylie

Representative Vick moved the adoption of amendment (743) to the committee striking amendment:

On page 9, after line 11, insert the following:

"**NEW SECTION. Sec. 9.** (1) Subject to the limits and provisions of this section, a credit is authorized against the tax otherwise due under this chapter for an individual's contributions to a charitable organization.

(2) The credit under this section equals the amount deducted by the individual on the individual's federal tax return for the tax year for contributions made to organizations qualified under Title 26 U.S.C. Sec. 170(c) of the internal revenue code. The amount of the credit may not exceed the tax otherwise due under this chapter for that reporting period. No credits may be claimed for contributions made prior to January 1, 2022.

(3) No application is necessary for the tax credit. The individual must keep records necessary for the department to verify eligibility under this section.

(4) Any unused credit may not be carried over. No refunds may be granted for credits under this section.

(5) If at any time the department finds that an individual is not eligible for the tax credit under this section, the amount of taxes for which the credit has been claimed is immediately due. The department must assess interest, but not penalties, on the tax for which the person is not eligible. The interest must be assessed at the rate provided for delinquent excise taxes under chapter 82.32 RCW, is retroactive to the date the tax credit was taken, and accrues until the taxes for which the credit was used are repaid.

(6) A person claiming a credit under this section is not subject to the annual tax performance reporting requirements in chapter 82.32 RCW."

ReNUMBER the remaining sections consecutively and correct any internal references accordingly.

Representatives Vick, Hoff, Harris, Kraft, Jacobsen, Orcutt, Walsh and Maycumber spoke in favor of the adoption of the amendment to the committee striking amendment.

Representatives Wylie, Stonier and Senn spoke against the adoption of the amendment to the committee striking amendment.

An electronic roll call was requested.

ROLL CALL

The Clerk called the roll on the adoption of amendment (743) to the committee striking amendment, and the amendment was not adopted by the following vote: Yeas: 44; Nays: 54; Absent: 0; Excused: 0

Voting yea: Representatives Abbarno, Barkis, Boehnke, Caldier, Chambers, Chandler, Chapman, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, MacEwen, Maycumber, McCaslin, McEntire, Mosbrucker, Orcutt, Paul, Robertson, Rude, Rule, Schmick, Steele, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox, Ybarra, and Young

Voting nay: Representatives Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chopp, Cody, Davis, Dolan, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, Jinkins, Johnson, J., Kirby, Kloba, Leavitt, Lekanoff, Lovick, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Peterson, Pollet, Ramel, Ramos, Riccelli, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, and Wylie

Representative Dufault moved the adoption of amendment (727) to the committee striking amendment:

On page 11, beginning on line 21, strike all of subsection (5)

ReNUMBER the remaining subsections consecutively and correct any internal references accordingly.

Representatives Dufault and Berg spoke in favor of the adoption of the amendment to the committee striking amendment.

Amendment (727) to the committee striking amendment was adopted.

By the adoption of amendment (727), amendment (737) was ruled out of order.

Representative Stokesbary moved the adoption of amendment (747) to the committee striking amendment:

On page 14, after line 33, insert the following:

"NEW SECTION. **Sec. 21.** The legislature recognizes well-established state supreme court precedent declaring income to be property. The legislature also recognizes the fact that state voters have rejected six income tax constitutional amendments. If the capital gains tax under this act is challenged in court, the state attorney general is prohibited from requesting the court to reconsider its prior rulings declaring income to be property."

POINT OF ORDER

Representative Stonier requested a scope and object ruling on amendment (747).

SPEAKER'S RULING

"The bill before us establishes an excise tax on the capital gains realized from the sale or exchange of long-term capital assets.

Amendment (747) prohibits the Attorney General from asking a court to reconsider prior rulings in the event of

certain litigation. The powers and duties of the Attorney General are topics separate and distinct from the issue presented in the bill before us – whether to establish an excise tax on the capital gains realized from the sale or exchange of long-term capital assets.

The Speaker therefore finds and rules that the amendment is outside the scope and object of the underlying bill.

The point of order is well taken."

The committee striking amendment, as amended, was adopted.

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House, was placed on final passage.

There being no objection, the House adjourned until 11:00 a.m., April 21, 2021, the 101st Legislative Day of the Regular Session.

LAURIE JINKINS, Speaker

BERNARD DEAN, Chief Clerk

SIXTY SEVENTH LEGISLATURE - REGULAR SESSION

ONE HUNDRED FIRST DAY

House Chamber, Olympia, Wednesday, April 21, 2021

The House was called to order at 11:00 a.m. by the Speaker (Representative Lovick presiding). The Clerk called the roll and a quorum was present.

The Speaker (Representative Lovick presiding) led the Chamber in the Pledge of Allegiance. The prayer was offered by Representative Emily Wicks, 38th Legislative District.

The Speaker assumed the chair.

Reading of the Journal of the previous day was dispensed with and it was ordered to stand approved.

There being no objection, the House advanced to the third order of business.

MESSAGE FROM THE SENATE

April 20, 2021

Mme. SPEAKER:

The Senate receded from its amendment(s) to SECOND SUBSTITUTE HOUSE BILL NO. 1028 and passed the bill without said amendments.

Brad Hendrickson, Secretary

There being no objection, the House advanced to the fourth order of business.

INTRODUCTION & FIRST READING

HB 1581 by Representatives Walsh and Dufault

AN ACT Relating to modifying the allowable language used to refer to the state property tax levy on property tax statements or notices; adding a new section to chapter 84.56 RCW; and creating a new section.

Referred to Committee on Finance.

HB 1582 by Representatives Walsh, Eslick, Caldier, Orcutt, Jacobsen, Ybarra, Dufault, Boehnke, Young, Chambers, Robertson, Kraft, Goehner, Sutherland, Chandler and McCaslin

AN ACT Relating to requiring voter approval of tax increases; amending RCW 43.135.034 and 43.135.041; and creating a new section.

Referred to Committee on Finance.

HB 1583 by Representatives McEntire, Walsh, Ybarra, Eslick, Orcutt, Dufault, Robertson, Young, Kraft, Jacobsen, Graham, Boehnke, Sutherland, Klicker and Chandler

AN ACT Relating to prohibiting the imposition or collection of any tax based on income; adding a new section to chapter 82.32 RCW; and creating a new section.

Referred to Committee on Finance.

There being no objection, the bills listed on the day's introduction sheet under the fourth order of business were referred to the committees so designated.

There being no objection, the House advanced to the fifth order of business.

REPORTS OF STANDING COMMITTEES

April 20, 2021

2SSB 5192 Prime Sponsor, Committee on Ways & Means: Supporting access to electric vehicle supply equipment. Reported by Committee on Appropriations

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 19.94.010 and 2019 c 96 s 1 are each amended to read as follows:

(1) The definitions in this section apply throughout this chapter and to any rules adopted pursuant to this chapter unless the context clearly requires otherwise.

(a) "City" means a first-class city or a code city, as defined in RCW 35A.01.035, with a population of over fifty thousand persons.

(b) "City sealer" means the person duly authorized by a city to enforce and administer the weights and measures program within such city and any duly appointed deputy sealer acting under the instructions and at the direction of the city sealer.

(c) "Commodity in package form" means a commodity put up or packaged in any manner in advance of sale in units suitable for either wholesale or retail sale, exclusive, however, of an auxiliary shipping container enclosing packages that individually conform to the requirements of this chapter. An individual item or lot of any commodity not in packaged form, but on which there is marked a selling price based on established price per unit of weight or of measure, shall be construed to be a commodity in package form.

(d) "Consumer package" or "package of consumer commodity" means a commodity in package form that is customarily produced or distributed for sale through retail sales agencies or instrumentalities for consumption by persons, or used by persons for the purpose of personal care or in the performance of services ordinarily rendered in or about a household or in connection with personal possessions.

(e) "Cord" means the measurement of wood intended for fuel or pulp purposes that is contained in a space of one hundred twenty-eight cubic feet, when the wood is ranked and well stowed.

(f) "Department" means the department of agriculture of the state of Washington.

(g) "Director" means the director of the department or duly authorized representative acting under the instructions and at the direction of the director.

(h) "Fish" means any waterbreathing animal, including shellfish, such as, but not limited to, lobster, clam, crab, or other mollusca that is prepared, processed, sold, or intended for sale.

(i) "Net weight" means the weight of a commodity excluding any materials, substances, or items not considered to be part of such commodity. Materials, substances, or items not considered to be part of a commodity shall include, but are not limited to, containers, conveyances, bags, wrappers, packaging materials, labels, individual piece coverings, decorative accompaniments, and coupons.

(j) "Nonconsumer package" or "package of nonconsumer commodity" means a commodity in package form other than a consumer package and particularly a package designed solely for industrial or

institutional use or for wholesale distribution only.

(k) "Meat" means and shall include all animal flesh, carcasses, or parts of animals, and shall also include fish, shellfish, game, poultry, and meat food products of every kind and character, whether fresh, frozen, cooked, cured, or processed.

(l) "Official seal of approval" means the seal or certificate issued by the director or city sealer which indicates that a secondary weights and measures standard or a weighing or measuring instrument or device conforms with the specifications, tolerances, and other technical requirements adopted in RCW 19.94.190.

(m) "Person" means any individual, receiver, administrator, executor, assignee, trustee in bankruptcy, trust, estate, firm, copartnership, joint venture, club, company, business trust, corporation, association, society, or any group of individuals acting as a unit, whether mutual, cooperative, fraternal, nonprofit, or otherwise.

(n) "Poultry" means all fowl, domestic or wild, that is prepared, processed, sold, or intended or offered for sale.

(o) "Service agent" means a person who for hire, award, commission, or any other payment of any kind, installs, tests, inspects, checks, adjusts, repairs, reconditions, or systematically standardizes the graduations of a weighing or measuring instrument or device.

(p) "Ton" means a unit of two thousand pounds avoirdupois weight.

(q) "Weighing or measuring instrument or device" means any equipment or apparatus used commercially to establish the size, quantity, capacity, count, extent, area, heaviness, or measurement of quantities, things, produce, or articles for distribution or consumption, that are purchased, offered or submitted for sale, hire, or award on the basis of weight, measure or count, including any accessory attached to or used in connection with a weighing or measuring instrument or device when such accessory is so designed or installed that its operation affects, or may effect, the accuracy or indication of the device. This definition shall be strictly limited to those weighing or measuring instruments or devices governed by

Handbook 44 as adopted under RCW 19.94.190.

(r) "Weight" means net weight as defined in this section.

(s) "Weights and measures" means the recognized standards or units of measure used to indicate the size, quantity, capacity, count, extent, area, heaviness, or measurement of any consumable commodity.

(t) "Secondary weights and measures standard" means the physical standards that are traceable to the primary standards through comparisons, used by the director, a city sealer, or a service agent that under specified conditions defines or represents a recognized weight or measure during the inspection, adjustment, testing, or systematic standardization of the graduations of any weighing or measuring instrument or device.

(u) "Charging session" means an event starting when a user or a vehicle initiates a refueling event and stops when a user or a vehicle ends a refueling event.

(v) "Clearly marked" means, at a minimum, a sign, sticker, plaque, or any other visible marker that is readable.

(w) "Common interest community" has the same meaning as defined in RCW 64.90.010.

(x) "Direct current fast charger" means electric vehicle supply equipment capable of supplying direct current electricity to a vehicle fitted with the appropriate connection to support refueling the vehicle's energy storage battery.

(y) "Electric vehicle service provider" means the entity responsible for operating one or more networked or nonnetworked electric vehicle supply equipment. Operating includes, but is not limited to: Sending commands or messages to a networked electric vehicle supply equipment; receiving commands or messages from a networked electric vehicle supply equipment; or providing billing, maintenance, reservations, or other services to a nonnetworked or networked electric vehicle supply equipment. An electric vehicle service provider may designate another entity to act as the electric vehicle service provider for purposes of this chapter. A state agency, an electric utility as

defined in RCW 19.405.020, or a municipal corporation as defined in RCW 39.69.010 is considered an electric vehicle service provider when responsible for operating one or more publicly available electric vehicle supply equipment.

(z) "Electric vehicle supply equipment" means the unit controlling the power supply to one or more vehicles during a charging session including, but not limited to, level 2 electric vehicle supply equipment and direct current fast chargers.

(aa) "Installed" means operational and made available for a charging session.

(bb) "Kiosk" means a stand-alone physical unit that allows users to pay for and initiate a charging session at one or more electric vehicle supply equipment located at the same site as the kiosk.

(cc) "Level 2 electric vehicle supply equipment" means electric vehicle supply equipment capable of supplying 208 to 240 volt alternating current.

(dd) "Networked electric vehicle supply equipment" means electric vehicle supply equipment capable of receiving and sending commands or messages remotely from an electric vehicle service provider, including electric vehicle supply equipment with secondary systems that provide remote communication capabilities that have been installed.

(ee) "Nonnetworked electric vehicle supply equipment" means electric vehicle supply equipment incapable of receiving and sending commands or messages remotely from an electric vehicle service provider, including electric vehicle supply equipment with remote communication capabilities that have been disabled.

(ff) "Publicly available electric vehicle supply equipment" means electric vehicle supply equipment and associated parking space or spaces designated by a property owner or lessee to be available to, and accessible by, the public.

(2) The director shall prescribe by rule other definitions as may be necessary for the implementation of this chapter.

NEW SECTION. Sec. 2. A new section is added to chapter 19.94 RCW to read as follows:

(1) In addition to the definition of publicly available electric vehicle supply equipment provided in RCW 19.94.010 and except for the applicable exemptions in section 3 of this act, electric vehicle supply equipment is considered publicly available and is subject to the requirements of this chapter if:

(a) A lessee, electric vehicle service provider, or a property owner designates electric vehicle supply equipment to be available only to customers or visitors of a business or charging network;

(b) Any member of the public can obtain vehicular access to electric vehicle supply equipment and associated parking spaces for free or through payment of a fee, including electric vehicle supply equipment located in a parking garage or gated facility; or

(c) The electric vehicle supply equipment and associated parking spaces are made available to the public for only limited time periods, then the electric vehicle supply equipment and associated parking spaces are considered publicly available electric vehicle supply equipment during those limited time periods only.

(2) The director may by rule subject additional types of electric vehicle supply equipment to the requirements of this chapter to benefit the public and provide protections to consumers.

NEW SECTION. Sec. 3. A new section is added to chapter 19.94 RCW to read as follows:

(1) Publicly available electric vehicle supply equipment is exempt from compliance with the requirements of sections 4 through 6 of this act if:

(a) Members of the public may use the electric vehicle supply equipment at no cost, including no charges, fees, memberships, minimum balance on an account, and other cost at all times; and

(b) It is clearly marked that the electric vehicle supply equipment is available for use at no cost at all times.

(2) Sections 4 through 7 of this act do not apply to:

(a) Workplace electric vehicle supply equipment and its associated parking spaces if it is clearly marked and operated as available exclusively to

employees or contracted drivers, regardless of the physical accessibility of the electric vehicle supply equipment to the public;

(b) Electric vehicle supply equipment and associated parking spaces reserved exclusively for residents, tenants, visitors, or employees of a private residence or common interest community; or a residential building adjacent to a private residence;

(c) Level 2 electric vehicle supply equipment located on or near the curb of a residential electric utility customer's property, directly connected to that residential electric utility customer's meter, and intended to serve only that residential electric utility customer;

(d) Electric vehicle supply equipment and associated parking spaces provided by a vehicle dealer licensed under chapter 46.70 RCW at its established place of business.

(3) The director may by rule provide exemptions from compliance with some or all requirements of this chapter to benefit the public and provide protections to consumers, including electric vehicle supply equipment that is not available or intended for use by the public but where charges, fees, or other costs are required to initiate a charging session.

NEW SECTION. Sec. 4. A new section is added to chapter 19.94 RCW to read as follows:

(1) By January 1, 2023, the electric vehicle service provider must ensure all publicly available electric vehicle supply equipment is clearly marked and discloses all charges, fees, and costs associated with a charging session at the point of sale and prior to a user or a vehicle initiating a charging session. At a minimum, the electric vehicle service provider must disclose to the user the following information at the point of sale, if applicable:

(a) A fee for use of the parking space;

(b) A nonmember plug-in fee from the electric vehicle service provider;

(c) Price to refuel in United States dollars per kilowatt-hour or megajoule;

(d) Any potential changes in the price to refuel, in United States dollars per

kilowatt-hour or megajoule, due to variable pricing; and

(e) Any other fees charged for a charging session.

(2) If the charging session or portion of a charging session is offered at no cost, it must be disclosed at the location where the charging session is initiated and prior to a user or a vehicle initiating a charging session.

(3) For the purpose of this section, "point of sale" means the location where the charging session and associated commercial transaction is initiated including, but not limited to, electric vehicle supply equipment or kiosk used to service that electric vehicle supply equipment.

NEW SECTION. Sec. 5. A new section is added to chapter 19.94 RCW to read as follows:

(1) By January 1, 2023, the department, in consultation with the department of commerce and the Washington utilities and transportation commission, must adopt rules requiring all electric vehicle service providers make available multiple payment methods at all publicly available level 2 electric vehicle supply equipment or direct current fast charger electric vehicle supply equipment installed in Washington and may review and, if necessary, amend the rules every two years, to maintain consistency with evolving technology. At a minimum, the rules must include:

(a) Deadlines for electric vehicle service provider compliance for publicly available direct current fast charger electric vehicle supply equipment installed prior to a specific date;

(b) Deadlines for electric vehicle service provider compliance for publicly available level 2 electric vehicle supply equipment installed prior to a specific date;

(c) Deadlines for electric vehicle service provider compliance for publicly available direct current fast charger electric vehicle supply equipment installed on or after a specific date;

(d) Deadlines for electric vehicle service provider compliance for publicly available level 2 electric vehicle supply equipment installed on or after a specific date;

(e) Minimum required payment methods that are convenient and reasonably support access for all current and future users at publicly available level 2 electric vehicle supply equipment and direct current fast charger electric vehicle supply equipment installed in Washington. Payment methods may include, but are not limited to:

(i) A credit card reader device physically located on or in either the electric vehicle supply equipment unit or a kiosk used to service that electric vehicle supply equipment. Contactless credit card reader devices may be used as an option to meet the requirements of this subsection;

(ii) A toll-free number on each electric vehicle supply equipment and kiosk used to service that electric vehicle supply equipment that provides the user with the option to initiate a charging session and submit payment at any time that the electric vehicle supply equipment is operational and publicly available;

(iii) A mobile payment option used to initiate a charging session;

(f) Means for conducting a charging session in languages other than English;

(g) Means for facilitating charging sessions for consumers who are unbanked, underbanked, or low-moderate income, such as accepting prepaid cards through a card reader device. Methods established in (e) of this subsection may be used to meet this requirement if they adequately facilitate charging sessions for these consumers.

(2) In adopting the rules required under subsection (1) of this section, the department must seek to minimize costs and maximize benefits to the public.

(3) The electric vehicle service provider may not require a subscription, membership, or account or a minimum balance on an account in order to initiate a charging session at electric vehicle supply equipment subject to this section.

(4) For the purpose of this section, "mobile payment" means an electronic fund transfer initiated through a mobile phone or device.

NEW SECTION. Sec. 6. A new section is added to chapter 19.94 RCW to read as follows:

(1) Interoperability standards provide safeguards to consumers and support access to electric vehicle supply equipment. In order for Washington to have reliable, accessible, and competitive markets for electric vehicle supply equipment that are necessary for the movement of goods and people by electric vehicles, interoperability standards that align with national and international best practices or standards are necessary.

(2) By January 1, 2023, the department, in consultation with the department of commerce and the Washington utilities and transportation commission, must adopt rules establishing requirements for all electric vehicle service providers to, at a minimum, meet and maintain nonproprietary interoperability standards for publicly available level 2 electric vehicle supply equipment and direct current fast charger electric vehicle supply equipment and may review and, if necessary, amend the rules every two years, to maintain consistency with evolving technology. The requirements shall not provide that any charging provider must purchase or license proprietary technology or software from any other company, and shall not require that companies maintain interoperability agreements with other companies.

(3) For the purpose of this section, "interoperability" means the ability of hardware, software, or a communications network provided by one party, vendor, or service provider to interact with or exchange and make use of information, including payment information, between hardware, software, or a communications network provided by a different party, vendor, or service provider.

(4) The requirements of this section shall not apply to publicly available electric vehicle supply equipment provided by a manufacturer of electric vehicles for the exclusive use by vehicles it manufactures.

NEW SECTION. **Sec. 7.** A new section is added to chapter 19.94 RCW to read as follows:

(1) This section applies to all electric vehicle service providers operating one or more publicly available level 2 electric vehicle supply equipment or direct current fast charger electric vehicle supply equipment installed in Washington. If an electric vehicle

service provider also operates electric vehicle supply equipment that is not available to the public, the requirements of this section apply only to that electric vehicle service provider's publicly available level 2 electric vehicle supply equipment or direct current fast charger electric vehicle supply equipment installed in Washington.

(2) By January 1, 2023, electric vehicle service providers must report inventory and payment method information to the national renewable energy laboratory, alternative fuels data center. The information must be reported, at a minimum, annually and must include, but is not limited to:

(a) Electric vehicle service provider information;

(b) Electric vehicle supply equipment inventory for both active and retired, decommissioned, or removed electric vehicle supply equipment in Washington;

(c) Electric vehicle supply equipment payment method information.

(3) The department may adopt additional reporting requirements to support compliance with this act.

Sec. 8. RCW 19.94.175 and 2019 c 96 s 3 are each amended to read as follows:

(1) Pursuant to RCW 19.94.015, the following annual registration fees shall be charged for each weighing or measuring instrument or device used for commercial purposes in this state:

- (a) Weighing devices:
 - (i) Small scales "zero to four hundred pounds capacity" \$ 16.00
 - (ii) Intermediate scales "four hundred one pounds to five thousand pounds capacity" \$ 60.00
 - (iii) Large scales "over five thousand pounds capacity" \$ 120.00

(iv)	Railroad track scales	\$ 1,200.00
(b) Liquid fuel metering devices:		
(i)	Motor fuel meters with flows of twenty gallons or less per minute	\$ 16.00
(ii)	Motor fuel meters with flows of more than twenty but not more than one hundred fifty gallons per minute	\$ 50.00
(iii)	Motor fuel meters with flows over one hundred fifty gallons per minute	\$ 75.00
(c) Liquid petroleum gas meters:		
(i)	With one inch diameter or smaller dispensers	\$ 40.00
(ii)	With greater than one inch diameter dispensers	\$ 80.00
(d)	Fabric meters	\$ 15.00
(e)	Cordage meters	\$ 15.00
(f)	Mass flow meters	\$ 300.00
(g)	Taxi meters	\$ 40.00
(h)	<u>Level 2 electric vehicle supply equipment port</u>	<u>\$ 20.00</u>
(i)	<u>Direct current fast charger</u>	<u>\$ 40.00</u>

electric vehicle supply equipment port

(2) Pursuant to RCW 19.94.015, a reasonable registration fee for electric vehicle supply equipment, in addition to the fees established in subsection (1) of this section, may be established through rule making to cover the remaining costs associated with enforcing this chapter on electric vehicle supply equipment. The department may consider differential fees to reduce the potential burden of the registration fee for electric vehicle service providers operating less than 25 publicly available electric vehicle supply equipment in Washington.

(3) With the exception of subsection ((3)) (4) of this section, no person shall be required to pay more than the annual registration fee for any weighing or measuring instrument or device in any one year.

((3)) (4) The department or a city sealer may establish reasonable inspection and testing fees for each type or class of weighing or measuring instrument or device specially requested to be inspected or tested by the device owner. These inspection and testing fees shall be limited to those amounts necessary for the department or city sealer to cover the direct costs associated with such inspection and testing. The fees shall not be set so as to compete with service agents normally engaged in such services.

((4)) (5) The weights and measures advisory group within the department must review the fees in subsection (1) of this section and report to stakeholders on the financial status of the program supported by the fees by September 1, 2024, and September 1st every five years thereafter.

Sec. 9. RCW 19.94.190 and 2019 c 96 s 4 are each amended to read as follows:

(1) The director and duly appointed city sealers must enforce the provisions of this chapter.

(2) The department's enforcement proceedings under this chapter are subject to the requirement to provide technical assistance in chapter 43.05 RCW and the administrative procedure act, chapter 34.05 RCW. City sealers undertaking enforcement actions must provide equivalent procedures.

(3) In assessing the amount of a civil penalty, the department or city must give due consideration to the gravity of the violation and history of previous violations.

(4) The director must adopt rules for enforcing and carrying out the purposes of this chapter including but not limited to the following:

(a) Establishing state standards of weight, measure, or count, and reasonable standards of fill for any commodity in package form;

(b) The establishment of technical test procedures to be followed, any necessary report and record forms, and marks of rejection to be used by the director and city sealers in the discharge of their official duties as required by this chapter;

(c) The establishment of technical test procedures, reporting procedures, and any necessary record and reporting forms to be used by service agents when testing and inspecting instruments or devices under RCW 19.94.255(3) or when otherwise installing, repairing, inspecting, or standardizing the graduations of any weighing or measuring instruments or devices;

(d) The establishment of exemptions from the marking or tagging requirements of RCW 19.94.250 with respect to weighing or measuring instruments or devices of such a character or size that the marking or tagging would be inappropriate, impracticable, or damaging to the apparatus in question;

(e) The establishment of exemptions from the inspection and testing requirements of RCW 19.94.163 with respect to classes of weighing or measuring instruments or devices found to be of such a character that periodic inspection and testing is unnecessary to ensure continued accuracy;

(f) The establishment of inspection and approval techniques, if any, to be used with respect to classes of weighing or measuring instruments or devices that are designed specifically to be used commercially only once and then discarded, or are uniformly mass-produced by means of a mold or die and are not individually adjustable;

(g) The establishment of inspection and testing procedures to be used for classes of weighing or measuring

instruments or devices found to be few in number, highly complex, and of such character that differential or special inspection and testing is necessary, including railroad track scales. The department's procedures shall include requirements for the provision, maintenance, and transport of any weight or measure necessary for the inspection and testing at no expense to the state;

(h) Specifications, tolerances, and other technical requirements for commercial weighing and measuring instruments or devices that must be consistent with the most recent edition of the national institute of standards and technology handbook 44 except where modified to achieve state objectives; and

(i) Packaging, labeling, and method of sale of commodities that must be consistent with the most recent edition of the national institute of standards and technology handbook 44 and 130 (for legal metrology and engine fuel quality) except where modified to achieve state objectives.

(5) Rules adopted under this section must also include specifications and tolerances for the acceptable range of accuracy required of weighing or measuring instruments or devices and must be designed to eliminate from use, without prejudice to weighing or measuring instruments or devices that conform as closely as practicable to official specifications and tolerances, those that: (a) Are of such construction that they are faulty, that is, that are not reasonably permanent in their adjustment or will not repeat their indications correctly; or (b) facilitate the perpetration of fraud.

(6) Rules adopted by the director related to the sale of electricity sold as a vehicle fuel and electric vehicle fueling systems may take effect no earlier than January 1, 2024, and may be modified to achieve state objectives, reviewed, and, if necessary, amended, to maintain consistency with evolving technology. To ensure existing infrastructure may continue operating without substantial equipment replacement or alteration, electric vehicle supply equipment installed and placed into service before January 1, 2024, is exempt from the rules of this section until January 1, 2034. Electric vehicle supply equipment that is replaced or retrofitted with new hardware after January 1, 2024, must be considered as

having been installed and placed into service after January 1, 2024.

(a) Exempt electric vehicle supply equipment installed and placed into service before January 1, 2024, must:

(i) Comply with RCW 19.94.175; and

(ii) Be clearly marked, identifying the date of installation.

(b) For the purpose of this subsection (6), "retrofitted" means a substantial modification outside of normal wear and tear maintenance.

Sec. 10. RCW 19.94.517 and 2019 c 96 s 19 are each amended to read as follows:

(1) Whenever the department or a city sealer tests or inspects a weighing or measuring instrument or device and finds the instrument or device to be incorrect to the economic benefit of the owner/operator of the weighing or measuring instrument or device and to the economic detriment of the customer, the owner of the weighing or measuring instrument or device is subject to the following civil penalties:

Device deviations outside the tolerances stated in Handbook 44.

Penalty

Small weighing or measuring instruments or devices:

First violation \$ 200.00

Second or subsequent violation within one year of first violation \$ 500.00

Medium weighing or measuring instruments or devices:

First violation \$ 400.00

Second or subsequent violation within one year of first violation \$ 1,000.00

Large weighing or measuring instruments or devices:

First violation \$ 500.00

Second or subsequent violation within one year of first violation \$ 2,000.00

Electric vehicle fuel measuring instruments or devices:

First violation \$ 200.00

Second or subsequent violation within one year of first violation \$ 500.00

(2) For the purposes of this section:

(a) The following are small weighing or measuring instruments or devices: Scales of zero to four hundred pounds capacity, liquid fuel metering devices with flows of not more than twenty gallons per minute, liquid petroleum gas meters with one inch in diameter or smaller dispensers, fabric meters, cordage meters, and taxi meters.

(b) The following are medium weighing or measuring instruments or devices: Scales of four hundred one to five thousand pounds capacity, liquid fuel metering devices with flows of more than twenty but not more than one hundred fifty gallons per minute, and mass flow meters.

(c) The following are large weighing or measuring instruments or devices: Liquid petroleum gas meters with greater than one inch diameter dispensers, liquid fuel metering devices with flows over one hundred fifty gallons per minute, and scales of more than five thousand pounds capacity and scales of more than five thousand pounds capacity with supplemental devices.

(3) The weighing or measuring instrument or device owner may appeal the civil penalty.

NEW SECTION. **Sec. 11.** A new section is added to chapter 19.94 RCW to read as follows:

(1) An electric vehicle service provider that fails to meet the requirements established under sections 4 through 6 of this act, or any rule adopted pursuant to the authority granted to the department under sections 4 through 6 of this act, is subject to a civil penalty of \$200 per electric

vehicle supply equipment for the first violation and \$500 per electric vehicle supply equipment for each subsequent violation within one year of the first violation.

(2) Moneys collected under this section must first be used to cover the department's costs to enforce this section. Any remaining moneys must be deposited into the electric vehicle account created in RCW 82.44.200.

Sec. 12. RCW 46.08.185 and 2013 c 60 s 1 are each amended to read as follows:

(1) ~~((An)) Publicly available electric vehicle ((charging station)) supply equipment~~ must be indicated by vertical signage identifying the station as ~~((an)) publicly available electric vehicle ((charging station)) supply equipment~~ and indicating that it is only for electric vehicle charging. The signage must be consistent with the manual on uniform traffic control devices, as adopted by the department of transportation under RCW 47.36.030, and contain the information required in section 4 of this act. ~~((Additionally, the electric vehicle charging station must be indicated by green pavement markings.))~~ Supplementary signage may be posted to provide additional information including, but not limited to, the amount of the monetary penalty under subsection (2) of this section for parking in the station while not connected to the charging equipment.

(2) It is a parking infraction, with a monetary penalty of one hundred twenty-four dollars, for any person to park a vehicle in ~~((an electric vehicle charging station provided on public or private property))~~ a parking space served by publicly available electric vehicle supply equipment if the vehicle is not connected to the charging equipment. The parking infraction must be processed as prescribed under RCW 3.50.100, 35.20.220, 46.16A.120, and 46.20.270 ~~((+3))~~ (2).

(3) For purposes of this section, "publicly available electric vehicle ~~((charging station))~~ means a public or private parking space that is served by charging equipment that has as its primary purpose the transfer of electric energy to a battery or other energy storage device in an electric vehicle) supply equipment" has the same meaning as provided in RCW 19.94.010 and described in sections 2 and 3 of this act.

NEW SECTION. Sec. 13. A new section is added to chapter 19.94 RCW to read as follows:

If an electric vehicle service provider sells or intends to sell consumer data collected during or associated with a charging session, the electric vehicle service provider shall disclose all types of data collected to the consumer.

NEW SECTION. Sec. 14. Section 13 of this act takes effect only if chapter . . . (Substitute Senate Bill No. 5062), Laws of 2021 is not enacted by June 30, 2021."

Correct the title.

Signed by Representatives Ormsby, Chair; Bergquist, Vice Chair; Gregerson, Vice Chair; Macri, Vice Chair; Chopp; Cody; Dolan; Fitzgibbon; Frame; Hansen; Johnson, J.; Lekanoff; Pollet; Ryu; Senn; Springer; Stonier; Sullivan and Tharinger.

MINORITY recommendation: Without recommendation. Signed by Representatives Chambers, Assistant Ranking Minority Member; MacEwen, Assistant Ranking Minority Member and Rude.

MINORITY recommendation: Do not pass. Signed by Representatives Stokesbary, Ranking Minority Member; Corry, Assistant Ranking Minority Member; Boehnke; Caldier; Chandler; Dye; Harris; Hoff; Jacobsen; Schmick and Steele.

April 20, 2021

ESSB 5478 Prime Sponsor, Committee on Ways & Means: Concerning unemployment insurance relief for certain employers. Reported by Committee on Appropriations

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. (1) The legislature finds that certain businesses in Washington have experienced significant and unanticipated impacts during the COVID-19 pandemic. The legislature intends to preemptively minimize the disproportionate impact COVID-19 economic closures have had on these businesses.

(2) Small businesses in particular have fewer reserves and fewer resources to rely upon in periods of downturn. Those businesses owned by historically

disadvantaged groups, such as women, minority populations, and immigrants, often experience disproportionately more distress and burden due to the economic impacts of the COVID-19 pandemic compared to their counterparts across the remaining business community. These businesses are absolutely critical to the success of Washington's continued high ratings, number one gross domestic product, and are part of the backbone of Washington's diverse and resilient economy.

(3) The legislature finds that ESSB 5061, passed by the legislature and signed by the governor earlier in the 2021 session, mitigated immediate impacts to employers through caps on the social tax, suspension of the solvency surcharge, and relief of certain benefit charges.

(4) The legislature now intends to address the disproportionate impacts on small and other significantly impacted businesses beyond the limited time period addressed in ESSB 5061. The legislature intends to provide this targeted relief through the one-time application of funds, in order to provide critical support for many of the businesses that are essential to Washington's recovery and ongoing economic vitality, while maintaining a healthy unemployment insurance trust fund for Washington's workers.

NEW SECTION. **Sec. 2.** A new section is added to chapter 50.16 RCW to read as follows:

(1) The unemployment insurance relief account is created in the custody of the state treasurer. Revenues to the account consist of appropriations and transfers by the legislature and all other funding directed for deposit into the account. Only the commissioner of the employment security department or the commissioner's designee may authorize expenditures from the account. Expenditures from the account may be used only for reimbursing the unemployment compensation fund created in RCW 50.16.010 for forgiven benefits for COVID-19 impacted businesses pursuant to sections 3, 4, 5, and 6 of this act. The account is subject to the allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

(2) By July 1, 2022, the commissioner must certify to the state treasurer the

amount of any unobligated moneys in the unemployment insurance relief account that were appropriated by the legislature from the general fund during the 2021-2023 fiscal biennium, and the treasurer must transfer those moneys back to the general fund.

NEW SECTION. **Sec. 3.** A new section is added to chapter 50.29 RCW to read as follows:

(1) By December 20, 2021, the department must determine the forgiven benefits for approved category 1 employers to be reimbursed by the unemployment insurance relief account instead of charged to the employer's experience rating account. Total approved benefits for all approved category 1 employers may not exceed the available benefits for category 1.

(2) The department will not charge the forgiven benefits to the employer's experience rating account. The commissioner must instead transfer from the unemployment insurance relief account to the unemployment compensation fund created in RCW 50.16.010 an amount equal to the forgiven benefits.

(3) For the purposes of this section, the following definitions apply:

(a) "Approved benefits" means benefits paid to employees of an approved category 1 employer during the fiscal year ending June 30, 2021, not to exceed an amount that would reduce the employer's rate class increase to no more than a two rate class increase. Approved benefits must not include benefits that were not charged to the employer's experience rating account or benefits otherwise relieved under RCW 50.29.021.

(b) "Approved category 1 employer" means a contribution paying employer:

(i) With 20 or fewer employees in the state as reported on the employer's fourth quarter report to the department for 2020;

(ii) Whose experience rating under RCW 50.29.025(1)(a)(ii) has increased by three or more rate classes from rate year 2021 to rate year 2022; and

(iii) Whose North American industry classification system code for rate year 2021 is within "323," "331," "448," "451," "453," "481," "485," "487," "512," "711," "712," "713," "721," "722," "812," and "814."

(c) "Available benefits for category 1" means \$100,000,000 of the total amount of money in the unemployment insurance relief account.

(d) "Forgiven benefits" means the approved benefits for an individual employer multiplied by the forgiveness ratio.

(e) "Forgiveness ratio" is computed by dividing the available benefits for category 1 by the total approved benefits. The forgiveness ratio cannot be more than one.

(f) "Total approved benefits" means the sum total of all approved benefits.

(4) The department must adopt such rules as are necessary to carry out the purposes of this section.

(5) This section expires July 30, 2022.

NEW SECTION. **Sec. 4.** A new section is added to chapter 50.29 RCW to read as follows:

(1) By December 20, 2021, the department must determine the forgiven benefits for approved category 2 employers to be reimbursed by the unemployment insurance relief account instead of charged to the employer's experience rating account. Total approved benefits for all approved category 2 employers may not exceed the available benefits for category 2.

(2) The department will not charge the forgiven benefits to the employer's experience rating account. The commissioner must instead transfer from the unemployment insurance relief account to the unemployment compensation fund created in RCW 50.16.010 an amount equal to the forgiven benefits.

(3) For the purposes of this section, the following definitions apply:

(a) "Approved benefits" means benefits paid to employees of an approved category 2 employer during the fiscal year ending June 30, 2021, not to exceed an amount that would reduce the employer's rate class increase to no more than a two rate class increase. Approved benefits must not include benefits that were not charged to the employer's experience rating account or benefits otherwise relieved under RCW 50.29.021.

(b) "Approved category 2 employer" means a contribution paying employer:

(i) Whose experience rating under RCW 50.29.025(1)(a)(ii) has increased by three or more rate classes from rate year 2021 to rate year 2022;

(ii) Whose North American industry classification system code for rate year 2021 is within "323," "331," "448," "451," "453," "481," "485," "487," "512," "711," "712," "713," "721," "722," "812," and "814"; and

(iii) Who does not meet the definition of approved category 1 employer under section 3(3) of this act.

(c) "Available benefits for category 2" means the sum total of:

(i) The difference between the available benefits for category 1, as defined in section 3 of this act, and the total approved benefits for approved category 1 employers, as defined in section 3 of this act; and

(ii) \$175,000,000 of the total amount of money in the unemployment insurance relief account.

(d) "Forgiven benefits" means the approved benefits for an individual employer multiplied by the forgiveness ratio.

(e) "Forgiveness ratio" is computed by dividing the available benefits for category 2 by the total approved benefits. The forgiveness ratio cannot be more than one.

(f) "Total approved benefits" means the sum total of all approved benefits.

(4) The department must adopt such rules as are necessary to carry out the purposes of this section.

(5) This section expires July 30, 2022.

NEW SECTION. **Sec. 5.** A new section is added to chapter 50.29 RCW to read as follows:

(1) By December 20, 2021, the department must determine the forgiven benefits for approved category 3 employers to be reimbursed by the unemployment insurance relief account instead of charged to the employer's experience rating account. Total approved benefits for all approved category 3 employers may not exceed the available benefits for category 3.

(2) The department will not charge the forgiven benefits to the employer's

experience rating account. The commissioner must instead transfer from the unemployment insurance relief account to the unemployment compensation fund created in RCW 50.16.010 an amount equal to the forgiven benefits.

(3) For the purposes of this section, the following definitions apply:

(a) "Approved benefits" means benefits paid to employees of an approved category 3 employer during the fiscal year ending June 30, 2021, not to exceed an amount that would reduce the employer's rate class increase to no more than a four rate class increase. Approved benefits must not include benefits that were not charged to the employer's experience rating account or benefits otherwise relieved under RCW 50.29.021.

(b) "Approved category 3 employer" means a contribution paying employer:

(i) Whose experience rating under RCW 50.29.025(1)(a)(ii) has increased by six or more rate classes from rate year 2021 to rate year 2022;

(ii) With 20 or fewer employees in the state as reported on the employer's fourth quarter report to the department for 2020; and

(iii) Who does not meet the definition of approved category 1 employer under section 3(3) of this act or approved category 2 employer under section 4(3) of this act.

(c) "Available benefits for category 3" means the sum total of:

(i) The difference between the available benefits for category 2, as defined under section 4 of this act, and the total approved benefits for approved category 2 employers, as defined under section 4 of this act; and

(ii) \$75,000,000 of the total amount of money in the unemployment insurance relief account.

(d) "Forgiven benefits" means the approved benefits for an individual employer multiplied by the forgiveness ratio.

(e) "Forgiveness ratio" is computed by dividing the available benefits for category 3 by the total approved benefits. The forgiveness ratio cannot be more than one.

(f) "Total approved benefits" means the sum total of all approved benefits.

(4) The department must adopt such rules as are necessary to carry out the purposes of this section.

(5) This section expires July 30, 2022.

NEW SECTION. **Sec. 6.** A new section is added to chapter 50.29 RCW to read as follows:

(1) By December 20, 2021, the department must determine the forgiven benefits for approved category 4 employers to be reimbursed by the unemployment insurance relief account instead of charged to the employer's experience rating account. Total approved benefits for all approved category 4 employers may not exceed the available benefits for category 4.

(2) The department will not charge the forgiven benefits to the employer's experience rating account. The commissioner must instead transfer from the unemployment insurance relief account to the unemployment compensation fund created in RCW 50.16.010 an amount equal to the forgiven benefits.

(3) For the purposes of this section, the following definitions apply:

(a) "Approved benefits" means benefits paid to employees of an approved category 4 employer during the fiscal year ending June 30, 2021, not to exceed an amount that would reduce the employer's rate class increase to no more than a four rate class increase. Approved benefits must not include benefits that were not charged to the employer's experience rating account or benefits otherwise relieved under RCW 50.29.021.

(b) "Approved category 4 employer" means a contribution paying employer:

(i) Whose experience rating under RCW 50.29.025(1)(a)(ii) has increased by six or more rate classes from rate year 2021 to rate year 2022;

(ii) With at least 21 but fewer than 5,000 employees in the state as reported on the employer's fourth quarter report to the department for 2020; and

(iii) Who does not meet the definition of approved category 1 employer under section 3(3) of this act, approved category 2 employer under section 4(3) of this act, or approved category 3 employer under section 5(3) of this act.

(c) "Available benefits for category 4" means the sum total of:

(i) The difference between the available benefits for category 3, as defined under section 5 of this act, and the total approved benefits for approved category 3 employers, as defined under section 5 of this act; and

(ii) \$150,000,000 of the total amount of money in the unemployment insurance relief account.

(d) "Forgiven benefits" means the approved benefits for an individual employer multiplied by the forgiveness ratio.

(e) "Forgiveness ratio" is computed by dividing the available benefits for category 4 by the total approved benefits. The forgiveness ratio cannot be more than one.

(f) "Total approved benefits" means the sum total of all approved benefits.

(4) The department must adopt such rules as are necessary to carry out the purposes of this section.

(5) This section expires July 30, 2022.

NEW SECTION. **Sec. 7.** A new section is added to chapter 50.29 RCW to read as follows:

(1) By July 30th of each year, the department must determine which employers have not paid all contributions, penalties, or interest due, and have not entered into a department-approved deferred payment contract, as of that date.

(2) By September 1st of each year, for each employer meeting the criteria in subsection (1) of this section, the department must notify the employer of the availability of deferred payment contracts with the department. The department must provide technical, and culturally and linguistically relevant, assistance as needed to the employer in navigating the process for entering into a department-approved payment contract.

NEW SECTION. **Sec. 8.** If any part of this act is found to be in conflict with federal requirements that are a prescribed condition to the allocation of federal funds to the state or the eligibility of employers in this state for federal unemployment tax credits, the conflicting part of this act is inoperative solely to the extent of the conflict, and the finding or determination does not affect the

operation of the remainder of this act. Rules adopted under this act must meet federal requirements that are a necessary condition to the receipt of federal funds by the state or the granting of federal unemployment tax credits to employers in this state.

NEW SECTION. **Sec. 9.** 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."

Correct the title.

Signed by Representatives Ormsby, Chair; Bergquist, Vice Chair; Gregerson, Vice Chair; Macri, Vice Chair; Stokesbary, Ranking Minority Member; Chambers, Assistant Ranking Minority Member; Corry, Assistant Ranking Minority Member; MacEwen, Assistant Ranking Minority Member; Boehnke; Caldier; Chandler; Chopp; Cody; Dolan; Dye; Fitzgibbon; Frame; Hansen; Harris; Hoff; Jacobsen; Johnson, J.; Lekanoff; Pollet; Rude; Ryu; Schmick; Senn; Springer; Steele; Stonier; Sullivan and Tharinger.

There being no objection, SECOND SUBSTITUTE SENATE BILL NO. 5192 and ENGROSSED SUBSTITUTE SENATE BILL NO. 5478 listed on the day's committee reports under the fifth order of business were placed on the second reading calendar.

There being no objection, the House advanced to the seventh order of business.

THIRD READING MESSAGE FROM THE SENATE

April 10, 2021

Mme. SPEAKER:

The Senate has passed ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1365 with the following amendment(s):

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** (1) The legislature recognizes that the COVID-19 pandemic exposed the importance of internet-accessible learning devices for the ability of students to receive a modern education. When Washington schools closed in March 2020, schools and school districts shifted quickly to offering education in an online environment. Teachers adapted their lessons for videoconferencing platforms and arranged for students to submit

homework via email. However, limited opportunities for in-person instruction amplified digital deserts and disparities among students that are likely to continue to grow for the foreseeable future.

(2) The legislature finds that students from low-income families face disproportionate barriers to accessing learning over the internet in their homes, partly because they do not have internet-accessible devices appropriate for learning. The legislature also recognizes that accessing learning over the internet requires more than just an internet-accessible device appropriate for learning. For students and their families to be truly connected, they need the digital literacy, digital skills, and digital support to use internet-accessible devices and to navigate the web in support of student learning.

(3) Therefore, the purposes of this act are to: (a) Accelerate student access to learning devices and related goods and services; (b) expand training programs and technical assistance on using technology to support student learning; and (c) build the capacity of schools and districts to support digital navigation services for students and their families.

Sec. 2. RCW 28A.650.010 and 2017 c 90 s 1 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Digital citizenship" includes the norms of appropriate, responsible, and healthy behavior related to current technology use, including digital and media literacy, ethics, etiquette, and security. The term also includes the ability to access, analyze, evaluate, develop, produce, and interpret media, as well as internet safety and cyberbullying prevention and response.

(2) (~~"Education technology" or "technology" means the effective use of electronic and optical tools, including telephones, and electronic and optical pathways in helping students learn.~~

(3) ~~"Network" means integrated linking of education technology systems in schools for transmission of voice, data, video, or imaging, or a combination of these.)~~ "Learning device" means an internet-accessible computer, tablet, or other device, with an appropriate operating system, software applications,

and data security, that can be used to access curricula, educational web applications and websites, and learning management systems, and with telecommunications capabilities sufficient for videoconferencing.

NEW SECTION. Sec. 3. A new section is added to chapter 28A.650 RCW to read as follows:

(1) Each educational service district shall provide technology consultation, procurement, and training, in consultation with teacher-librarians through school library information and technology programs as defined in RCW 28A.320.240, and as described in this section. An educational service district may meet the requirements of this section in cooperation with one or more other educational service districts.

(2) Technology consultation involves providing technical assistance and guidance to local school districts related to technology needs and financing, and may include consultation with other entities.

(3) (a) Technology procurement involves negotiating for local school district purchasing and leasing of learning devices and peripheral devices, learning management systems, cybersecurity protection, device insurance, and other technology-related goods and services.

(b) When selecting goods and services for procurement, the educational service district must consider a variety of student needs, as well as accessibility, age appropriateness, privacy and security, data storage and transfer capacity, and telecommunications capability.

(c) Technology procurement may be performed in consultation and contract with the department of enterprise services under chapter 39.26 RCW.

(4) Technology training involves developing and offering direct services to local school districts related to staff development and capacity building to provide digital navigation services to students and their families. The educational service districts must seek to consult teacher-librarians and other relevant information technology programs to determine where there is a need and focus for this training. These services may be provided on a fee-for-service basis.

(5) Technology consultation, procurement, and training under this section must be provided to local public schools, as defined in RCW 28A.150.010, the Washington center for deaf and hard of hearing youth, and the school for the blind, in addition to local school districts. Technology training under this section may also be offered to child care providers.

(6) The educational service districts must cooperate with the office of the superintendent of public instruction to provide the data required under section 5(1) of this act.

NEW SECTION. **Sec. 4.** A new section is added to chapter 28A.650 RCW to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the office of the superintendent of public instruction shall develop and administer a technology grant program to support the work required by section 3 of this act, as described in this section, to advance the following objectives:

(a) Expand technical support and training of school and district staff in using technology to support student learning; and

(b) Develop district-based and school-based capacity to assist students and their families in accessing and using technology to support student learning.

(2) The following entities, individually or in cooperation, may apply to the office of the superintendent of public instruction for a grant under this section: An educational service district; the Washington center for deaf and hard of hearing youth; and the state school for the blind.

(3) At a minimum, grant applications must include:

(a) The applicant's technology plan for accomplishing the goals of the grant program, the applicant's student demographics, including the percent of students eligible for free and reduced-price meals, and any specialized technology needs of the applicant's students, such as students with disabilities and English learners who may need adaptive or assistive technologies; and

(b) A description of preexisting programs and funding sources used by the

applicant to provide learning devices to students, staff, or both.

(4) When ranking and selecting applicants, the office of the superintendent of public instruction must prioritize both of the following:

(a) Applicants serving school districts without preexisting programs to provide a device for every student and that have 30 percent or more students eligible for free and reduced-price meals; and

(b) Applicants with students who have specialized technology needs.

NEW SECTION. **Sec. 5.** A new section is added to chapter 28A.650 RCW to read as follows:

(1) The office of the superintendent of public instruction shall collect and analyze the following data:

(a) Demographic, distribution, and other data related to technology initiatives; and

(b) Biennial survey data on school and school district progress to accomplish the objectives listed in section 4(1) of this act.

(2) By November 1, 2022, and by November 1st every even year thereafter, the office of the superintendent of public instruction shall provide a report to the appropriate policy and fiscal committees of the legislature, in accordance with RCW 43.01.036, with:

(a) A summary of the technology initiatives data collected under subsection (1) of this section;

(b) The status of the state's progress in accomplishing the following: (i) Accelerate student access to learning devices and related goods and services; (ii) expand training programs and technical assistance on using technology to support student learning; and (iii) build the capacity of schools and districts to support digital navigation services for students and their families;

(c) Recommendations for improving the administration and oversight of the technology initiatives; and

(d) An update on innovative and collaborative activities occurring in communities across the state to support widespread public technology literacy and fluency, as well as student universal access to learning devices.

(3) By November 1, 2022, the office of the superintendent of public instruction shall survey districts, collect data, and provide a report to the appropriate policy and fiscal committees of the legislature that contains, at a minimum, the following:

(a) A list of districts that have a separate technology levy;

(b) The total amount of funding generated by the technology levies; and

(c) A detailed breakdown on how the funds generated by the technology levies are being used, including, but not limited to, the number of technology devices being purchased with those funds, personnel costs related to servicing and maintaining those devices covered by those funds, and any training or professional development for use of technology provided with those funds.

(4) For the purposes of this section, "technology initiatives" means the technology grants awarded by the office of the superintendent of public instruction under section 4 of this act, and the provision of technology consultation, procurement, and training by educational service districts under section 3 of this act.

NEW SECTION. Sec. 6. A new section is added to chapter 28A.300 RCW to read as follows:

(1)(a) The office of the superintendent of public instruction shall establish a grant program for the purposes of supporting media literacy and digital citizenship through school district leadership teams. The office of the superintendent of public instruction shall establish and publish criteria for the grant program, and may accept gifts, grants, or endowments from public or private sources for the grant program.

(b) A school district that receives a grant under this section is not prohibited from receiving a grant in subsequent grant cycles.

(2)(a) For a school district to qualify for a grant under this section, the grant proposal must provide that the grantee create a district leadership team that develops a curriculum unit on media literacy or digital citizenship, or both, that may be integrated into one of the following areas:

(i) Social studies;

(ii) English language arts; or

(iii) Health.

(b) School districts selected under the grant program are expected to evaluate the curriculum unit they develop under this subsection (2).

(c) In developing their curriculum unit, school districts selected under the grant program are encouraged to work with school district teacher-librarians or a school district library information technology program, if applicable.

(3) The establishment of the grant program under this section is subject to the availability of amounts appropriated for this specific purpose.

(4) The curriculum unit developed under this section must be made available as an open educational resource.

(5)(a) Up to 10 grants a year awarded under this section must be for establishing media literacy professional learning communities with the purpose of sharing best practices in the subject of media literacy.

(b)(i) Grant recipients under this subsection (5) are required to develop an online presence for their community to model new strategies and to share ideas, challenges, and successful practices.

(ii) Grant recipients shall attend the group meetings created by the office of the superintendent of public instruction under (c) of this subsection (5).

(c) The office of the superintendent of public instruction shall convene group meetings for the purpose of sharing best practices and strategies in media literacy education.

(d) Additional activities permitted for the use of these grants include, but are not limited to:

(i) Organizing teachers from across a school district to develop new instructional strategies and to share successful strategies;

(ii) Sharing successful practices across a group of school districts; and

(iii) Facilitating coordination between educational service districts and school districts to provide training.

(6)(a) At least one grant awarded in each award cycle must be for developing and using a curriculum that contains a

focus on synthetic media as a major component.

(b) For the purposes of this section, "synthetic media" means an image, an audio recording, or a video recording of an individual's appearance, speech, or conduct that has been intentionally manipulated with the use of digital technology in a manner to create a realistic but false image, audio, or video.

(7) This section expires July 31, 2031.

NEW SECTION. **Sec. 7.** A new section is added to chapter 28A.300 RCW to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the office of the superintendent of public instruction shall convene two regional conferences on the subject of media literacy and digital citizenship.

(2) The conferences in this section should highlight the work performed by the recipients of the grant program established under section 6 of this act, as well as best practices in media literacy and digital citizenship.

(3) The locations for conferences convened under this section must include one site in western Washington and one site in eastern Washington.

(4) This section expires July 31, 2031.

NEW SECTION. **Sec. 8.** The following acts or parts of acts are each repealed:

(1)RCW 28A.650.005 (Findings—Intent) and 1993 c 336 s 701;

(2)RCW 28A.650.015 (Education technology plan—Educational technology advisory committee) and 2011 1st sp.s. c 43 s 725, 2011 1st sp.s. c 11 s 133, 2009 c 556 s 17, 2006 c 263 s 917, 1995 c 335 s 507, 1994 c 245 s 2, & 1993 c 336 s 703;

(3)RCW 28A.650.020 (Regional educational technology support centers—Advisory councils) and 1993 c 336 s 705;

(4)RCW 28A.650.025 (Distribution of funds for regional educational technology support centers) and 1993 c 336 s 706;

(5)RCW 28A.650.030 (Distribution of funds to expand the education statewide network) and 1993 c 336 s 707;

(6)RCW 28A.650.900 (Findings—Intent—Part headings not law—1993 c 336); and

(7)RCW 28A.650.901 (Findings—1993 c 336).

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, 2021, in the omnibus appropriations act, this act is null and void."

On page 1, line 2 of the title, after "staff;" strike the remainder of the title and insert "amending RCW 28A.650.010; adding new sections to chapter 28A.650 RCW; adding new sections to chapter 28A.300 RCW; creating new sections; repealing RCW 28A.650.005, 28A.650.015, 28A.650.020, 28A.650.025, 28A.650.030, 28A.650.900, and 28A.650.901; and providing expiration dates."

and the same are herewith transmitted.

Sarah Bannister, Deputy Secretary

There being no objection, the House advanced to the seventh order of business.

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House refused to concur in the Senate amendment to ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1365 and asked the Senate to recede therefrom.

THIRD READING

ENGROSSED SUBSTITUTE SENATE BILL NO. 5096, by Senate Committee on Ways & Means (originally sponsored by Robinson, Hunt, Nguyen and C. Wilson)

Concerning an excise tax on gains from the sale or exchange of certain capital assets. Revised for 1st Substitute: Enacting an excise tax on gains from the sale or exchange of certain capital assets. (REVISED FOR ENGROSSED: Investing in Washington families and creating a more progressive tax system in Washington by enacting an excise tax on the sale or exchange of certain capital assets.)

Representatives Frame, Berg, Senn, Harris-Talley, Sullivan, Wylie, Chopp, Berry, Hackney, Walen and Thai spoke in favor of the passage of the bill.

Representatives Dufault, Klippert, Walsh, McCaslin, Schmick, Gilday, MacEwen, Eslick, Abbarno, Barkis, Kraft, Caldier, Sutherland, Dent, Chase, Young, Mosbrucker, Chambers, Volz, Dye, Graham, McEntire, Corry,

Maycumber, Orcutt and Stokesbary spoke against the passage of the bill.

The Speaker stated the question before the House to be the final passage of Engrossed Substitute Senate Bill No. 5096, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 5096, as amended by the House, and the bill passed the House by the following vote: Yeas: 53; Nays: 45; Absent: 0; Excused: 0

Voting yea: Representatives Bateman, Berg, Bergquist, Berry, Callan, Chandler, Chopp, Cody, Davis, Dolan, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, Jinkins, Johnson, J., Kirby, Kloba, Lekanoff, Lovick, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Peterson, Pollet, Ramel, Ramos, Riccelli, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, and Wylie

Voting nay: Representatives Abbarno, Barkis, Boehnke, Bronoske, Caldier, Chambers, Chapman, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, Leavitt, MacEwen, Maycumber, McCaslin, McEntire, Mosbrucker, Orcutt, Paul, Robertson, Rude, Rule, Schmick, Steele, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox, Ybarra, and Young

ENGROSSED SUBSTITUTE SENATE BILL NO. 5096, as amended by the House, having received the necessary constitutional majority, was declared passed.

There being no objection, the House reverted to the sixth order of business.

SECOND READING

SECOND SUBSTITUTE SENATE BILL NO. 5192, by Senate Committee on Ways & Means (originally sponsored by Das, Lovelett, Carlyle, Kuderer, Nguyen and C. Wilson)

Supporting access to electric vehicle supply equipment.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Appropriations was adopted. (For Committee amendment, see Journal, Day 101, April 21, 2021).

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House, was placed on final passage.

Representative Macri spoke in favor of the passage of the bill.

Representatives MacEwen and Dye spoke against the passage of the bill.

The Speaker stated the question before the House to be the final passage of Second Substitute Senate Bill No. 5192, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Second Substitute Senate Bill No. 5192, as amended by the House, and the bill passed the House by the following vote: Yeas, 56; Nays, 42; Absent, 0; Excused, 0.

Voting yea: Representatives Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chapman, Chopp, Cody, Davis, Dolan, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, J. Johnson, Kirby, Kloba, Lekanoff, Lovick, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Rule, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, Wylie and Mme. Speaker.

Voting nay: Representatives Abbarno, Barkis, Boehnke, Caldier, Chambers, Chandler, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, Leavitt, MacEwen, Maycumber, McCaslin, McEntire, Mosbrucker, Orcutt, Robertson, Rude, Schmick, Steele, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox, Ybarra and Young.

SECOND SUBSTITUTE SENATE BILL NO. 5192, as amended by the House, having received the necessary constitutional majority, was declared passed.

SUBSTITUTE SENATE BILL NO. 5317, by Senate Committee on Agriculture, Water, Natural Resources & Parks (originally sponsored by Warnick)

Concerning pesticide registration and pesticide licensing fees.

The bill was read the second time.

There being no objection, the committee striking amendment by the Committee on Rural Development, Agriculture & Natural Resources was not adopted. (For Committee amendment, see Journal, Day 75, March 26, 2021).

There being no objection, the committee striking amendment by the Committee on Appropriations was adopted. (For Committee amendment, see Journal, Day 82, April 2, 2021).

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House, was placed on final passage.

Representatives Shewmake and Dent spoke in favor of the passage of the bill.

The Speaker stated the question before the House to be the final passage of Substitute Senate Bill No. 5317, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 5317, as amended by the House, and the bill passed the House by the following vote: Yeas, 79; Nays, 18; Absent, 1; Excused, 0.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Caldier, Callan, Chambers, Chandler, Chapman, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dye, Entenman, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris-Talley, Jacobsen, J. Johnson, Kirby, Klicker, Klippert, Kloba, Kretz, Lekanoff, Lovick, MacEwen, Macri, Maycumber, Morgan, Orcutt, Ormsby, Ortiz-Self, Orwall, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, Wilcox, Wylie, Ybarra and Mme. Speaker.

Voting nay: Representatives Bronoske, Chase, Dufault, Eslick, Harris, Hoff, Kraft, Leavitt, McCaslin, McEntire, Mosbrucker, Paul, Rule, Sutherland, Vick, Volz, Walsh and Young.

Absent: Representative Fey.

SUBSTITUTE SENATE BILL NO. 5317, as amended by the House, having received the necessary constitutional majority, was declared passed.

SUBSTITUTE SENATE BILL NO. 5318, by Senate Committee on Agriculture, Water, Natural Resources & Parks (originally sponsored by Warnick)

Concerning fertilizer fees.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Appropriations was adopted. (For Committee amendment, see Journal, Day 82, April 2, 2021).

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House, was placed on final passage.

Representatives Shewmake and Dent spoke in favor of the passage of the bill.

The Speaker stated the question before the House to be the final passage of Substitute Senate Bill No. 5318, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 5318, as amended by the House, and the bill passed the House by the following vote: Yeas, 77; Nays, 21; Absent, 0; Excused, 0.

Voting yea: Representatives Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Caldier, Callan, Chambers, Chandler, Chapman, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Gregerson, Griffey, Hackney, Hansen, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Klippert, Kloba, Kretz, Lekanoff, Lovick, MacEwen, Macri, Morgan, Orcutt, Ormsby, Ortiz-Self, Orwall, Peterson, Pollet, Ramel, Ramos, Riccelli, Rude, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, Wilcox, Wylie, Ybarra and Mme. Speaker.

Voting nay: Representatives Abbarno, Bronoske, Chase, Dufault, Graham, Harris, Kraft, Leavitt, Maycumber, McCaslin, McEntire, Mosbrucker, Paul, Robertson, Rule, Stokesbary, Sutherland, Vick, Volz, Walsh and Young.

SUBSTITUTE SENATE BILL NO. 5318, as amended by the House, having received the necessary constitutional majority, was declared passed.

RECONSIDERATION

There being no objection, the House immediately reconsidered the vote by which ENGROSSED SUBSTITUTE SENATE BILL NO. 5096, as amended by the House, passed the House.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 5096, as amended by the House, on reconsideration, and the bill passed the House by the following vote: Yeas: 52; Nays: 46; Absent: 0; Excused: 0

Voting yea: Representatives Bateman, Berg, Bergquist, Berry, Callan, Chopp, Cody, Davis, Dolan, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, Jinkins, Johnson, J., Kirby, Kloba, Lekanoff, Lovick, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Peterson, Pollet, Ramel, Ramos, Riccelli, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, and Wylie

Voting nay: Representatives Abbarno, Barkis, Boehnke, Bronoske, Caldier, Chambers, Chandler, Chapman, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, Leavitt, MacEwen, Maycumber, McCaslin, McEntire, Mosbrucker, Orcutt, Paul, Robertson, Rude, Rule, Schmick, Steele, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox, Ybarra, and Young

ENGROSSED SUBSTITUTE SENATE BILL NO. 5096, as amended by the House, on reconsideration, having received the necessary constitutional majority, was declared passed.

The Speaker called upon Representative Lovick to preside.

There being no objection, the House reverted to the third order of business.

MESSAGES FROM THE SENATE

April 21, 2021

Mme. SPEAKER:

The Senate receded from its amendment(s) to SUBSTITUTE HOUSE BILL NO. 1438 and passed the bill without said amendments.

Brad Hendrickson, Secretary

April 21, 2021

Mme. SPEAKER:

The Senate receded from its amendment(s) to ENGROSSED HOUSE BILL NO. 1386 and passed the bill without said amendments.

Brad Hendrickson, Secretary

April 21, 2021

Mme. SPEAKER:

The Senate concurred in the House amendment(s) to the following bills and passed the bills as amended by the House:

- ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5051,
- SUBSTITUTE SENATE BILL NO. 5185,
- ENGROSSED SUBSTITUTE SENATE BILL NO. 5203,
- SUBSTITUTE SENATE BILL NO. 5273,
- ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5304,
- SECOND SUBSTITUTE SENATE BILL NO. 5362,

and the same are herewith transmitted.

Brad Hendrickson, Secretary

April 21, 2021

Mme. SPEAKER:

The President has signed:

- ENGROSSED SUBSTITUTE HOUSE BILL NO. 1267,
- SUBSTITUTE HOUSE BILL NO. 1269,
- ENGROSSED SUBSTITUTE HOUSE BILL NO. 1273,
- ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1287,
- ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1295,

- ENGROSSED SUBSTITUTE HOUSE BILL NO. 1297,
- ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1320,
- ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1335,
- HOUSE BILL NO. 1399,
- SUBSTITUTE HOUSE BILL NO. 1416,
- SUBSTITUTE HOUSE BILL NO. 1425,
- ENGROSSED SUBSTITUTE HOUSE BILL NO. 1443,
- ENGROSSED SUBSTITUTE HOUSE BILL NO. 1457,
- SUBSTITUTE HOUSE BILL NO. 1484,
- ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1504,
- ENGROSSED SUBSTITUTE HOUSE BILL NO. 1512,
- SUBSTITUTE HOUSE BILL NO. 1532,

and the same are herewith transmitted.

Brad Hendrickson, Secretary

April 21, 2021

Mme. SPEAKER:

The President has signed:

- SECOND SUBSTITUTE HOUSE BILL NO. 1044,
- SECOND SUBSTITUTE HOUSE BILL NO. 1127,
- ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1139,
- ENGROSSED SUBSTITUTE HOUSE BILL NO. 1140,
- ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1152,
- SUBSTITUTE HOUSE BILL NO. 1155,
- ENGROSSED SUBSTITUTE HOUSE BILL NO. 1176,
- ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1186,
- SUBSTITUTE HOUSE BILL NO. 1193,
- ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1194,
- ENGROSSED SUBSTITUTE HOUSE BILL NO. 1196,
- SECOND SUBSTITUTE HOUSE BILL NO. 1219,
- ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1220,
- SUBSTITUTE HOUSE BILL NO. 1223,
- ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1227,

and the same are herewith transmitted.

Brad Hendrickson, Secretary

April 21, 2021

Mme. SPEAKER:

The President has signed:

ENGROSSED SECOND SUBSTITUTE SENATE
BILL NO. 5022,
SUBSTITUTE SENATE BILL NO. 5025,
ENGROSSED SUBSTITUTE SENATE BILL NO.
5118,
ENGROSSED SUBSTITUTE SENATE BILL NO.
5190,
ENGROSSED SUBSTITUTE SENATE BILL NO.
5193,
ENGROSSED SECOND SUBSTITUTE SENATE
BILL NO. 5194,
ENGROSSED SECOND SUBSTITUTE SENATE
BILL NO. 5227,
SUBSTITUTE SENATE BILL NO. 5236,
SECOND SUBSTITUTE SENATE BILL NO. 5313,
ENGROSSED SECOND SUBSTITUTE SENATE
BILL NO. 5377,
ENGROSSED SECOND SUBSTITUTE SENATE
BILL NO. 5399,

and the same are herewith transmitted.

Brad Hendrickson, Secretary

There being no objection, the House advanced to the fifth order of business.

**SUPPLEMENTAL
REPORTS OF STANDING COMMITTEES**

April 20, 2021

E2SSB 5126 Prime Sponsor, Committee on Ways & Means: Concerning the Washington climate commitment act. Reported by Committee on Appropriations

MAJORITY recommendation: Do pass as amended by Committee on Appropriations and without amendment by Committee on Environment & Energy.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** FINDINGS AND INTENT. (1) The legislature finds that climate change is one of the greatest challenges facing our state and the world today, an existential crisis with major negative impacts on environmental and human health. Washington is experiencing environmental and community impacts due to climate change through increasingly devastating wildfires, flooding, droughts, rising temperatures and sea levels, and ocean acidification. Greenhouse gas emissions already in the atmosphere will increase impacts for some period of time. Actions to increase resilience of our communities, natural

resource lands, and ecosystems can prevent and reduce impacts to communities and our environment and improve their ability to recover.

(2) In 2020, the legislature updated the state's greenhouse gas emissions limits that are to be achieved by 2030, 2040, and 2050, based on current science and emissions trends, to support local and global efforts to avoid the most significant impacts from climate change. Meeting these limits will require coordinated, comprehensive, and multisectoral implementation of policies, programs, and laws, as currently enacted systems approaches are insufficient to meet the limits.

(3) The legislature further finds that while climate change is a global problem, there are communities that have historically borne the disproportionate impacts of environmental burdens and that now bear the disproportionate negative impacts of climate change. Although the state has done significant work in the past to highlight these environmental health disparities, beginning with senator Rosa Franklin's environmental equity study, and continuing through the work of the governor's interagency council on health disparities, the creation of the Washington environmental health disparities map, and recommendations of the environmental justice task force, the state can do much more to ensure that state programs address environmental equity.

(4) The legislature further finds that while enacted carbon policies can be well-intended to reduce greenhouse gas emissions and provide environmental benefits to communities, the policies may not do enough to ensure environmental health disparities are reduced and environmental benefits are provided to those communities most impacted by environmental harms from greenhouse gas and air pollutant emissions.

(5) The legislature further finds that wildfires have become one of the largest sources of black carbon in the last five years. From 2014 through 2018, wildfires in Washington state generated 39,200,000 metric tons of carbon, the equivalent of more than 8,500,000 cars on the road a year. In 2015, when 1,130,000 acres burned in Washington, wildfires were the second largest source of greenhouse gas emissions releasing 17,975,112 metric tons of carbon dioxide into the atmosphere. Wildfire pollution affects

all Washingtonians, but has disproportionate health effects on low-income communities, communities of color, and the most vulnerable of our population. Restoring the health of our forests and investing in wildfire prevention and preparedness will therefore contribute to improved air quality and improved public health outcomes.

(6) The legislature further finds that by exercising a leadership role in addressing climate change, Washington will position its economy, technology centers, financial institutions, and manufacturers to benefit from national and international efforts that must occur to reduce greenhouse gases. The legislature intends to create climate policy that recognizes the special nature of emissions-intensive, trade-exposed industries by minimizing leakage and increased life-cycle emissions associated with product imports. The legislature further finds that climate policies must be appropriately designed, in order to avoid leakage that results in net increases in global greenhouse gas emissions and increased negative impacts to those communities most impacted by environmental harms from climate change. The legislature further intends to encourage these industries to continue to innovate, find new ways to be more energy efficient, use lower carbon products, and be positioned to be global leaders in a low carbon economy.

(7) Under the program, the legislature intends to identify overburdened communities where the highest concentrations of criteria pollutants occur, determine the sources of those emissions and pollutants, and pursue significant reductions of emissions and pollutants in those communities. The legislature further intends for the department of ecology to conduct an environmental justice assessment to ensure that funds and programs created under this chapter provide direct and meaningful benefits to vulnerable populations and overburdened communities. Additionally, the legislature intends to prevent job loss and provide protective measures for workers adversely impacted by the transition to a clean energy economy through transition and assistance programs, worker-support projects, and workforce development and other activities designed to grow and expand the clean manufacturing sector in

communities across Washington state. The legislature further intends to empower the environmental justice council established under RCW 70A.---.--- (section 20, chapter . . ., Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141)) to provide recommendations for the development and implementation of the program, the distribution of funds, and the establishment of programs, activities, and projects to achieve environmental justice and environmental health goals. The legislature further intends for the department of ecology to create and adopt community engagement plans and tribal consultation frameworks in the administration of the program to ensure equitable practices for meaningful community and federally recognized tribal involvement. Finally, the legislature intends to establish this program to contribute to a healthy environment for all of Washington's communities.

NEW SECTION. Sec. 2. DEFINITIONS. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Allowance" means an authorization to emit up to one metric ton of carbon dioxide equivalent.

(2) "Allowance price containment reserve" means an account maintained by the department with allowances available for sale through separate reserve auctions at predefined prices to assist in containing compliance costs for covered and opt-in entities in the event of unanticipated high costs for compliance instruments.

(3) "Annual allowance budget" means the total number of greenhouse gas allowances allocated for auction and distribution for one calendar year by the department.

(4) "Asset controlling supplier" means any entity that owns or operates interconnected electricity generating facilities or serves as an exclusive marketer for these facilities even though it does not own them, and has been designated by the department and received a department-published emissions factor for the wholesale electricity procured from its system. The department shall use a methodology consistent with the methodology used by an external greenhouse gas emissions trading program that shares the regional electricity transmission system. Electricity from

asset controlling suppliers is considered a specified source of electricity.

(5) "Auction" means the process of selling greenhouse gas allowances by offering them up for bid, taking bids, and then distributing the allowances to winning bidders.

(6) "Auction floor price" means a price for allowances below which bids at auction are not eligible to be accepted.

(7) "Auction purchase limit" means the limit on the number of allowances one registered entity or a group of affiliated registered entities may purchase from the share of allowances sold at an auction.

(8) "Balancing authority" means the responsible entity that integrates resource plans ahead of time, maintains load-interchange-generation balance within a balancing authority area, and supports interconnection frequency in real time.

(9) "Balancing authority area" means the collection of generation, transmission, and load within the metered boundaries of a balancing authority. A balancing authority maintains load-resource balance within this area.

(10) "Biomass" means nonfossilized and biodegradable organic material originating from plants, animals, and microorganisms, including products, by-products, residues, and waste from agriculture, forestry, and related industries as well as the nonfossilized and biodegradable organic fractions of industrial waste, including gases and liquids recovered from the decomposition of nonfossilized and biodegradable organic material.

(11) "Biomass-derived fuels," "biomass fuels," or "biofuels" means fuels derived from biomass that have at least 40 percent lower greenhouse gas emissions based on a full life-cycle analysis when compared to petroleum fuels for which biofuels are capable as serving as a substitute.

(12) "Carbon dioxide equivalents" means a measure used to compare the emissions from various greenhouse gases based on their global warming potential.

(13) "Carbon dioxide removal" means deliberate human activities removing carbon dioxide from the atmosphere and durably storing it in geological,

terrestrial, or ocean reservoirs, or in products. "Carbon dioxide removal" includes existing and potential anthropogenic enhancement of biological or geochemical sinks and including, but not limited to, carbon mineralization, direct air capture and storage, and carbon mineralization.

(14) "Climate commitment" means the process and mechanisms to ensure a coordinated and strategic approach to advancing climate resilience and environmental justice and achieving an equitable and inclusive transition to a carbon neutral economy.

(15) "Climate resilience" is the ongoing process of anticipating, preparing for, and adapting to changes in climate and minimizing negative impacts to our natural systems, infrastructure, and communities. For natural systems, increasing climate resilience involves restoring and increasing the health, function, and integrity of our ecosystems and improving their ability to absorb and recover from climate-affected disturbances. For communities, increasing climate resilience means enhancing their ability to understand, prevent, adapt, and recover from climate impacts to people and infrastructure.

(16) "Closed facility" means a facility at which the current owner or operator has elected to permanently stop production and will no longer be an emissions source.

(17) "Compliance instrument" means an allowance or offset credit issued by the department or by an external greenhouse gas emissions trading program to which Washington has linked its greenhouse gas emissions cap and invest program. One compliance instrument is equal to one metric ton of carbon dioxide equivalent.

(18) "Compliance obligation" means the requirement to submit to the department the number of compliance instruments equivalent to a covered or opt-in entity's covered emissions during the compliance period.

(19) "Compliance period" means the four-year period for which the compliance obligation is calculated for covered entities.

(20) "Cost burden" means the impact on rates or charges to customers of electric utilities in Washington state for the incremental cost of electricity service to serve load due to the compliance cost

for greenhouse gas emissions caused by the program. Cost burden includes administrative costs from the utility's participation in the program.

(21) "Covered emissions" means the emissions for which a covered entity has a compliance obligation under section 10 of this act.

(22) "Covered entity" means a person that is designated by the department as subject to sections 8 through 24 of this act.

(23) "Cumulative environmental health impact" has the same meaning as provided in RCW 70A.---.--- (section 2, chapter . . ., Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141)).

(24) "Curtailed facility" means a facility at which the owner or operator has temporarily suspended production but for which the owner or operator maintains operating permits and retains the option to resume production if conditions become amenable.

(25) "Department" means the department of ecology.

(26) "Electricity importer" means:

(a) For electricity that is scheduled with a NERC e-tag to a final point of delivery into a balancing authority area located entirely within the state of Washington, the electricity importer is identified on the NERC e-tag as the purchasing-selling entity on the last segment of the tag's physical path with the point of receipt located outside the state of Washington and the point of delivery located inside the state of Washington;

(b) For facilities physically located outside the state of Washington with the first point of interconnection to a balancing authority area located entirely within the state of Washington when the electricity is not scheduled on a NERC e-tag, the electricity importer is the facility operator or owner;

(c) For electricity imported through a centralized market, the electricity importer will be defined by rule consistent with the rules required under section 10(1)(c) of this act;

(d) For electricity from facilities allocated to serve retail electricity customers of a multijurisdictional electric company, the electricity

importer is the multijurisdictional electric company;

(e) If the importer identified under (a) of this subsection is a federal power marketing administration over which the state of Washington does not have jurisdiction, and the federal power marketing administration has not voluntarily elected to comply with the program, then the electricity importer is the next purchasing-selling entity in the physical path on the NERC e-tag, or if no additional purchasing-selling entity over which the state of Washington has jurisdiction, then the electricity importer is the electric utility that operates the Washington transmission or distribution system, or the generation balancing authority;

(f) For electricity that is imported into the state by a federal power marketing administration and sold to a public body or cooperative customer or direct service industrial customer located in Washington pursuant to section 5(b) or (d) of the Pacific Northwest electric power planning and conservation act of 1980, P.L. 96-501, the electricity importer is the federal marketing administration;

(g) If the importer identified under (f) of this subsection has not voluntarily elected to comply with the program, then the electricity importer is the public body or cooperative customer or direct service industrial customer; or

(h) For electricity from facilities allocated to a consumer-owned utility inside the state of Washington from a multijurisdictional consumer-owned utility, the electricity importer is the consumer-owned utility inside the state of Washington.

(27) "Emissions containment reserve allowance" means a conditional allowance that is withheld from sale at an auction by the department or its agent to secure additional emissions reductions in the event prices fall below the emissions containment reserve trigger price.

(28) "Emissions containment reserve trigger price" means the price below which allowances will be withheld from sale by the department or its agent at an auction, as determined by the department by rule.

(29) "Emissions threshold" means the greenhouse gas emission level at or above

which a person has a compliance obligation.

(30) "Environmental benefits" has the same meaning as defined in RCW 70A.---.-- (section 2, chapter . . ., Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141)).

(31) "Environmental harm" has the same meaning as defined in RCW 70A.---.--- (section 2, chapter . . ., Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141)).

(32) "Environmental impacts" has the same meaning as defined in RCW 70A.---.-- (section 2, chapter . . ., Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141)).

(33) "Environmental justice" has the same meaning as defined in RCW 70A.---.-- (section 2, chapter . . ., Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141)).

(34) "Environmental justice assessment" has the same meaning as identified in RCW 70A.---.--- (section 14, chapter . . ., Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141)).

(35) "External greenhouse gas emissions trading program" means a government program, other than Washington's program created in this chapter, that restricts greenhouse gas emissions from sources outside of Washington and that allows emissions trading.

(36) "Facility" means any physical property, plant, building, structure, source, or stationary equipment located on one or more contiguous or adjacent properties in actual physical contact or separated solely by a public roadway or other public right-of-way and under common ownership or common control, that emits or may emit any greenhouse gas.

(37) "First jurisdictional deliverer" means the owner or operator of an electric generating facility in Washington or an electricity importer.

(38) "General market participant" means a registered entity that is not identified as a covered entity or an opt-in entity that is registered in the program registry and intends to purchase, hold, sell, or voluntarily retire compliance instruments.

(39) "Greenhouse gas" has the same meaning as in RCW 70A.45.010.

(40) "Holding limit" means the maximum number of allowances that may be held for use or trade by a registered entity at any one time.

(41) "Imported electricity" means electricity generated outside the state of Washington with a final point of delivery within the state.

(a) "Imported electricity" includes electricity from an organized market, such as the energy imbalance market.

(b) "Imported electricity" includes imports from linked jurisdictions, but such imports shall be construed as having no emissions.

(c) Electricity from a system that is marketed by a federal power marketing administration shall be construed as "imported electricity," not electricity generated in the state of Washington.

(d) "Imported electricity" does not include electricity imports of unspecified electricity that are netted by exports of unspecified electricity to any jurisdiction not covered by a linked program by the same entity within the same hour.

(e) For a multijurisdictional electric company, "imported electricity" means electricity, other than from in-state facilities, that contributes to a common system power pool. Where a multijurisdictional electric company has a cost allocation methodology approved by the utilities and transportation commission, the allocation of specific facilities to Washington's retail load will be in accordance with that methodology.

(f) For a multijurisdictional consumer-owned utility, "imported electricity" includes electricity from facilities that contribute to a common system power pool that are allocated to a consumer-owned utility inside the state of Washington pursuant to a methodology approved by the governing board of the consumer-owned utility.

(42) "Leakage" means a reduction in emissions of greenhouse gases within the state that is offset by a directly attributable increase in greenhouse gas emissions outside the state and outside the geography of another jurisdiction with a linkage agreement with Washington.

(43) "Limits" means the greenhouse gas emissions reductions required by RCW 70A.45.020.

(44) "Linkage" means a bilateral or multilateral decision under a linkage agreement between greenhouse gas market programs to accept compliance instruments issued by a participating jurisdiction to meet the obligations of regulated entities in a partner jurisdiction and to otherwise coordinate activities to facilitate operation of a joint market.

(45) "Linkage agreement" means a nonbinding agreement that connects two or more greenhouse gas market programs and articulates a mutual understanding of how the participating jurisdictions will work together to facilitate a connected greenhouse gas market.

(46) "Multijurisdictional consumer-owned utility" means a consumer-owned utility that provides electricity to member owners in Washington and in one or more other states in a contiguous service territory or from a common power system.

(47) "Multijurisdictional electric company" means an investor-owned utility that provides electricity to customers in Washington and in one or more other states in a contiguous service territory or from a common power system.

(48) "NERC e-tag" means North American electric reliability corporation (NERC) energy tag representing transactions on the North American bulk electricity market scheduled to flow between or across balancing authority areas.

(49) "Offset credit" means a tradable compliance instrument that represents an emissions reduction or emissions removal of one metric ton of carbon dioxide equivalent.

(50) "Offset project" means a project that reduces or removes greenhouse gases that are not covered emissions under this chapter.

(51) "Offset protocols" means a set of procedures and standards to quantify greenhouse gas reductions or greenhouse gas removals achieved by an offset project.

(52) "Overburdened community" means a geographic area where vulnerable populations face combined, multiple environmental harms and health impacts or risks due to exposure to environmental pollutants or contaminants through

multiple pathways, which may result in significant disparate adverse health outcomes or effects. "Overburdened community" includes, but is not limited to:

(a) Highly impacted communities as defined in RCW 19.405.020;

(b) Communities located in census tracts that are fully or partially on "Indian country" as defined in 18 U.S.C. Sec. 1151; and

(c) Populations, including Native Americans or immigrant populations, who may be exposed to environmental contaminants and pollutants outside of the geographic area in which they reside based on the populations' use of traditional or cultural foods and practices, such as the use of resources, access to which is protected under treaty rights in ceded areas, when those exposures in conjunction with other exposures may result in disproportionately greater risks, including risks of certain cancers or other adverse health effects and outcomes.

(53) "Person" has the same meaning as defined in RCW 70A.15.2200(5)(h)(iii).

(54) "Point of delivery" means a point on the electricity transmission or distribution system where a deliverer makes electricity available to a receiver, or available to serve load. This point may be an interconnection with another system or a substation where the transmission provider's transmission and distribution systems are connected to another system, or a distribution substation where electricity is imported into the state over a multijurisdictional retail provider's distribution system.

(55) "Price ceiling unit" means the units issued at a fixed price by the department for the purpose of limiting price increases and funding further investments in greenhouse gas reductions.

(56) "Program" means the greenhouse gas emissions cap and invest program created by and implemented pursuant to this chapter.

(57) "Program registry" means the data system in which covered entities, opt-in entities, and general market participants are registered and in which compliance instruments are recorded and tracked.

(58) "Registered entity" means a covered entity, opt-in entity, or general market participant that has completed the process for registration in the program registry.

(59) "Resilience" means the ability to prepare, mitigate and plan for, withstand, recover from, and more successfully adapt to adverse events and changing conditions, and reorganize in an equitable manner that results in a new and better condition.

(60) "Retire" means to permanently remove a compliance instrument such that the compliance instrument may never be sold, traded, or otherwise used again.

(61) "Specified source of electricity" or "specified source" means a facility, unit, or asset controlling supplier that is permitted to be claimed as the source of electricity delivered. The reporting entity must have either full or partial ownership in the facility or a written power contract to procure electricity generated by that facility or unit or from an asset controlling supplier at the time of entry into the transaction to procure electricity.

(62) "Supplier" means a supplier of fuel in Washington state as defined in RCW 70A.15.2200(5)(h)(ii).

(63) "Tribal lands" has the same meaning as defined in RCW 70A.---.--- (section 2, chapter . . ., Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141)).

(64) "Unspecified source of electricity" or "unspecified source" means a source of electricity that is not a specified source at the time of entry into the transaction to procure electricity.

(65) "Voluntary renewable reserve account" means a holding account maintained by the department from which allowances may be retired for voluntary renewable electricity generation, which is directly delivered to the state and has not and will not be sold or used to meet any other mandatory requirements in the state or any other jurisdiction, on behalf of voluntary renewable energy purchasers or end users.

(66)(a) "Vulnerable populations" has the same meaning as defined in RCW 70A.--.--- (section 2, chapter . . ., Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141)).

NEW SECTION. **Sec. 3.** ENVIRONMENTAL JUSTICE REVIEW. (1) To ensure that the program created in sections 8 through 24 of this act achieves reductions in criteria pollutants as well as greenhouse gas emissions in overburdened communities highly impacted by air pollution, the department must:

(a) Identify overburdened communities, consistent with the requirements of chapter . . ., Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141);

(b) Deploy an air monitoring network in overburdened communities to collect sufficient air quality data for the 2023 review and subsequent reviews of criteria pollutant reductions conducted under subsection (2) of this section; and

(c)(i) Within the identified overburdened communities, analyze and determine which sources are the greatest contributors of criteria pollutants and develop a high priority list of significant emitters.

(ii) Prior to listing any entity as a high priority emitter, the department must notify that entity and share the data used to rank that entity as a high priority emitter, and provide a period of not less than 60 days for the covered entity to submit more recent data or other information relevant to the designation of that entity as a high priority emitter.

(2)(a) Beginning in 2023, and every two years thereafter, the department must conduct a review to determine levels of criteria pollutants, as well as greenhouse gas emissions, in the overburdened communities identified under subsection (1) of this section. This review must also include an evaluation of initial and subsequent health impacts related to criteria pollution in overburdened communities. The department may conduct this evaluation jointly with the department of health.

(b) Once this review determines the levels of criteria pollutants in an identified overburdened community, then the department, in consultation with local air pollution control authorities, must establish air quality targets to achieve air quality consistent with neighboring communities that are not identified as overburdened; identify the sources that are the contributors of those emissions that are either increasing or not decreasing; and achieve

the reduction targets through adoption of emission control strategies or other methods, and the department must:

(i) Adopt, along with local air pollution control authorities, stricter air quality standards, emission standards, or emissions limitations on criteria pollutants, consistent with the authority of the department provided under RCW 70A.15.3000, and may consider alternative mitigation actions that would reduce criteria pollution by similar amounts; and

(ii) After adoption of the stricter air quality standards, emission standards, or emissions limitations on criteria pollutants, issue an enforceable order or the local air authority must issue an enforceable order, as authorized under chapter 70A.15 RCW, as necessary to comply with the stricter standards or limitations and the requirements of this section. The department or local air authority must initiate the process, including provision of notice to all relevant affected permittees or registered sources and to the public, to adopt and implement an enforceable order required under this subsection within six months of the adoption of standards or limitations under (b)(i) of this subsection;

(c) Actions imposed under this section may not impose requirements on a permitted stationary source that are disproportionate to the permitted stationary source's contribution to air pollution compared to other permitted stationary sources and other sources of criteria pollutants in the overburdened community.

(3)(a) The department must create and adopt a supplement to the department's community engagement plan developed pursuant to chapter . . . , Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141). The supplement must describe how the department will engage with overburdened communities and vulnerable populations in:

(i) Identifying emitters in overburdened communities; and

(ii) Monitoring and evaluating criteria pollutant emissions in those areas.

(b) The community engagement plan must include methods for outreach and communication with those who face

barriers, language or otherwise, to participation.

NEW SECTION. Sec. 4. ENVIRONMENTAL JUSTICE ASSESSMENT. (1) When allocating funds from the carbon emissions reduction account created in section 27 of this act, the climate investment account created in section 28 of this act, or the air quality and health disparities improvement account created in section 31 of this act, or administering grants or programs funded by the accounts, agencies shall conduct an environmental justice assessment consistent with the requirements of RCW 70A.---.--- (section 14, chapter . . . , Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141)) and establish a minimum of not less than 35 percent and a goal of 40 percent of total investments that provide direct and meaningful benefits to vulnerable populations within the boundaries of overburdened communities identified under chapter . . . , Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141) through: (a) The direct reduction of environmental burdens in overburdened communities; (b) the reduction of disproportionate, cumulative risk from environmental burdens, including those associated with climate change; (c) the support of community led project development, planning, and participation costs; or (d) meeting a community need identified by the community that is consistent with the intent of this chapter.

(2) The allocation of funding under subsection (1) of this section must adhere to the following principles, additional to the requirements of RCW 70A.---.--- (section 16, chapter . . . , Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141)): (a) Benefits and programs should be directed to areas and targeted to vulnerable populations and overburdened communities to reduce statewide disparities; (b) investments and benefits should be made roughly proportional to the health disparities that a specific community experiences, with a goal of eliminating the disparities; (c) investments and programs should focus on creating environmental benefits, including eliminating health burdens, creating community and population resilience, and raising the quality of life of those in the community; and (d) efforts should be made to balance investments and benefits across the state and within counties, local jurisdictions, and unincorporated

areas as appropriate to reduce disparities by location and to ensure efforts contribute to a reduction in disparities that exist based on race or ethnicity, socioeconomic status, or other factors.

(3) State agencies allocating funds or administering grants or programs from the carbon emissions reduction account created in section 27 of this act, the climate investment account created in section 28 of this act, or the air quality and health disparities improvement account created in section 31 of this act, must:

(a) Report annually to the environmental justice council created in RCW 70A.---.--- (section 20, chapter . . ., Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141)) regarding progress toward meeting environmental justice and environmental health goals;

(b) Consider recommendations by the environmental justice council; and

(c)(i) If the agency is not a covered agency subject to the requirements of chapter . . ., Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141), create and adopt a community engagement plan to describe how it will engage with overburdened communities and vulnerable populations in allocating funds or administering grants or programs from the climate investment account.

(ii) The plan must include methods for outreach and communication with those who face barriers, language or otherwise, to participation.

NEW SECTION. Sec. 5. ENVIRONMENTAL JUSTICE COUNCIL. (1) The environmental justice council created in RCW 70A.---.-- (section 20, chapter . . ., Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141)) must provide recommendations to the legislature, agencies, and the governor in the development and implementation of the program established in sections 8 through 24 of this act, and the programs funded from the carbon emissions reduction account created in section 27 of this act and from the climate investment account created in section 28 of this act.

(2) In addition to the duties and authorities granted in chapter 70A.---RCW (the new chapter created in section 22, chapter . . ., Laws of 2021 (Engrossed Second Substitute Senate Bill

No. 5141)) to the environmental justice council, the environmental justice council must:

(a) Provide recommendations to the legislature, agencies, and the governor in the development of:

(i) The program established in sections 8 through 24 of this act including, but not limited to, linkage with other jurisdictions, protocols for establishing offset projects and securing offset credits, designation of emissions-intensive and trade-exposed industries under section 13 of this act, and administration of allowances under the program; and

(ii) Investment plans and funding proposals for the programs funded from the climate investment account created in section 28 of this act for the purpose of providing environmental benefits and reducing environmental health disparities within overburdened communities identified under chapter 70A.--- RCW (the new chapter created in section 22, chapter . . ., Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141));

(b) Provide a forum to analyze policies adopted under this chapter to determine if the policies lead to improvements within overburdened communities identified under chapter 70A.--- RCW (the new chapter created in section 22, chapter . . ., Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141));

(c) Recommend procedures and criteria for evaluating programs, activities, or projects for review;

(d) Recommend copollutant emissions reduction goals in overburdened communities;

(e) Evaluate the level of funding provided to assist vulnerable populations, low-income individuals, and impacted workers and the funding of projects and activities located within or benefiting overburdened communities;

(f) Recommend environmental justice and environmental health goals for programs, activities, and projects funded from the climate investment account, and review agency annual reports on outcomes and progress toward meeting these goals;

(g) Provide recommendations to implementing agencies for meaningful

consultation with vulnerable populations, including community engagement plans under sections 3 and 4 of this act; and

(h) Recommend how to support public participation through capacity grants for participation.

(3) For the purpose of performing the duties under subsection (2) of this section, two additional tribal members are added to the council.

NEW SECTION. Sec. 6. TRIBAL CONSULTATION. (1) Agencies that allocate funding or administer grant programs appropriated from the climate investment account created in section 28 of this act must develop a consultation framework in coordination with tribal governments that includes best practices, protocols for communication, and collaboration with federally recognized tribes. Under this consultation framework, before allocating funding or administering grant programs appropriated from the climate investment account, agencies must offer consultation with federally recognized tribes on all funding decisions and programs that may impact, infringe upon, or impair the governmental efforts of federally recognized tribes to adopt or enforce their own standards governing or protecting the tribe's resources or other rights and interests in their tribal lands and lands within which a tribe or tribes possess rights reserved by treaty. The consultation is independent of any public participation process required by state law, or by a state agency, and regardless of whether the agency receives a request for consultation from a federally recognized tribe.

(2)(a) If any funding decision, program, project, or activity that impacts lands within which a tribe or tribes possess rights reserved by federal treaty, statute, or executive order is undertaken or funded under this chapter without such consultation with a federally recognized tribe, an affected tribe may request that all further action on the decision, program, project, or activity cease until meaningful consultation with any directly impacted federally recognized tribe is completed.

(b) A project or activity funded in whole or in part from the account created in section 28 of this act must be paused or ceased in the event that an affected federally recognized Indian tribe or the

department of archaeology and historic preservation provides timely notice of a determination to the department that the project will adversely impact cultural resources, archaeological sites, or sacred sites. A project or activity paused at the direction of the department under this subsection may not be resumed or completed unless the potentially impacted tribe provides consent to the department and the proponent of the project or activity.

NEW SECTION. Sec. 7. GOVERNANCE STRUCTURE. (1) The governor shall establish a governance structure to implement the state's climate commitment under the authority provided under this chapter and other statutory authority to provide accountability for achieving the state's greenhouse gas limits in RCW 70A.45.020, to establish a coordinated and strategic statewide approach to climate resilience, to build an equitable and inclusive clean energy economy, and to ensure that the government provides clear policy and requirements, financial tools, and other mechanisms to support achieving those limits.

(2) The governance structure for implementing the state's climate commitment must:

(a) Be holistic and address the needs, challenges, and opportunities to meet the climate commitment;

(b) Address emission reductions from all relevant sectors and sources by ensuring that emitters are responsible for meeting targeted greenhouse gas reductions and that the government provides clear policy and requirements, financial tools, and other mechanisms to support achieving those reductions;

(c) Support an equitable transition for vulnerable populations and overburdened communities, including through early and meaningful engagement of overburdened communities and workers to ensure the program achieves equitable and just outcomes;

(d) Build increasing climate resilience for at-risk communities and ecosystems through cross-sectoral coordination, strategic planning, and cohesive policies; and

(e) Apply the most current, accurate, and complete scientific and technical information available to guide the state's climate actions and strategies.

(3) The governance structure for implementing the state's climate commitment must include, but not be limited to, the following elements:

(a) A strategic plan for aligning existing law, rules, policies, programs, and plans with the state's greenhouse gas limits, to the full extent allowed under existing authority;

(b) Common state policies, standards, and procedures for addressing greenhouse gas emissions and climate resilience, including grant and funding programs, infrastructure investments, and planning and siting decisions;

(c) A process for prioritizing and coordinating funding consistent with strategic needs for greenhouse gas reductions, equity and environmental justice, and climate resilience actions;

(d) An updated statewide strategy for addressing climate risks and improving resilience of communities and ecosystems;

(e) A comprehensive community engagement plan that addresses and mitigates barriers to engagement from vulnerable populations, overburdened communities, and other historically or currently marginalized groups; and

(f) An analysis of gaps and conflicts in state law and programs, with recommendations for improvements to state law.

(4) The governor's office shall develop policy and budget recommendations to the legislature necessary to implement the state's climate commitment by December 31, 2021, in accordance with the purpose, principles, and elements in subsections (1) through (3) of this section.

(5) Nothing in this section establishes or creates legal authority for the department or any other state agency to enact, adopt, issue an order, or in any way implement additional regulatory programs beyond what is provided for under this chapter and other statutes.

NEW SECTION. Sec. 8. CAP ON GREENHOUSE GAS EMISSIONS. (1) In order to ensure that greenhouse gas emissions are reduced by covered entities consistent with the limits established in RCW 70A.45.020, the department must implement a cap on greenhouse gas emissions from covered entities and a

program to track, verify, and enforce compliance through the use of compliance instruments.

(2) The program must consist of:

(a) Annual allowance budgets that limit emissions from covered entities, as provided in this section and sections 9 and 10 of this act;

(b) Defining those entities covered by the program, and those entities that may voluntarily opt into coverage under the program, as provided in this section and sections 9 and 10 of this act;

(c) Distribution of emission allowances, as provided in section 12 of this act, and through the allowance price containment provisions under sections 16 and 17 of this act;

(d) Providing for offset credits as a method for meeting a compliance obligation, pursuant to section 19 of this act;

(e) Defining the compliance obligations of covered entities, as provided in section 22 of this act;

(f) Establishing the authority of the department to enforce the program requirements, as provided in section 23 of this act;

(g) Creating a climate investment account for the deposit of receipts from the distribution of emission allowances, as provided in section 28 of this act;

(h) Providing for the transfer of allowances and recognition of compliance instruments, including those issued by jurisdictions with which Washington has linkage agreements;

(i) Providing monitoring and oversight of the sale and transfer of allowances by the department; and

(j) Creating a price ceiling and associated mechanisms as provided in section 18 of this act.

(3) The department shall consider opportunities to implement the program in a manner that allows linking the state's program with those of other jurisdictions. The department must evaluate whether such linkage will provide for a more cost-effective means for covered entities to meet their compliance obligations in Washington while recognizing the special characteristics of the state's economy, communities, and industries. The

department is authorized to enter into a linkage agreement with another jurisdiction after conducting an environmental justice assessment and after formal notice and opportunity for a public hearing, and when consistent with the requirements of section 24 of this act.

(4) During the 2022 regular legislative session, the department must bring forth agency request legislation developed in consultation with emissions-intensive, trade-exposed businesses, covered entities, environmental advocates, and overburdened communities that outlines a compliance pathway specific to emissions-intensive, trade-exposed businesses for achieving their proportionate share of the state's emissions reduction limits through 2050.

(5) By December 1, 2027, and at least every four years thereafter and in compliance with RCW 43.01.036, the department must submit a report to the legislature that includes a comprehensive review of the implementation of the program to date, including but not limited to outcomes relative to the state's emissions reductions limits, overburdened communities, covered entities, and emissions-intensive, trade-exposed businesses. The department must transmit the report to the environmental justice council at the same time it is submitted to the legislature.

NEW SECTION. Sec. 9. ANNUAL ALLOWANCE BUDGET AND TIMELINES. (1)(a) The department shall commence the program by January 1, 2023, by determining an emissions baseline establishing the proportionate share that the total greenhouse gas emissions of covered entities for the first compliance period bears to the total anthropogenic greenhouse gas emissions in the state during 2015 through 2019, based on data reported to the department under RCW 70A.15.2200 or provided as required by this chapter, as well as other relevant data. By October 1, 2022, the department shall adopt annual allowance budgets for the first compliance period of the program, calendar years 2023 through 2026, to be distributed from January 1, 2023, through December 31, 2026. If the first compliance period is delayed pursuant to section 22(7) of this act, the department shall adjust the annual

allowance budgets to reflect a shorter first compliance period.

(b) By October 1, 2026, the department shall add to its emissions baseline by incorporating the proportionate share that the total greenhouse gas emissions of new covered entities in the second compliance period bear to the total anthropogenic greenhouse gas emissions in the state during 2023 through 2025. In determining the addition to the baseline, the department may exclude a year from the determination if the department identifies that year to have been an outlier due to a state of emergency. The department shall adopt annual allowance budgets for the second compliance period of the program, calendar years 2027 through 2030, that will be distributed from January 1, 2027, through December 31, 2030.

(c) By October 1, 2028, the department shall adopt by rule the annual allowance budgets for calendar years 2031 through 2040.

(2) The annual allowance budgets must be set to achieve the share of reductions by covered entities necessary to achieve the 2030, 2040, and 2050 statewide emissions limits established in RCW 70A.45.020, based on data reported to the department under chapter 70A.15 RCW or provided as required by this chapter. Annual allowance budgets must be set such that the use of offsets as compliance instruments, consistent with section 19 of this act, does not prevent the achievement of the emissions limits established in RCW 70A.45.020. In so setting annual allowance budgets, the department must reduce the annual allowance budget relative to the limits in an amount equivalent to offset use, or in accordance with a similar methodology adopted by the department. The department must adopt annual allowance budgets for the program on a calendar year basis that provide for progressively equivalent reductions year over year. An allowance distributed under the program, either directly by the department under sections 13 through 15 of this act or through auctions under section 12 of this act, does not expire and may be held or banked consistent with sections 12(6) and 17(1) of this act.

(3) The department must complete an evaluation by December 31, 2027, and by December 31, 2035, of the performance of the program, including its performance in reducing greenhouse gases. If the

evaluation shows that adjustments to the annual allowance budgets are necessary for covered entities to achieve their proportionate share of the 2030 and 2040 emission reduction limits identified in RCW 70A.45.020, as applicable, the department shall adjust the annual allowance budgets accordingly. The department must complete additional evaluations of the performance of the program by December 31, 2040, and by December 31, 2045, and make any necessary adjustments in the annual allowance budgets to ensure that covered entities achieve their proportionate share of the 2050 emission reduction limit identified in RCW 70A.45.020. Nothing in this subsection precludes the department from making additional adjustments to annual allowance budgets as necessary to ensure successful achievement of the proportionate emission reduction limits by covered entities. The department shall determine and make public the circumstances, metrics, and processes that would initiate the public consideration of additional allowance budget adjustments to ensure successful achievement of the emission reduction limits.

(4) Data reported to the department under RCW 70A.15.2200 or provided as required by this chapter for 2015 through 2019 is deemed sufficient for the purpose of adopting annual allowance budgets and serving as the baseline by which covered entities demonstrate compliance under the first compliance period of the program. Data reported to the department under RCW 70A.15.2200 or provided as required by this chapter for 2023 through 2025 is deemed sufficient for adopting annual allowance budgets and serving as the baseline by which covered entities demonstrate compliance under the second compliance period of the program.

NEW SECTION. **Sec. 10.** PROGRAM COVERAGE. (1) A person is a covered entity as of the beginning of the first compliance period and all subsequent compliance periods if the person reported emissions under RCW 70A.15.2200 for any calendar year from 2015 through 2019, or if additional data provided as required by this chapter indicates that emissions for any calendar year from 2015 through 2019 equaled or exceeded any of the following thresholds, or if the person is a first jurisdictional deliverer and imports electricity into the state during the compliance period:

(a) Where the person operates a facility and the facility's emissions equal or exceed 25,000 metric tons of carbon dioxide equivalent;

(b) Where the person is a first jurisdictional deliverer and generates electricity in the state and emissions associated with this generation equals or exceeds 25,000 metric tons of carbon dioxide equivalent;

(c) Where the person is a first jurisdictional deliverer importing electricity into the state and the cumulative annual total of emissions associated with imported electricity from specified or unspecified sources exceeds 25,000 metric tons of carbon dioxide equivalent or from an unspecified source. In consultation with any jurisdiction that is linked to the program created by this chapter, by October 1, 2026, the department, in consultation with the department of commerce and the utilities and transportation commission, shall adopt a methodology for addressing imported electricity associated with a centralized electricity market;

(d) Where the person is a supplier of fossil fuel other than natural gas and from that fuel 25,000 metric tons or more of carbon dioxide equivalent emissions would result from the full combustion or oxidation; and

(e)(i) Where the person supplies natural gas in amounts that would result in exceeding 25,000 metric tons of carbon dioxide equivalent emissions if fully combusted or oxidized, excluding the amounts: (A) Supplied to covered entities under (a) through (d) of this subsection; and (B) delivered to opt-in entities;

(ii) Where the person who is not a natural gas company and has a tariff with a natural gas company to deliver to an end-use customer in the state in amounts that would result in exceeding 25,000 metric tons of carbon dioxide equivalent emissions if fully combusted or oxidized, excluding the amounts: (A) Supplied to covered entities under (a) through (d) of this subsection or subsection (2)(a) of this section; and (B) the amounts delivered to opt-in entities;

(iii) Where the person is an end-use customer in the state who directly purchases natural gas from a person that is not a natural gas company and has the natural gas delivered through an interstate pipeline to a distribution

system owned by the purchaser in amounts that would result in exceeding 25,000 metric tons of carbon dioxide equivalent emissions if fully combusted or oxidized, excluding the amounts: (A) Supplied to covered entities under (a) through (d) of this subsection; and (B) delivered to opt-in entities.

(2) A person is a covered entity as of the beginning of the second compliance period and all subsequent compliance periods if the person reported emissions under RCW 70A.15.2200 or provided emissions data as required by this chapter for any calendar year from 2023 through 2025, where the person operates a waste to energy facility utilized by a county and city solid waste management program and the facility's emissions equal or exceed 25,000 metric tons of carbon dioxide equivalent.

(3)(a) A person is a covered entity beginning January 1, 2031, and all subsequent compliance periods if the person reported emissions under RCW 70A.15.2200 or provided emissions data as required by this chapter for any calendar year from 2027 through 2029, where the person operates a landfill utilized by a county and city solid waste management program and the facility's emissions equal or exceed 25,000 metric tons of carbon dioxide equivalent.

(b) Subsection (a) of this subsection does not apply to landfills that:

(i) Capture at least 75 percent of the landfill gas generated by the decomposition of waste using methods under 40 C.F.R. Part 98, Subpart HH - Municipal Solid Waste landfills, and subsequent updates; and

(ii) Operate a program, individually or through partnership with another entity, that results in the production of renewable natural gas or electricity from landfill gas generated by the facility.

(c) It is the intent of the legislature to adopt a greenhouse gas reduction policy specific to landfills. If such a policy is not enacted by January 1, 2030, it is the intent of the legislature that the requirements of this subsection (3) take full effect.

(4) When a covered entity reports, during a compliance period, emissions from a facility under RCW 70A.15.2200 that are below the thresholds specified in subsection (1) or (2) of this section, the covered entity continues to have a

compliance obligation through the current compliance period. When a covered entity reports emissions below the threshold for each year during an entire compliance period, or has ceased all processes at the facility requiring reporting under RCW 70A.15.2200, the entity is no longer a covered entity as of the beginning of the subsequent compliance period unless the department provides notice at least 12 months before the end of the compliance period that the facility's emissions were within 10 percent of the threshold and that the person will continue to be designated as a covered entity in order to ensure equity among all covered entities. Whenever a covered entity ceases to be a covered entity, the department shall notify the legislature of the name of the entity and the reason the entity is no longer a covered entity.

(5) For types of emission sources described in subsection (1) of this section that begin or modify operation after January 1, 2023, and types of emission sources described in subsection (2) of this section that begin or modify operation after 2027, coverage under the program starts in the calendar year in which emissions from the source exceed the applicable thresholds in subsection (1) or (2) of this section, or upon formal notice from the department that the source is expected to exceed the applicable emissions threshold, whichever happens first. Sources meeting these conditions are required to transfer their first allowances on the first transfer deadline of the year following the year in which their emissions were equal to or exceeded the emissions threshold.

(6) For emission sources described in subsection (1) of this section that are in operation or otherwise active between 2015 and 2019 but were not required to report emissions for those years under RCW 70A.15.2200 for the reporting periods between 2015 and 2019, coverage under the program starts in the calendar year following the year in which emissions from the source exceed the applicable thresholds in subsection (1) of this section as reported pursuant to RCW 70A.15.2200 or provided as required by this chapter, or upon formal notice from the department that the source is expected to exceed the applicable emissions threshold for the first year that source is required to report emissions, whichever happens first.

Sources meeting these criteria are required to transfer their first allowances on the first transfer deadline of the year following the year in which their emissions, as reported under RCW 70A.15.2200 or provided as required by this chapter, were equal to or exceeded the emissions threshold.

(7) The following emissions are exempt from coverage in the program, regardless of the emissions reported under RCW 70A.15.2200 or provided as required by this chapter:

(a) Emissions from the combustion of aviation fuels;

(b) Emissions from watercraft fuels supplied in Washington that are combusted outside of Washington;

(c) Emissions from a coal-fired electric generation facility exempted from additional greenhouse gas limitations, requirements, or performance standards under RCW 80.80.110;

(d) Carbon dioxide emissions from the combustion of biomass or biofuels;

(e)(i) Motor vehicle fuel or special fuel that is used exclusively for agricultural purposes by a farm fuel user. This exemption is available only if a buyer of motor vehicle fuel or special fuel provides the seller with an exemption certificate in a form and manner prescribed by the department. For the purposes of this subsection, "agricultural purposes" and "farm fuel user" have the same meanings as provided in RCW 82.08.865.

(ii) The department must determine a method for expanding the exemption provided under (e)(i) of this subsection to include fuels used for the purpose of transporting agricultural products on public highways. The department must maintain this expanded exemption for a period of five years, in order to provide the agricultural sector with a feasible transition period; and

(f) Emissions from facilities with North American industry classification system code 92811 (national security).

(8) The department shall not require multiple covered entities to have a compliance obligation for the same emissions. The department may by rule authorize refineries, fuel suppliers, facilities using natural gas, and natural gas utilities to provide by agreement for

the assumption of the compliance obligation for fuel or natural gas supplied and combusted in the state. The department must be notified of such an agreement at least 12 months prior to the compliance obligation period for which the agreement is applicable.

(9)(a) The legislature intends to promote a growing and sustainable economy and to avoid leakage of emissions from manufacturing to other locations. The legislature further intends to see innovative new businesses locate and grow in Washington that contribute to Washington's prosperity and environmental objectives.

(b) Consistent with the intent of the legislature to avoid the leakage of emissions to other jurisdictions, in achieving the state's greenhouse gas limits in RCW 70A.45.020, the state shall pursue the limits in a manner that recognizes that the siting and placement of new best-in-class low carbon facilities is in the economic and environmental interests of the state of Washington.

(c) In conducting a life-cycle analysis for new or expanded facilities that require review under chapter 43.21C RCW, a lead agency must evaluate any potential net cumulative greenhouse gas emissions resulting from the project as compared to other existing facilities and existing or emerging low carbon processes that supply the same product or end use. The department may adopt rules to determine the appropriate threshold for applying this analysis.

(d) The covered greenhouse gas emissions that are addressed in this chapter may not be the basis for denial of a permit for a new or expanded low carbon emissions-intensive, trade-exposed facility. Nothing in this subsection guarantees approval of permits for new or expanded fossil fuel projects.

(e) A lead agency may determine that compliance with the requirements of this chapter for a covered entity or opt-in entity constitutes mitigation for covered greenhouse gases from facilities that have a compliance obligation under this chapter.

(f) A lead agency may determine that inclusion as a covered entity or opt-in entity under this chapter constitutes mitigation of significant adverse impacts pursuant to chapter 43.21C RCW

with respect to covered greenhouse gases from facilities that have a compliance obligation under this chapter.

NEW SECTION. Sec. 11. REQUIREMENTS.

(1) All covered entities must register to participate in the program, following procedures adopted by the department by rule.

(2) Entities registering to participate in the program must describe any direct or indirect affiliation with other registered entities.

(3) A person responsible for greenhouse gas emissions that is not a covered entity may voluntarily participate in the program by registering as an opt-in entity. An opt-in entity must satisfy the same registration requirements as covered entities. Once registered, an opt-in entity is allowed to participate as a covered entity in auctions and must assume the same compliance obligation to transfer compliance instruments equal to their emissions at the appointed transfer dates. An opt-in entity may opt out of the program at the end of any compliance period by providing written notice to the department at least six months prior to the end of the compliance period. The opt-in entity continues to have a compliance obligation through the current compliance period. An opt-in entity is not eligible to receive allowances directly distributed under section 13, 14, or 15 of this act.

(4) A person that is not covered by the program and is not a covered entity or opt-in entity may voluntarily participate in the program as a general market participant. General market participants must meet all applicable registration requirements specified by rule.

(5) Federally recognized tribes and federal agencies may elect to participate in the program as opt-in entities or general market participants.

(6) The department shall use a secure, online electronic tracking system to: Register entities in the state program; issue compliance instruments; track ownership of compliance instruments; enable and record compliance instrument transfers; facilitate program compliance; and support market oversight.

(7) The department must use an electronic tracking system that allows

two accounts to each covered or opt-in entity:

(a) A compliance account where the compliance instruments are transferred to the department for retirement. Compliance instruments in compliance accounts may not be sold, traded, or otherwise provided to another account or person.

(b) A holding account that is used when a registered entity is interested in trading allowances. Allowances in holding accounts may be bought, sold, transferred to another registered entity, or traded. The amount of allowances a registered entity may have in its holding account is constrained by the holding limit as determined by the department by rule. Information about the contents of each holding account, including but not limited to the number of allowances in the account, must be displayed on a regularly maintained and searchable public website established and updated by the department.

(8) Registered general market participants are each allowed an account, to hold, trade, sell, or transfer allowances.

(9) The department shall maintain an account for the purpose of retiring allowances transferred by registered entities and from the voluntary renewable reserve account.

(10) The department shall maintain a public roster of all covered entities, opt-in entities, and general market participants on the department's public website.

(11) The department shall include a voluntary renewable reserve account.

NEW SECTION. Sec. 12. AUCTIONS OF ALLOWANCES.

(1) Except as provided in sections 13, 14, and 15 of this act, the department shall distribute allowances through auctions as provided in this section and in rules adopted by the department to implement these sections. An allowance is not a property right.

(2)(a) The department shall hold a maximum of four auctions annually, plus any necessary reserve auctions. An auction may include allowances from the annual allowance budget of the current year and allowances from the annual allowance budgets from prior years that remain to be distributed. The department must transmit to the environmental

justice council an auction notice at least 60 days prior to each auction, as well as a summary results report and a postauction public proceeds report within 60 days after each auction. The department must communicate the results of the previous calendar year's auctions to the environmental justice council on an annual basis beginning in 2024.

(b) The department must make future vintage allowances available through parallel auctions at least twice annually in addition to the auctions through which current vintage allowances are exclusively offered under (a) of this subsection.

(3) The department shall engage a qualified, independent contractor to run the auctions. The department shall also engage a qualified financial services administrator to hold the bid guarantees, evaluate bid guarantees, and inform the department of the value of bid guarantees once the bids are accepted.

(4) Auctions are open to covered entities, opt-in entities, and general market participants that are registered entities in good standing. The department shall adopt by rule the requirements for a registered entity to register and participate in a given auction.

(a) Registered entities intending to participate in an auction must submit an application to participate at least 30 days prior to the auction. The application must include the documentation required for review and approval by the department. A registered entity is eligible to participate only after receiving a notice of approval by the department.

(b) Each registered entity that elects to participate in the auction must have a different representative. Only a representative with an approved auction account is authorized to access the auction platform to submit an application or confirm the intent to bid for the registered entity, submit bids on behalf of the registered entity during the bidding window, or to download reports specific to the auction.

(5) The department may require a bid guarantee, payable to the financial services administrator, in an amount greater than or equal to the sum of the maximum value of the bids to be submitted by the registered entity.

(6) To protect the integrity of the auctions, a registered entity or group of registered entities with a direct corporate association are subject to auction purchase and holding limits. The department may impose additional limits if it deems necessary to protect the integrity and functioning of the auctions:

(a) A covered entity or an opt-in entity may not buy more than 10 percent of the allowances offered during a single auction;

(b) A general market participant may not buy more than four percent of the allowances offered during a single auction and may not in aggregate own more than 10 percent of total allowances to be issued in a calendar year;

(c) No registered entity may buy more than the entity's bid guarantee; and

(d) No registered entity may buy allowances that would exceed the entity's holding limit at the time of the auction.

(7)(a) For fiscal year 2023, upon completion and verification of the auction results, the financial services administrator shall notify winning bidders and transfer the auction proceeds to the state treasurer for deposit as follows: (i) \$127,341,000 must be deposited into the carbon emissions reduction account created in section 27 of this act; and (ii) the remaining auction proceeds to the climate investment account created in section 28 of this act and the air quality and health disparities improvement account created in section 31 of this act.

(b) For fiscal year 2024, upon completion and verification of the auction results, the financial services administrator shall notify winning bidders and transfer the auction proceeds to the state treasurer for deposit as follows: (i) \$356,697,000 must be deposited into the carbon emissions reduction account created in section 27 of this act; and (ii) the remaining auction proceeds to the climate investment account created in section 28 of this act and the air quality and health disparities improvement account created in section 31 of this act.

(c) For fiscal year 2025, upon completion and verification of the auction results, the financial services administrator shall notify winning bidders and transfer the auction proceeds

to the state treasurer for deposit as follows: (i) \$366,558,000 must be deposited into the carbon emissions reduction account created in section 27 of this act; and (ii) the remaining auction proceeds to the climate investment account created in section 28 of this act and the air quality and health disparities improvement account created in section 31 of this act.

(d) For fiscal years 2026 through 2037, upon completion and verification of the auction results, the financial services administrator shall notify winning bidders and transfer the auction proceeds to the state treasurer for deposit as follows: (i) \$359,117,000 per year must be deposited into the carbon emissions reduction account created in section 27 of this act; and (ii) the remaining auction proceeds to the climate investment account created in section 28 of this act and the air quality and health disparities improvement account created in section 31 of this act.

(e) The deposits into the carbon emissions reduction account pursuant to (a) through (d) of this subsection must not exceed \$5,200,000,000 over the first 16 years and any remaining auction proceeds must be deposited into the climate investment account created in section 28 of this act and the air quality and health disparities improvement account created in section 31 of this act. The deposits into the carbon emissions reduction account pursuant to (a) through (d) of this subsection must be prorated equally from the proceeds of each of the auctions occurring during each fiscal year.

(f) For fiscal year 2038 and each year thereafter, upon completion and verification of the auction results, the financial services administrator shall notify winning bidders and transfer the auction proceeds to the state treasurer for deposit as follows: (i) 50 percent of the auction proceeds to the carbon emissions reduction account created in section 27 of this act; and (ii) the remaining auction proceeds to the climate investment account created in section 28 of this act and the air quality and health disparities improvement account created in section 31 of this act.

(g) No auction proceeds may be transferred to the carbon emissions reduction account created in section 27 of this act after December 31, 2027, if a clean fuel standard with a carbon

intensity reduction of greater than 10 percent is not enacted by that date.

(8) The department shall adopt by rule provisions to guard against bidder collusion and minimize the potential for market manipulation. A registered entity may not release or disclose any bidding information including: Intent to participate or refrain from participation; auction approval status; intent to bid; bidding strategy; bid price or bid quantity; or information on the bid guarantee provided to the financial services administrator. The department may cancel or restrict a previously approved auction participation application or reject a new application if the department determines that a registered entity has:

(a) Provided false or misleading facts;

(b) Withheld material information that could influence a decision by the department;

(c) Violated any part of the auction rules;

(d) Violated registration requirements; or

(e) Violated any of the rules regarding the conduct of the auction.

(9) Any cancellation or restriction approved by the department under subsection (8) of this section may be permanent or for a specified number of auctions and the cancellation or restriction imposed is not exclusive and is in addition to the remedies that may be available pursuant to chapter 19.86 RCW or other state or federal laws, if applicable.

(10) The department shall design allowance auctions so as to allow, to the maximum extent practicable, linking with external greenhouse gas emissions trading programs in other jurisdictions and to facilitate the transfer of allowances when the state's program has entered into a linkage agreement with other external greenhouse gas emissions trading programs. The department may conduct auctions jointly with jurisdictions with which it has entered into a linkage agreement.

(11) In setting the number of allowances offered at each auction, the department shall consider the allowances in the marketplace due to the marketing of allowances issued as required under

sections 13, 14, and 15 of this act in the department's determination of the number of allowances to be offered at auction. The department shall offer only such number of allowances at each auction as will enhance the likelihood of achieving the goals of RCW 70A.45.020.

NEW SECTION. Sec. 13. ALLOCATION OF ALLOWANCES TO EMISSIONS-INTENSIVE, TRADE-EXPOSED INDUSTRIES.

(1) Facilities owned or operated by a covered entity must receive an allocation of allowances for the covered emissions at those facilities under this subsection at no cost if the operations of the facility are classified as emissions-intensive and trade-exposed, as determined by being engaged in one or more of the processes described by the following industry descriptions and codes in the North American industry classification system:

(a) Metals manufacturing, including iron and steel making, ferroalloy and primary metals manufacturing, secondary aluminum smelting and alloying, aluminum sheet, plate, and foil manufacturing, and smelting, refining, and alloying of other nonferrous metals, North American industry classification system codes beginning with 331;

(b) Paper manufacturing, including pulp mills, paper mills, and paperboard milling, North American industry classification system codes beginning with 322;

(c) Aerospace product and parts manufacturing, North American industry classification system codes beginning with 3364;

(d) Wood products manufacturing, North American industry classification system codes beginning with 321;

(e) Nonmetallic mineral manufacturing, including glass container manufacturing, North American industry classification system codes beginning with 327;

(f) Chemical manufacturing, North American industry classification system codes beginning with 325;

(g) Computer and electronic product manufacturing, including semiconductor and related device manufacturing, North American industry classification system codes beginning with 334;

(h) Food manufacturing, North American industry classification system codes beginning with 311;

(i) Cement manufacturing, North American industry classification system code 327310;

(j) Petroleum refining, North American industry classification system code 324110;

(k) Asphalt paving mixtures and block manufacturing from refined petroleum, North American industry classification system code 324121;

(l) Asphalt single and coating manufacturing from refined petroleum, North American industry classification system code 324122; and

(m) All other petroleum and coal products manufacturing from refined petroleum, North American industry classification system code 324199.

(2) By July 1, 2022, the department must adopt by rule objective criteria for both emissions' intensity and trade exposure for the purpose of identifying emissions-intensive, trade-exposed manufacturing businesses during the second compliance period of the program and subsequent compliance periods. A facility covered by subsection (1)(a) through (m) of this section is considered an emissions-intensive, trade-exposed facility and is eligible for allocation of no cost allowances as described in this section. In addition, any covered party that is a manufacturing business that can demonstrate to the department that it meets the objective criteria adopted by rule is also eligible for treatment as emissions-intensive, trade-exposed and is eligible for allocation of no cost allowances as described in this section. In developing the objective criteria under this subsection, the department must consider the locations of facilities potentially identified as emissions-intensive, trade-exposed manufacturing businesses relative to overburdened communities.

(3) (a) For the first compliance period beginning in January 1, 2023, the annual allocation of no cost allowances for direct distribution to a facility identified as emissions-intensive and trade-exposed must be equal to the facility's baseline carbon intensity established using data from 2015 through 2019, or other data as allowed under this section, multiplied by the facility's actual production for each calendar year during the compliance period. For facilities using the mass-based approach, the allocation of no cost

allowances shall be equal to the facility's mass-based baseline using data from 2015 through 2019, or other data as allowed under this section.

(b) For the second compliance period, beginning in January, 2027, and in each subsequent compliance period, the annual allocation of no cost allowances established in (a) of this subsection shall be adjusted according to the benchmark reduction schedules established in (b)(ii) and (iii) and (e) of this subsection multiplied by the facility's actual production during the period. The department shall adjust the no cost allocation of allowances and credits to an emissions-intensive and trade-exposed facility to avoid duplication with any no cost allowances transferred pursuant to sections 14 and 15 of this act, if applicable.

(i) For the purpose of this section, "carbon intensity" means the amount of carbon dioxide equivalent emissions from a facility in metric tons divided by the facility specific measure of production including, but not limited to, units of product manufactured or sold, over the same time interval.

(ii) If an emissions-intensive and trade-exposed facility is not able to feasibly determine a carbon intensity benchmark based on its unique circumstances, the entity may elect to use a mass-based baseline that does not vary based on changes in production volumes. The mass-based baseline must be based upon data from 2015 through 2019, unless the emissions-intensive, trade-exposed facility can demonstrate that there have been abnormal periods of operation that materially impacted the facility and the baseline period should be expanded to include years prior to 2015. For each year during the first four-year compliance period that begins January 1, 2023, these facilities must be awarded no cost allowances equal to 100 percent of the facility's mass-based baseline. For each year during the second four-year compliance period that begins January 1, 2027, these facilities must be awarded no cost allowances equal to 97 percent of the facility's mass-based baseline. For each year during the third compliance period that begins January 1, 2031, these facilities must be awarded no cost allowances equal to 94 percent of the facility's mass-based baseline. Except as provided in (b)(iii) of this subsection, if a facility elects to use

a mass-based baseline, it may not later convert to a carbon intensity benchmark during the first three compliance periods.

(iii) A facility with a North American industry classification system code beginning with 3364 that is utilizing a mass-based baseline in (b)(ii) of this subsection must receive an additional no cost allowance allocation under this section in order to accommodate an increase in production that increases its emissions above the baseline on a basis equivalent in principle to those awarded to entities utilizing a carbon intensity benchmark pursuant to this subsection (3)(b). The department shall establish methods to award, for any annual period, additional no cost allowance allocations under this section and, if appropriate based on projected production, to achieve a similar ongoing result through the adjustment of the facility's mass-based baseline. An eligible facility under this subsection that has elected to use a mass-based baseline may not convert to a carbon intensity benchmark until the next compliance period.

(c)(i) By September 15, 2022, each emissions-intensive, trade-exposed facility shall submit its carbon intensity baseline for the first compliance period to the department. The carbon intensity baseline for the first compliance period must use data from 2015-2019, unless the emissions-intensive, trade-exposed facility can demonstrate that there have been abnormal periods of operation that materially impacted the facility and the baseline period should be expanded to include years prior to 2015.

(ii) By November 15, 2022, the department shall review and approve each emissions-intensive, trade-exposed facility's baseline carbon intensity for the first compliance period.

(d) During the first four-year compliance period that begins January 1, 2023, each emissions-intensive, trade-exposed facility must record its facility-specific carbon intensity baseline based on its actual production.

(e)(i) For the second four-year compliance period that begins January 1, 2027, the second period benchmark for each emissions-intensive, trade-exposed facility is three percent below the first period baseline specified in (a), (b), and (c) of this subsection.

(ii) For the third four-year compliance period that begins January 1, 2031, the third period benchmark for each emissions-intensive, trade-exposed facility is three percent lower than the second period benchmark.

(f)(i) Prior to the beginning of either the second, or third, or subsequent compliance periods, an emissions-intensive, trade-exposed facility may make an upward adjustment in the next compliance period's benchmark based on a demonstration to the department that additional reductions in carbon intensity or mass emissions are not technically or economically feasible. An emissions-intensive, trade-exposed facility may base its upward adjustment in the next compliance period on the facility's best available technology analysis. The department shall by rule provide for emissions-intensive, trade-exposed facilities to apply to the department for an adjustment to the allocation for direct distribution of no cost allowances based on its facility-specific carbon intensity benchmark or mass emissions baseline. The department shall make adjustments based on:

(A) A significant change in the emissions use or emissions attributable to the manufacture of an individual good or goods in this state by an emissions-intensive, trade-exposed facility based on a finding by the department that an adjustment is necessary to accommodate for changes in the manufacturing process that have a material impact on emissions;

(B) Significant changes to an emissions-intensive, trade-exposed facility's external competitive environment that result in a significant increase in leakage risk; or

(C) Abnormal operating periods when an emissions-intensive, trade-exposed facility's carbon intensity has been materially affected so that these abnormal operating periods are either excluded or otherwise considered in the establishment of the compliance period carbon intensity benchmarks.

(ii) For the purpose of this section, "best available technology" means a greenhouse gas emissions limitation determined by the department on a case-by-case basis taking into account the fuels, processes, equipment, and technology used by facilities to produce goods of comparable type, quantity, and

quality, that will most effectively reduce those greenhouse gas emissions for which the source has a compliance obligation. Best available technology must be technically feasible, commercially available, economically viable, not create excessive environmental impacts, and be compliant with all applicable laws while not changing the characteristics of the goods being manufactured.

(4)(a) By December 1, 2026, the department shall provide a report to the appropriate committees of the senate and house of representatives that describes alternative methods for determining the amount and a schedule of allowances to be provided to facilities owned or operated by each covered entity designated as an emissions-intensive, trade-exposed facility from January 1, 2035, through January 1, 2050. The report must include a review of global best practices in ensuring against emissions leakage and economic harm to businesses in carbon pricing programs and describe alternative methods of emissions performance benchmarking and mass-based allocation of no cost allowances. At a minimum, the department must evaluate benchmarks based on both carbon intensity and mass, as well as the use of best available technology as a method for compliance. In developing the report, the department shall form an advisory group that includes representatives of the manufacturers listed in subsection (1) of this section.

(b) If the legislature does not adopt a compliance obligation for emissions-intensive, trade-exposed facilities by December 1, 2027, those facilities must continue to receive allowances as provided in the third four-year compliance period that begins January 1, 2031.

(5) If the actual emissions of an emissions-intensive, trade-exposed facility exceed the facility's no cost allowances assigned for that compliance period, it must be allowed to bank all acquired allowances for future investment in best available technology when economically feasible. The department shall limit the use of offset credits for compliance by an emissions-intensive, trade-exposed facility, such that the quantity of no cost allowances plus the provision of offset credits does not exceed 100 percent of the facility's

total compliance obligation over a compliance period.

(6) The department must withhold or withdraw the relevant share of allowances allocated to a covered entity under this section in the event that the covered entity ceases production in the state and becomes a closed facility. In the event an entity curtails all production and becomes a curtailed facility, the allowances are retained but cannot be traded, sold, or transferred and are still subject to the emission reduction requirements specified in this section. An owner or operator of a curtailed facility may transfer the allowances to a new operator of the facility that will be operated under the same North American industry classification system codes. If the curtailed facility becomes a closed facility, then all unused allowances will be transferred to the emissions containment reserve. A curtailed facility is not eligible to receive free allowances during a period of curtailment. Any allowances withheld or withdrawn under this subsection must be transferred to the emissions containment reserve.

(7) An owner or operator of more than one facility receiving no cost allowances under this section may transfer allowances among the eligible facilities.

(8) Rules adopted by the department under this section must include protocols for allocating allowances at no cost to an eligible facility built after the effective date of this section. The protocols must include consideration of the products being produced by the facility, as well as the local environmental and health impacts associated with the facility.

NEW SECTION. Sec. 14. ALLOCATION OF ALLOWANCES TO ELECTRIC UTILITIES. (1) The legislature intends by this section to allow all consumer-owned electric utilities and investor-owned electric utilities subject to the requirements of chapter 19.405 RCW, the Washington clean energy transformation act, to be allocated allowances at no cost as provided in this section in order to mitigate the cost burden of the program on electric customers.

(2)(a) By October 1, 2022, the department shall adopt rules, in consultation with the department of commerce and the utilities and

transportation commission, establishing the methods and procedures for allocating allowances to consumer-owned and investor-owned electric utilities. Rules adopted under this section must allow for a consumer-owned or investor-owned electric utility to be provided allowances at no cost to cover their emissions and decline proportionally with the cap, consistent with section 9 of this act, and the considerations of subsection (6) of this section. The rules must take into account the cost burden of the program on electric customers. Allowances allocated at no cost to consumer-owned and investor-owned electric utilities must be consigned to auction for the benefit of ratepayers consistent with subsection (3) of this section, deposited for compliance, or a combination of both. The rules adopted by the department pursuant to this section must include provisions directing revenues generated under this subsection to the applicable utilities. Under no circumstances may utilities receive any free allowances after 2045.

(b) By October 1, 2022, the department shall adopt by rule an allocation schedule, in consultation with the department of commerce and the utilities and transportation commission, for the first compliance period for the provision of allowances for the benefit of ratepayers at no cost to consumer-owned and investor-owned electric utilities. This allocation must be consistent with a forecast, that is approved by the appropriate governing board or the utilities and transportation commission, of each utility's supply and demand, and the cost burden resulting from the inclusion of the covered entities in the first compliance period.

(c) By October 1, 2026, the department shall adopt by rule an allocation schedule, in consultation with the department of commerce and the utilities and transportation commission, for the second compliance period for the provision of allowances for the benefit of ratepayers at no cost to consumer-owned and investor-owned electric utilities. This allocation must be consistent with a forecast, that is approved by the appropriate governing board or the utilities and transportation commission, of each utility's supply and demand, and the cost burden resulting from the inclusion of covered entities in the second compliance period.

(d) By October 1, 2028, the department shall adopt by rule an allocation schedule, in consultation with the department of commerce and the utilities and transportation commission, for the provision of allowances at no cost to consumer-owned and investor-owned electric utilities for the compliance periods contained within calendar years 2031 through 2045. This allocation must be consistent with a forecast, that is approved by the appropriate governing board or the utilities and transportation commission, of each utility's supply and demand, and the cost burden resulting from the inclusion of the covered entities in the compliance periods.

(3)(a) During the first compliance period, 20 percent of the allowances allocated at no cost to consumer-owned and investor-owned electric utilities must be consigned to auction for the benefit of ratepayers, including at a minimum eliminating any additional cost burden to low-income customers from the implementation of this chapter. Rules adopted under this subsection must increase the percentage of allowances consigned to auction by 20 percent each subsequent compliance period until a total of 100 percent is reached.

(b) Revenues from allowances sold at auction must be returned by providing nonvolumetric credits on ratepayer utility bills, prioritizing low-income customers, or used to minimize cost impacts on low-income, residential, and small business customers through actions that include, but are not limited to, weatherization, conservation and efficiency services, and bill assistance. The customer benefits provided from allowances consigned to auction under this section must be in addition to existing requirements in statute, rule, or other legal requirements.

(4) If an entity is identified by the department as an emissions-intensive, trade-exposed industry under section 13 of this act, unless allowances have been otherwise allocated for electricity-related emissions to the entity under section 13 of this act or to a consumer-owned utility under this section, the department shall allocate allowances at no cost to the electric utility or power marketing administration that is providing electricity to the entity in an amount equal to the forecasted emissions

for electricity consumption for the entity for the compliance period.

(5) The department shall allow for allowances to be transferred between a power marketing administration and electric utilities and used for direct compliance.

(6) Rules establishing the allocation of allowances to consumer-owned utilities and investor-owned utilities must consider the impact of electrification of buildings, transportation, and industry on the electricity sector.

(7) A consumer-owned utility that is party to a contract that meets the following conditions must be issued allowances under this section for emissions associated with imported electricity, in order to prevent impairment of the value of the contract to either party:

(a) The contract does not address compliance costs imposed upon the consumer-owned utility by the program created in this chapter; and

(b) The contract was in effect as of the effective date of this section, and expires no later than the end of the first compliance period.

(8) Nothing in this section affects the requirements of chapter 19.405 RCW.

NEW SECTION. Sec. 15. ALLOCATION OF ALLOWANCES TO NATURAL GAS UTILITIES. (1) For the benefit of ratepayers, allowances must be allocated at no cost to covered entities that are natural gas utilities.

(a) By October 1, 2022, the department shall adopt rules, in consultation with the utilities and transportation commission, establishing the methods and procedures for allocating allowances to natural gas utilities. Rules adopted under this subsection must allow for a natural gas utility to be provided allowances at no cost to cover their emissions and decline proportionally with the cap, consistent with section 9 of this act. Allowances allocated at no cost to natural gas utilities must be consigned to auction for the benefit of ratepayers consistent with subsection (2) of this section, deposited for compliance, or a combination of both. The rules adopted by the department pursuant to this section must include provisions directing revenues generated under this subsection to the applicable utilities.

(b) By October 1, 2022, the department shall adopt an allocation schedule by rule, in consultation with the utilities and transportation commission, for the first two compliance periods for the provision of allowances for the benefit of ratepayers at no cost to natural gas utilities.

(c) By October 1, 2028, the department shall adopt an allocation schedule by rule, in consultation with the utilities and transportation commission, for the provision of allowances for the benefit of ratepayers at no cost to natural gas utilities for the compliance periods contained within calendar years 2031 through 2040.

(2)(a) Beginning in 2023, 65 percent of the no cost allowances must be consigned to auction for the benefit of customers, including at a minimum eliminating any additional cost burden to low-income customers from the implementation of this chapter. Rules adopted under this subsection must increase the percentage of allowances consigned to auction by five percent each year until a total of 100 percent is reached.

(b) Revenues from allowances sold at auction must be returned by providing nonvolumetric credits on ratepayer utility bills, prioritizing low-income customers, or used to minimize cost impacts on low-income, residential, and small business customers through actions that include, but are not limited to, weatherization, decarbonization, conservation and efficiency services, and bill assistance. The customer benefits provided from allowances consigned to auction under this section must be in addition to existing requirements in statute, rule, or other legal requirements.

(c) Except for low-income customers, the customer bill credits under this subsection are reserved exclusively for customers at locations connected to a natural gas utility's system on the effective date of this section. Bill credits may not be provided to customers of the gas utility at a location connected to the system after the effective date of this section.

(3) In order to qualify for no cost allowances, covered entities that are natural gas utilities must provide copies of their greenhouse gas emissions reports filed with the United States

environmental protection agency under 40 C.F.R. Part 98 subpart NN - suppliers of natural gas and natural gas liquids for calendar years 2015 through 2021 to the department on or before March 31, 2022. The copies of the reports must be provided in electronic form to the department, in a manner prescribed by the department. The reports must be complete and contain all information required by 40 C.F.R. Sec. 98.406 including, but not limited to, information on large end-users served by the natural gas utility. For any year where a natural gas utility was not required to file this report with the United States environmental protection agency, a report may be submitted in a manner prescribed by the department containing all of the information required in the subpart NN report.

(4) To continue receiving no cost allowances, a natural gas utility must provide to the department the United States environmental protection agency subpart NN greenhouse gas emissions report for each reporting year in the manner and by the dates provided by RCW 70A.15.2200(5) as part of the greenhouse gas reporting requirements of this chapter.

NEW SECTION. Sec. 16. EMISSIONS CONTAINMENT RESERVE WITHHOLDING. (1) To help ensure that the price of allowances remains sufficient to incentivize reductions in greenhouse gas emissions, the department must establish an emissions containment reserve and set an emissions containment reserve trigger price by rule. The price must be set at a reasonable amount above the auction floor price and equal to the level established in jurisdictions with which the department has entered into a linkage agreement. In the event that a jurisdiction with which the department has entered into a linkage agreement has no emissions containment trigger price, the department shall suspend the trigger price under this subsection. The purpose of withholding allowances in the emissions containment reserve is to secure additional emissions reductions.

(2) In the event that the emissions containment reserve trigger price is met during an auction, the department must automatically withhold allowances as needed. The department must convert and transfer any allowances that have been withheld from auction into the emissions containment reserve account.

(3) Emissions containment reserve allowances may only be withheld from an auction if the demand for allowances would result in an auction clearing price that is less than the emissions containment reserve trigger price prior to the withholding from the auction of any emissions containment reserve allowances.

(4) The department shall transfer allowances to the emissions containment reserve in the following situations:

(a) No less than two percent of the total number of allowances available from the allowance budgets for calendar years 2023 through 2026;

(b) When allowances are unsold in auctions under section 12 of this act;

(c) When facilities curtail or close consistent with section 13(6) of this act; or

(d) When facilities fall below the emissions threshold. The amount of allowances withdrawn from the program budget must be proportionate to the amount of emissions such a facility was previously using.

(5) (a) Allowances must be distributed from the emissions containment reserve by auction when new covered and opt-in entities enter the program.

(b) Allowances equal to the greenhouse gas emissions resulting from a new or expanded emissions-intensive, trade-exposed facility with emissions in excess of 25,000 metric tons per year during the first applicable compliance period will be provided to the facility from the reserve created in this section and must be retired by the facility. In subsequent compliance periods, the facility will be subject to the regulatory cap and related requirements under this chapter.

NEW SECTION. Sec. 17. ALLOWANCE PRICE CONTAINMENT. (1) To help minimize allowance price volatility in the auction, the department shall adopt by rule an auction floor price and a schedule for the floor price to increase by a predetermined amount every year. The department may not sell allowances at bids lower than the auction floor price. The department's rules must specify holding limits that determine the maximum number of allowances that may be held for use or trade by a registered entity at any one time. The department shall also establish an auction ceiling price to

limit extraordinary prices and to determine when to offer allowances through the allowance price containment reserve auctions authorized under this section.

(2) For calendar years 2023 through 2026, the department must place no less than two percent of the total number of allowances available from the allowance budgets for those years in an allowance price containment reserve. The reserve must be designed as a mechanism to assist in containing compliance costs for covered and opt-in entities in the event of unanticipated high costs for compliance instruments.

(3) (a) The department shall adopt rules for holding auctions of allowances from the price containment reserve when the settlement prices in the preceding auction approach the adopted auction ceiling price. The auction must be separate from auctions of other allowances.

(b) Allowances must also be distributed from the allowance price containment reserve by auction when new covered and opt-in entities enter the program and allowances in the emissions containment reserve under section 16 of this act are exhausted.

(4) Only covered and opt-in entities may participate in the auction of allowances from the allowance price containment reserve.

(5) The process for reserve auctions is the same as the process provided in section 12 of this act and the proceeds from reserve auctions must be treated the same.

(6) The department shall by rule:

(a) Set the reserve auction floor price in advance of the reserve auction. The department may choose to establish multiple price tiers for the allowances from the reserve;

(b) Establish the requirements and schedule for the allowance price containment reserve auctions; and

(c) Establish the amount of allowances to be placed in the allowance price containment reserve after the first compliance period ending in 2026.

NEW SECTION. Sec. 18. PRICE CEILING. (1) The department shall establish a price ceiling to provide cost protection for facilities obligated to comply with

this chapter. The ceiling must be set at a level sufficient to facilitate investments to achieve further emission reductions beyond those enabled by the price ceiling, with the intent that investments accelerate the state's achievement of greenhouse gas limits established under RCW 70A.45.020. The price ceiling must increase annually in proportion to the price floor.

(2) In the event that no allowances remain in the allowance price containment reserve, the department must issue the number of price ceiling units for sale sufficient to provide cost protection for facilities as established under subsection (1) of this section. Purchases must be limited to entities that do not have sufficient eligible compliance instruments in their holding and compliance accounts for the next compliance period and these entities may only purchase what they need to meet their compliance obligation for the current compliance period. Price ceiling units may not be sold or transferred and must be retired for compliance in the current compliance period. A price ceiling unit is not a property right.

(3) Funds raised in connection with the sale of price ceiling units must be expended to achieve emissions reductions on at least a metric ton for metric ton basis that are real, permanent, quantifiable, verifiable, enforceable by the state, and in addition to any greenhouse gas emission reduction otherwise required by law or regulation and any other greenhouse gas emission reduction that otherwise would occur.

NEW SECTION. Sec. 19. OFFSETS. (1) The department shall adopt by rule the protocols for establishing offset projects and securing offset credits that may be used to meet a portion of a covered or opt-in entity's compliance obligation under section 22 of this act. The protocols adopted by the department under this section must align with the policies of the state established under RCW 70A.45.090 and 70A.45.100.

(2) Offset projects must:

(a) Provide direct environmental benefits to the state or be located in a jurisdiction with which Washington has entered into a linkage agreement;

(b) Result in greenhouse gas reductions or removals that:

(i) Are real, permanent, quantifiable, verifiable, and enforceable; and

(ii) Are in addition to greenhouse gas emission reductions or removals otherwise required by law and other greenhouse gas emission reductions or removals that would otherwise occur; and

(c) Have been certified by a recognized registry after the effective date of this section or within two years prior to the effective date of this section.

(3) (a) A total of no more than five percent of a covered or opt-in entity's compliance obligation during the first compliance period may be met by transferring offset credits. During these years, at least 50 percent of a covered or opt-in entity's compliance obligation satisfied by offset credits must be sourced from offset projects that provide direct environmental benefits in the state.

(b) A total of no more than four percent of a covered or opt-in entity's compliance obligation during the second compliance period may be met by transferring offset credits. During these years, at least 75 percent of a covered or opt-in entity's compliance obligation satisfied by offset credits must be sourced from offset projects that provide direct environmental benefits in the state. The department may reduce the 75 percent requirement if it determines there is not sufficient offset supply in the state to meet offset demand during the second compliance period.

(c) The limits in (a) and (b) of this subsection may be modified by rule as adopted by the department when appropriate to ensure achievement of the proportionate share of statewide emissions limits established in RCW 70A.45.020 and to provide for alignment with other jurisdictions to which the state has linked.

(d) The limits in (a) and (b) of this subsection may be reduced for a specific covered or opt-in entity if the department determines, in consultation with the environmental justice council, that the covered or opt-in entity has or is likely to:

(i) Contribute substantively to cumulative air pollution burden in an overburdened community as determined by criteria established by the department,

in consultation with the environmental justice council; or

(ii) Violate any permits required by any federal, state, or local air pollution control agency where the violation may result in an increase in emissions.

(e) An offset project on federally recognized tribal land does not count against the offset credit limits described in (a) and (b) of this subsection. No more than three percent of a covered or opt-in entity's compliance obligation may be met by transferring offset credits from projects on federally recognized tribal land during the first compliance period. No more than two percent of a covered or opt-in entity's compliance obligation may be met by transferring offset credits from projects on federally recognized tribal land during the second compliance period.

(4) In adopting protocols governing offset projects and covered and opt-in entities' use of offset credits, the department shall:

(a) Take into consideration standards, rules, or protocols for offset projects and offset credits established by other states, provinces, and countries with programs comparable to the program established in this chapter;

(b) Encourage opportunities for the development of offset projects in this state by adopting offset protocols that may include, but need not be limited to, protocols that make use of aggregation or other mechanisms to reduce transaction costs related to the development of offset projects and that support the development of carbon dioxide removal projects;

(c) Adopt a process for monitoring and invalidating offset credits as necessary to ensure the credit reflects emission reductions or removals that continue to meet the standards required by subsection (1) of this section. If an offset credit is invalidated, the covered or opt-in entity must, within six months of the invalidation, transfer replacement credits or allowances to meet its compliance obligation. Failure to transfer the required credits or allowances is a violation subject to penalties as provided in section 23 of this act; and

(d) Make use of aggregation or other mechanisms, including cost-effective

inventory and monitoring provisions, to increase the development of offset and carbon removal projects by landowners across the broadest possible variety of types and sizes of lands, including lands owned by small forestland owners.

(5) Any offset credits used may not be in addition to or allow for an increase in the emissions limits established under RCW 70A.45.020, as reflected in the annual allowance budgets developed under section 9 of this act.

(6) The offset credit must be registered and tracked as a compliance instrument.

(7) Beginning in 2031, the limits established in subsection (3) of this section apply unless modified by rule as adopted by the department after a public consultation process.

NEW SECTION. Sec. 20. ASSISTANCE PROGRAM FOR OFFSETS ON TRIBAL LANDS. (1) In order to ensure that a sufficient number of high quality offset projects are available under the limits set in section 19 of this act, the department must establish an assistance program for offset projects on federally recognized tribal lands in Washington. The assistance may include, but is not limited to, funding or consultation for federally recognized tribal governments to assess a project's technical feasibility, investment requirements, development and operational costs, expected returns, administrative and legal hurdles, and project risks and pitfalls. The department may provide funding or assistance upon request by a federally recognized tribe.

(2) It is the intent of the legislature that not less than \$5,000,000 be provided in the biennial omnibus operating appropriations act for the purposes of this section.

NEW SECTION. Sec. 21. ASSISTANCE PROGRAM FOR SMALL FORESTLAND OWNERS. (1) The department, in cooperation with the department of natural resources, must establish an assistance program for small forestland owners that seeks to benefit from carbon sequestration markets, including the provision of offset credits that qualify under section 19 of this act. The assistance may include, but is not limited to, funding or consultation to assess a project's technical feasibility, investment requirements, development and operational costs, expected returns, administrative and

legal hurdles, and project risks and pitfalls. The department may assist multiple landowners to develop projects that aggregate sufficient acreage to provide the scale necessary to offer offset credits at a competitive price in either or both voluntary and regulatory carbon markets. Funding or assistance may be provided upon request by a small forestland owner.

(2) It is the intent of the legislature that not less than \$2,000,000 be provided in the biennial omnibus operating appropriations act each biennium for the purposes of this section.

NEW SECTION. Sec. 22. COMPLIANCE OBLIGATIONS. (1) A covered or opt-in entity has a compliance obligation for its emissions during each four-year compliance period, with the first compliance period commencing January 1, 2023, except when the first compliance period commences at a later date as provided in subsection (7) of this section. A covered or opt-in entity shall transfer a number of compliance instruments equal to the entity's covered emissions by November 1st of each calendar year in which a covered or opt-in entity has a compliance obligation. The department shall set by rule a percentage of compliance instruments that must be transferred in each year of the compliance period such that covered or opt-in entities are allowed to smooth their compliance obligation within the compliance period but must fully satisfy their compliance obligation over the course of the compliance period, in a manner similar to external greenhouse gas emissions trading programs in other jurisdictions. In meeting a given compliance obligation, a covered or opt-in entity may use allowances issued in that compliance year, or allowances issued in any of the seven years immediately preceding that compliance year.

(2) Compliance occurs through the transfer of compliance instruments or price ceiling units, on or before the transfer date, from the holding account to the compliance account of the covered or opt-in entity as described in section 10 of this act. Compliance includes consignment of allowances to auction pursuant to sections 14 and 15 of this act.

(3)(a) A covered entity with a facility eligible for use of price ceiling units under section 18 of this

act may substitute the submission of compliance instruments with price ceiling units.

(b) A covered or opt-in entity submitting insufficient compliance instruments to meet its compliance obligation is subject to a penalty as provided in section 23 of this act.

(4) Allowances must be transferred in the order in which they were purchased or acquired.

(5) A covered or opt-in entity may not borrow an allowance from a future allowance year to meet a current or past compliance obligation.

(6) Upon receipt by the department of all compliance instruments transferred by a covered entity or opt-in entity to meet its compliance obligation, the department shall retire the allowances or offset credits.

(7)(a) This section does not take effect until additive transportation funding is received by the state, at which time the department of licensing must provide written notice to the chief clerk of the house of representatives, the secretary of the senate, and the office of the code reviser.

(b) For the purposes of this subsection, "additive transportation funding" means receipt of funding by the state in which the combined total of revenues assumed in the omnibus transportation budget exceed \$500,000,000 in any biennium above the November 2020 state transportation revenue forecast.

NEW SECTION. Sec. 23. ENFORCEMENT. (1) All covered and opt-in entities are required to submit compliance instruments in a timely manner to meet the entities' compliance obligations and shall comply with all requirements for monitoring, reporting, holding, and transferring emission allowances and other provisions of this chapter.

(2) If a covered or opt-in entity does not submit sufficient compliance instruments to meet its compliance obligation by the specified transfer dates, a penalty of four allowances for every one compliance instrument that is missing must be submitted to the department within six months. When a covered entity or opt-in entity reasonably believes that it will be unable to meet a compliance obligation,

the entity shall immediately notify the department. Upon receiving notification, the department shall issue an order requiring the entity to submit the penalty allowances.

(3) If a covered entity or opt-in entity fails to submit penalty allowances as required by subsection (2) of this section, the department must issue an order or issue a penalty of up to \$10,000 per day per violation, or both, for failure to submit penalty allowances as required by subsection (2) of the section. The order may include a plan and schedule for coming into compliance.

(4) The department may issue a penalty of up to \$50,000 per day per violation for violations of section 12(8) (a) through (e) of this act.

(5) Except as provided in subsections (3) and (4) of this section, any person that violates the terms of this chapter or an order issued under this chapter incurs a penalty of up to \$10,000 per day per violation for each day that the person does not comply. All penalties under subsections (3) and (4) of this section and this subsection must be deposited into the climate investment account created in section 28 of this act.

(6) Orders and penalties issued under this chapter are appealable to the pollution control hearings board under chapter 43.21B RCW.

(7) For the first compliance period, the department may reduce the amount of the penalty by adjusting the monetary amount or the number of penalty allowances described in subsections (2) and (3) of this section.

(8) An electric utility or natural gas utility must notify its retail customers and the environmental justice council in published form within three months of paying a monetary penalty under this section.

(9)(a) No city, town, county, township, or other subdivision or municipal corporation of the state may implement a charge or tax based exclusively upon the quantity of greenhouse gas emissions.

(b) No state agency may adopt or enforce a program that regulates greenhouse gas emissions from a stationary source except as provided in this chapter.

(c) This chapter preempts the provisions of chapter 173-442 WAC.

NEW SECTION. Sec. 24. LINKAGE WITH OTHER JURISDICTIONS. (1) Subject to making the findings and conducting the public comment process described in subsection (3) of this section, the department shall seek to enter into linkage agreements with other jurisdictions with external greenhouse gas emissions trading programs in order to:

(a) Allow for the mutual use and recognition of compliance instruments issued by Washington and other linked jurisdictions;

(b) Broaden the greenhouse gas emission reduction opportunities to reduce the costs of compliance on covered entities and consumers;

(c) Enable allowance auctions to be held jointly and provide for the use of a unified tracking system for compliance instruments;

(d) Enhance market security;

(e) Reduce program administration costs; and

(f) Provide consistent requirements for covered entities whose operations span jurisdictional boundaries.

(2) The director of the department is authorized to execute linkage agreements with other jurisdictions with external greenhouse gas emissions trading programs consistent with the requirements in this chapter. A linkage agreement must cover the following:

(a) Provisions relating to regular, periodic auctions, including requirements for eligibility for auction participation, the use of a single auction provider to facilitate joint auctions, publication of auction-related information, processes for auction participation, purchase limits by auction participant type, bidding processes, dates of auctions, and financial requirements;

(b) Provisions related to holding limits to ensure no entities in any of the programs are disadvantaged relative to their counterparts in the other jurisdictions;

(c) Other requirements, such as greenhouse gas reporting and verification, offset protocols, criteria and process, and supervision and

enforcement, to prevent fraud, abuse, and market manipulation;

(d) Common program registry, electronic auction platform, tracking systems for compliance instruments, and monitoring of compliance instruments;

(e) Provisions to ensure coordinated administrative and technical support;

(f) Provisions for public notice and participation; and

(g) Provisions to collectively resolve differences, amend the agreements, and delink or otherwise withdraw from the agreements.

(3) Before entering into a linkage agreement under this section, the department must establish a finding that the linking jurisdiction and the linkage agreement meet certain criteria identified under this subsection and conduct a public comment process to obtain input and a review of the linkage agreement by relevant stakeholders and other interested parties. The department must consider input received from the public comment process before finalizing a linkage agreement. In the event that the department determines that a full linkage agreement is unlikely to meet the criteria, it may enter into a linkage agreement with limitations, including limits on the share of compliance that may be met with allowances originating from linked jurisdictions and other limitations deemed necessary by the department. A linkage agreement approved by the department must:

(a) Achieve the purposes identified in subsection (1) of this section;

(b) Ensure that the linking jurisdiction has provisions to ensure the distribution of benefits from the program to vulnerable populations and overburdened communities;

(c) Be determined by the department to not yield net adverse impacts to either jurisdictions' highly impacted communities or analogous communities in the aggregate, relative to the baseline level of emissions; and

(d) Not adversely impact Washington's ability to achieve the emission reduction limits established in RCW 70A.45.020.

(4) The state retains all legal and policymaking authority over its program design and enforcement.

NEW SECTION. **Sec. 25.** RULES. The department shall adopt rules to implement the provisions of the program established in sections 8 through 24 of this act. The department may adopt emergency rules pursuant to RCW 34.05.350 for initial implementation of the program, to implement the state omnibus appropriations act for the 2021-2023 fiscal biennium, and to ensure that reporting and other program requirements are determined early for the purpose of program design and early notice to registered entities with a compliance obligation under the program.

NEW SECTION. **Sec. 26.** EXPENDITURE TARGETS. (1) It is the intent of the legislature that each year the total investments made through the carbon emissions reduction account created in section 27 of this act, the climate commitment account created in section 29 of this act, the natural climate solutions account created in section 30 of this act, and the air quality and health disparities improvement account created in section 31 of this act, achieve the following:

(a) A minimum of not less than 35 percent and a goal of 40 percent of total investments that provide direct and meaningful benefits to vulnerable populations within the boundaries of overburdened communities identified under chapter . . . , Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141); and

(b) In addition to the requirements of (a) of this subsection, at least 10 percent of the total investments authorized under this chapter must be used for programs, activities, or projects formally supported by a resolution of an Indian tribe, with priority given to otherwise qualifying projects directly administered or proposed by an Indian tribe. An investment that meets the requirements of both this subsection (1)(b) and (a) of this subsection may count toward the requisite minimum percentage for both subsections.

(2) The expenditure of moneys under this chapter must be consistent with applicable federal, state, and local laws, and treaty rights including, but not limited to, prohibitions on uses of funds imposed by the state Constitution.

(3) For the purposes of this section, "benefits" means investments or activities that:

(a) Reduce vulnerable population characteristics, environmental burdens, or associated risks that contribute significantly to the cumulative impact designation of highly impacted communities;

(b) Meaningfully protect an overburdened community from, or support community response to, the impacts of air pollution or climate change; or

(c) Meet a community need identified by vulnerable members of the community that is consistent with the intent of this chapter.

(4) The state must develop a process by which to evaluate the impacts of the investments made under this chapter, work across state agencies to develop and track priorities across the different eligible funding categories, and work with the environmental justice council pursuant to section 5 of this act.

(5) No expenditures may be made from the carbon emissions reduction account created in section 27 of this act, the climate investment account created in section 28 of this act, or the air quality and health disparities improvement account created in section 31 of this act if, by April 1, 2023, the legislature has not considered and enacted request legislation brought forth by the department under section 8 of this act that outlines a compliance pathway specific to emissions-intensive, trade-exposed businesses for achieving their proportionate share of the state's emissions reduction limits through 2050.

NEW SECTION. Sec. 27. CARBON EMISSIONS REDUCTION ACCOUNT. The carbon emissions reduction account is created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account are intended to affect reductions in transportation sector carbon emissions through a variety of carbon reducing investments. These can include, but are not limited to: Transportation alternatives to single occupancy passenger vehicles; reductions in single occupancy passenger vehicle miles traveled; reductions in per mile emissions in vehicles, including through the funding of alternative fuel infrastructure and incentive programs; and emission reduction programs for

freight transportation, including motor vehicles and rail, as well as for ferries and other maritime and port activities. Expenditures from the account may only be made for transportation carbon emission reducing purposes and may not be made for highway purposes authorized under the 18th Amendment of the Washington state Constitution. It is the legislature's intent that expenditures from the account used to reduce carbon emissions be made with the goal of achieving equity for communities that historically have been omitted or adversely impacted by past transportation policies and practices.

NEW SECTION. Sec. 28. CLIMATE INVESTMENT ACCOUNT. (1)(a) The climate investment account is created in the state treasury. Except as otherwise provided in this act, all receipts from the auction of allowances authorized in this chapter must be deposited into the account. Moneys in the account may be spent only after appropriation.

(b) Projects or activities funded from the account must meet high labor standards, including family sustaining wages, providing benefits including health care and pensions, career development opportunities, and maximize access to economic benefits from such projects for local workers and diverse businesses. Each contracting entity's proposal must be reviewed for equity and opportunity improvement efforts, including: (i) Employer paid sick leave programs; (ii) pay practices in relation to living wage indicators such as the federal poverty level; (iii) efforts to evaluate pay equity based on gender identity, race, and other protected status under Washington law; (iv) facilitating career development opportunities, such as apprenticeship programs, internships, job-shadowing, and on-the-job training; and (v) employment assistance and employment barriers for justice affected individuals.

(2) Moneys in the account may be used only for projects and programs that achieve the purposes of the greenhouse gas emissions cap and invest program established under this chapter. Moneys in the account as described in this subsection must first be appropriated for the administration of the requirements of this chapter, in an amount not to exceed five percent of the total receipt of funds from allowance auction proceeds under this chapter. Beginning July 1,

2024, and annually thereafter, the state treasurer shall distribute funds in the account as follows:

(a) Seventy-five percent of the moneys to the climate commitment account created in section 29 of this act; and

(b) Twenty-five percent of the moneys to the natural climate solutions account created in section 30 of this act.

(3) The allocations specified in subsection (2) (a) and (b) of this section must be reviewed by the legislature on a biennial basis based on the changing needs of the state in meeting its clean economy and greenhouse gas reduction goals in a timely, economically advantageous, and equitable manner.

NEW SECTION. Sec. 29. CLIMATE COMMITMENT ACCOUNT. (1) The climate commitment account is created in the state treasury. The account must receive moneys distributed to the account from the climate investment account created in section 28 of this act. Moneys in the account may be spent only after appropriation. Projects, activities, and programs eligible for funding from the account must be physically located in Washington state and include, but are not limited to, the following:

(a) Implementing the working families tax rebate in RCW 82.08.0206;

(b) Supplementing the growth management planning and environmental review fund established in RCW 36.70A.490 for the purpose of making grants or loans to local governments for the purposes set forth in RCW 43.21C.240, 43.21C.031, 36.70A.500, and 36.70A.600, for costs associated with RCW 36.70A.610, and to cover costs associated with the adoption of optional elements of comprehensive plans consistent with RCW 43.21C.420;

(c) Programs, activities, or projects that reduce and mitigate impacts from greenhouse gases and copollutants in overburdened communities, including strengthening the air quality monitoring network to measure, track, and better understand air pollution levels and trends and to inform the analysis, monitoring, and pollution reduction measures required in section 3 of this act;

(d) Programs, activities, or projects that deploy renewable energy resources, such as solar and wind power, and projects to deploy distributed

generation, energy storage, demand-side technologies and strategies, and other grid modernization projects;

(e) Programs, activities, or projects that increase the energy efficiency or reduce greenhouse gas emissions of industrial facilities including, but not limited to, proposals to implement combined heat and power, district energy, or on-site renewables, such as solar and wind power, to upgrade the energy efficiency of existing equipment, to reduce process emissions, and to switch to less emissions intensive fuel sources;

(f) Programs, activities, or projects that achieve energy efficiency or emissions reductions in the agricultural sector including:

(i) Fertilizer management;

(ii) Soil management;

(iii) Bioenergy;

(iv) Biofuels;

(v) Grants, rebates, and other financial incentives for agricultural harvesting equipment, heavy-duty trucks, agricultural pump engines, tractors, and other equipment used in agricultural operations;

(vi) Grants, loans, or any financial incentives to food processors to implement projects that reduce greenhouse gas emissions;

(vii) Renewable energy projects;

(viii) Farmworker housing weatherization programs;

(ix) Dairy digester research and development; and

(x) Alternative manure management;

(g) Programs, activities, or projects that increase energy efficiency in new and existing buildings, or that promote low-carbon architecture, including use of newly emerging alternative building materials that result in a lower carbon footprint in the built environment over the life cycle of the building and component building materials;

(h) Programs, activities, or projects that promote the electrification and decarbonization of new and existing buildings, including residential, commercial, and industrial buildings;

(i) Programs, activities, or projects that improve energy efficiency,

including district energy, and investments in market transformation of high efficiency electric appliances and equipment for space and water heating;

(j) Clean energy transition and assistance programs, activities, or projects that assist affected workers or people with lower incomes during the transition to a clean energy economy, or grow and expand clean manufacturing capacity in communities across Washington state including, but not limited to:

(i) Programs, activities, or projects that directly improve energy affordability and reduce the energy burden of people with lower incomes, as well as the higher transportation fuel burden of rural residents, such as bill assistance, energy efficiency, and weatherization programs;

(ii) Community renewable energy projects that allow qualifying participants to own or receive the benefits of those projects at reduced or no cost;

(iii) Programs, activities, or other worker-support projects for bargaining unit and nonsupervisory fossil fuel workers who are affected by the transition away from fossil fuels to a clean energy economy. Worker support may include, but is not limited to: (A) Full wage replacement, health benefits, and pension contributions for every worker within five years of retirement; (B) full wage replacement, health benefits, and pension contributions for every worker with at least one year of service for each year of service up to five years of service; (C) wage insurance for up to five years for workers reemployed who have more than five years of service; (D) up to two years of retraining costs, including tuition and related costs, based on in-state community and technical college costs; (E) peer counseling services during transition; (F) employment placement services, prioritizing employment in the clean energy sector; and (G) relocation expenses;

(iv) Direct investment in workforce development, via technical education, community college, apprenticeships, and other programs;

(v) Transportation, municipal service delivery, and technology investments that increase a community's capacity for clean manufacturing, with an emphasis on

communities in greatest need of job creation and economic development and potential for commute reduction;

(k) Programs, activities, or projects that reduce emissions from landfills and waste-to-energy facilities through diversion of organic materials, methane capture or conversion strategies, or other means;

(l) Carbon dioxide removal projects, programs, and activities; and

(m) Activities to support efforts to mitigate and adapt to the effects of climate change affecting Indian tribes, including capital investments in support of the relocation of Indian tribes located in areas at heightened risk due to anticipated sea level rise, flooding, or other disturbances caused by climate change. The legislature intends to dedicate at least \$50,000,000 per biennium from the account for purposes of this subsection.

(2) Moneys in the account may not be used for projects or activities that would violate tribal treaty rights or result in significant long-term damage to critical habitat or ecological functions. Investments from this account must result in long-term environmental benefits and increased resilience to the impacts of climate change.

NEW SECTION. Sec. 30. NATURAL CLIMATE SOLUTIONS ACCOUNT. (1) The natural climate solutions account is created in the state treasury. All moneys directed to the account from the climate investment account created in section 28 of this act must be deposited in the account. Moneys in the account may be spent only after appropriation. Moneys in the account are intended to increase the resilience of the state's waters, forests, and other vital ecosystems to the impacts of climate change, conserve working forestlands at risk of conversion, and increase their carbon pollution reduction capacity through sequestration, storage, and overall system integrity. Moneys in the account must be spent in a manner that is consistent with existing and future assessments of climate risks and resilience from the scientific community and expressed concerns of and impacts to overburdened communities.

(2) Moneys in the account may be allocated for the following purposes:

(a) Clean water investments that improve resilience from climate impacts. Funding under this subsection (2) (a) must be used to:

(i) Restore and protect estuaries, fisheries, and marine shoreline habitats and prepare for sea level rise including, but not limited to, making fish passage correction investments such as those identified in the cost-share barrier removal program for small forestland owners created in RCW 76.13.150 and those that are considered by the fish passage barrier removal board created in RCW 77.95.160;

(ii) Increase carbon storage in the ocean or aquatic and coastal ecosystems;

(iii) Increase the ability to remediate and adapt to the impacts of ocean acidification;

(iv) Reduce flood risk and restore natural floodplain ecological function;

(v) Increase the sustainable supply of water and improve aquatic habitat, including groundwater mapping and modeling;

(vi) Improve infrastructure treating stormwater from previously developed areas within an urban growth boundary designated under chapter 36.70A RCW, with a preference given to projects that use green stormwater infrastructure;

(vii) Either preserve or increase, or both, carbon sequestration and storage benefits in forests, forested wetlands, agricultural soils, tidally influenced agricultural or grazing lands, or freshwater, saltwater, or brackish aquatic lands; or

(viii) Either preserve or establish, or both, carbon sequestration by protecting or planting trees in marine shorelines and freshwater riparian areas sufficient to promote climate resilience, protect cold water fisheries, and achieve water quality standards;

(b) Healthy forest investments to improve resilience from climate impacts. Funding under this subsection (2) (b) must be used for projects and activities that will:

(i) Increase forest and community resilience to wildfire in the face of increased seasonal temperatures and drought;

(ii) Improve forest health and reduce vulnerability to changes in hydrology, insect infestation, and other impacts of climate change; or

(iii) Prevent emissions by preserving natural and working lands from the threat of conversion to development or loss of critical habitat, through actions that include, but are not limited to, the creation of new conservation lands, community forests, or increased support to small forestland owners through assistance programs including, but not limited to, the forest riparian easement program and the family forest fish passage program. It is the intent of the legislature that not less than \$10,000,000 be expended each biennium for the forestry riparian easement program created in chapter 76.13 RCW or for riparian easement projects funded under the agricultural conservation easements program established under RCW 89.08.530, or similar riparian enhancement programs.

(3) Moneys in the account may not be used for projects that would violate tribal treaty rights or result in significant long-term damage to critical habitat or ecological functions. Investments from this account must result in long-term environmental benefits and increased resilience to the impacts of climate change.

NEW SECTION. Sec. 31. AIR QUALITY AND HEALTH DISPARITIES IMPROVEMENT ACCOUNT. (1) The air quality and health disparities improvement account is created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account are intended to:

(a) Improve air quality through the reduction of criteria pollutants, including through effective air quality monitoring and the establishment of adequate baseline emissions data; and

(b) Reduce health disparities in overburdened communities by improving health outcomes through the reduction or elimination of environmental harms and the promotion of environmental benefits.

(2) Moneys in the account may be used for either capital budget or transportation budget purposes, or both. Moneys in the account may not be used for projects that would violate tribal treaty rights or result in significant long-term damage to critical habitat or ecological functions. Investments from the account

must result in long-term environmental benefits and increased resilience to the impacts of climate change.

(3) It is the intent of the legislature that not less than \$20,000,000 per biennium be dedicated to the account for the purposes of the account.

Sec. 32. RCW 70A.15.2200 and 2020 c 20 s 1090 are each amended to read as follows:

(1) The board of any activated authority or the department, may classify air contaminant sources, by ordinance, resolution, rule or regulation, which in its judgment may cause or contribute to air pollution, according to levels and types of emissions and other characteristics which cause or contribute to air pollution, and may require registration or reporting or both for any such class or classes. Classifications made pursuant to this section may be for application to the area of jurisdiction of such authority, or the state as a whole or to any designated area within the jurisdiction, and shall be made with special reference to effects on health, economic and social factors, and physical effects on property.

(2) Except as provided in subsection (3) of this section, any person operating or responsible for the operation of air contaminant sources of any class for which the ordinances, resolutions, rules or regulations of the department or board of the authority, require registration or reporting shall register therewith and make reports containing information as may be required by such department or board concerning location, size and height of contaminant outlets, processes employed, nature of the contaminant emission and such other information as is relevant to air pollution and available or reasonably capable of being assembled. In the case of emissions of greenhouse gases as defined in RCW 70A.45.010 the department shall adopt rules requiring reporting of those emissions. The department or board may require that such registration or reporting be accompanied by a fee, and may determine the amount of such fee for such class or classes: PROVIDED, That the amount of the fee shall only be to compensate for the costs of administering such registration or reporting program which shall be defined as initial registration and annual or other periodic reports from the source owner providing information directly

related to air pollution registration, on-site inspections necessary to verify compliance with registration requirements, data storage and retrieval systems necessary for support of the registration program, emission inventory reports and emission reduction credits computed from information provided by sources pursuant to registration program requirements, staff review, including engineering or other reliable analysis for accuracy and currentness, of information provided by sources pursuant to registration program requirements, clerical and other office support provided in direct furtherance of the registration program, and administrative support provided in directly carrying out the registration program: PROVIDED FURTHER, That any such registration made with either the board or the department shall preclude a further registration and reporting with any other board or the department, except that emissions of greenhouse gases as defined in RCW 70A.45.010 must be reported as required under subsection (5) of this section.

All registration program and reporting fees collected by the department shall be deposited in the air pollution control account. All registration program fees collected by the local air authorities shall be deposited in their respective treasuries.

(3) If a registration or report has been filed for a grain warehouse or grain elevator as required under this section, registration, reporting, or a registration program fee shall not, after January 1, 1997, again be required under this section for the warehouse or elevator unless the capacity of the warehouse or elevator as listed as part of the license issued for the facility has been increased since the date the registration or reporting was last made. If the capacity of the warehouse or elevator listed as part of the license is increased, any registration or reporting required for the warehouse or elevator under this section must be made by the date the warehouse or elevator receives grain from the first harvest season that occurs after the increase in its capacity is listed in the license.

This subsection does not apply to a grain warehouse or grain elevator if the warehouse or elevator handles more than ten million bushels of grain annually.

(4) For the purposes of subsection (3) of this section:

(a) A "grain warehouse" or "grain elevator" is an establishment classified in standard industrial classification (SIC) code 5153 for wholesale trade for which a license is required and includes, but is not limited to, such a licensed facility that also conducts cleaning operations for grain;

(b) A "license" is a license issued by the department of agriculture licensing a facility as a grain warehouse or grain elevator under chapter 22.09 RCW or a license issued by the federal government licensing a facility as a grain warehouse or grain elevator for purposes similar to those of licensure for the facility under chapter 22.09 RCW; and

(c) "Grain" means a grain or a pulse.

(5)(a) The department shall adopt rules requiring persons to report emissions of greenhouse gases as defined in RCW 70A.45.010 where those emissions from a single facility, ~~((source, or site))~~ or from electricity or fossil fuels sold in Washington by a single supplier or local distribution company, meet or exceed ten thousand metric tons of carbon dioxide equivalent annually. ~~The ((department may phase in the requirement to report greenhouse gas emissions until the reporting threshold in this subsection is met, which must occur by January 1, 2012)) rules adopted by the department must support implementation of the program created in section 8 of this act. In addition, the rules must require that:~~

(i) Emissions of greenhouse gases resulting from the combustion of fossil fuels be reported separately from emissions of greenhouse gases resulting from the combustion of biomass; and

(ii) ~~((Reporting will start in 2010 for 2009 emissions.))~~ Each annual report must include emissions data for the preceding calendar year and must be submitted to the department by ~~((October))~~ March 31st of the year in which the report is due. ~~((However, starting in 2011, a person who is required to report greenhouse gas emissions to the United States environmental protection agency under 40 C.F.R. Part 98, as adopted on September 22, 2009, must submit the report required under this section to the department concurrent with the submission to the United States environmental protection agency. Except as otherwise provided in this section, the data for emissions in~~

~~Washington and any corrections thereto that are reported to the United States environmental protection agency must be the emissions data reported to the department; and~~

~~(iii) Emissions of carbon dioxide associated with the complete combustion or oxidation of liquid motor vehicle fuel, special fuel, or aircraft fuel that is sold in Washington where the annual emissions associated with that combustion or oxidation equal or exceed ten thousand metric tons be reported to the department. Each person who is required to file periodic tax reports of motor vehicle fuel sales under RCW 82.36.031 or special fuel sales under RCW 82.38.150, or each distributor of aircraft fuel required to file periodic tax reports under RCW 82.42.040 must report to the department the annual emissions of carbon dioxide from the complete combustion or oxidation of the fuels listed in those reports as sold in the state of Washington. The department shall not require suppliers to use additional data to calculate greenhouse gas emissions other than the data the suppliers report to the department of licensing. The rules may allow this information to be aggregated when reported to the department. The department and the department of licensing shall enter into an interagency agreement to ensure proprietary and confidential information is protected if the departments share reported information. Any proprietary or confidential information exempt from disclosure when reported to the department of licensing is exempt from disclosure when shared by the department of licensing with the department under this provision.))~~

~~(b) (i) ((Except as otherwise provided in this subsection, the rules adopted by the department under (a) of this subsection must be consistent with the regulations adopted by the United States environmental protection agency in 40 C.F.R. Part 98 on September 22, 2009.~~

~~((ii))~~ The department may by rule include additional gases to the definition of "greenhouse gas" in RCW 70A.45.010 only if the gas has been designated as a greenhouse gas by the United States congress ~~((or))~~, by the United States environmental protection agency, or included in external greenhouse gas emission trading programs with which Washington has pursuant to

~~section 24 of this act. Prior to including additional gases to the definition of "greenhouse gas" in RCW 70A.45.010, the department shall notify the appropriate committees of the legislature. ((Decisions to amend the rule to include additional gases must be made prior to December 1st of any year and the amended rule may not take effect before the end of the regular legislative session in the next year.~~

~~((iii))~~ (ii) The department may by rule exempt persons who are required to report greenhouse gas emissions to the United States environmental protection agency and who emit less than ten thousand metric tons carbon dioxide equivalent annually.

~~((iv))~~ (iii) The department must establish a methodology for persons who are not required to report under this section to voluntarily report their greenhouse gas emissions.

(c) (i) The department shall review and if necessary update its rules whenever ~~((the))~~:

(A) The United States environmental protection agency adopts final amendments to 40 C.F.R. Part 98 to ensure consistency with federal reporting requirements for emissions of greenhouse gases; or

(B) Needed to ensure consistency with emissions reporting requirements for jurisdictions with which Washington has entered a linkage agreement. ((However, the))

(ii) The department shall not amend its rules in a manner that conflicts with ((a of)) this ((subsection)) section.

(d) The department shall share any reporting information reported to it with the local air authority in which the person reporting under the rules adopted by the department operates.

(e) The fee provisions in subsection (2) of this section apply to reporting of emissions of greenhouse gases. Persons required to report under (a) of this subsection who fail to report or pay the fee required in subsection (2) of this section are subject to enforcement penalties under this chapter. The department shall enforce the reporting rule requirements ~~((unless it approves a local air authority's request to enforce the requirements for persons operating within the authority's jurisdiction.~~

~~However, neither the department nor a local air authority approved under this section are authorized to assess enforcement penalties on persons required to report under (a) of this subsection until six months after the department adopts its reporting rule in 2010)).~~ When a person that holds a compliance obligation under section 10 of this act fails to submit an emissions data report or fails to obtain a positive emissions data verification statement in accordance with (g)(ii) of this subsection, the department may assign an emissions level for that person.

(f) The energy facility site evaluation council shall, simultaneously with the department, adopt rules that impose greenhouse gas reporting requirements in site certifications on owners or operators of a facility permitted by the energy facility site evaluation council. The greenhouse gas reporting requirements imposed by the energy facility site evaluation council must be the same as the greenhouse gas reporting requirements imposed by the department. The department shall share any information reported to it from facilities permitted by the energy facility site evaluation council with the council, including notice of a facility that has failed to report as required. The energy facility site evaluation council shall contract with the department to monitor the reporting requirements adopted under this section.

(g) (i) The ((inclusion or failure to include any person, source, classes of persons or sources, or types of emissions of greenhouse gases into the department's rules for reporting under this section does not indicate whether such a person, source, or category is appropriate for inclusion in state, regional, or national greenhouse gas reduction programs or strategies. Furthermore, aircraft fuel purchased in the state may not be considered equivalent to aircraft fuel combusted in the state)) department must establish by rule the methods of verifying the accuracy of emissions reports.

(ii) Verification requirements apply at a minimum to persons required to report under (a) of this subsection with emissions that equal or exceed 25,000 metric tons of carbon dioxide equivalent emissions, including carbon dioxide from biomass-derived fuels, or to persons who have a compliance obligation under

section 10 of this act in any year of the current compliance period. The department may adopt rules to accept verification reports from another jurisdiction with a linkage agreement pursuant to section 20 of this act in cases where the department deems that the methods or procedures are substantively similar.

(h)(i) The definitions in RCW 70A.45.010 apply throughout this subsection (5) unless the context clearly requires otherwise.

(ii) For the purpose of this subsection (5), the term "supplier" includes: (A) ~~((A motor vehicle fuel supplier or a motor vehicle fuel importer, as those terms are defined in RCW 82.36.010; (B) a special fuel supplier or a special fuel importer, as those terms are defined in RCW 82.38.020; and (C) a distributor of aircraft fuel, as those terms are defined in RCW 82.42.010))~~ Suppliers that produce, import, or deliver, or any combination of producing, importing, or delivering, a quantity of fuel products in Washington that, if completely combusted, oxidized, or used in other processes, would result in the release of greenhouse gases in Washington equivalent to or higher than the threshold established under (a) of this subsection; and (B) suppliers of carbon dioxide that produce, import, or deliver a quantity of carbon dioxide in Washington that, if released, would result in emissions equivalent to or higher than the threshold established under (a) of this subsection.

(iii) For the purpose of this subsection (5), the term "person" includes: (A) ~~An owner or operator (, as those terms are defined by the United States environmental protection agency in its mandatory greenhouse gas reporting regulation in 40 C.F.R. Part 98, as adopted on September 22, 2009; and (B) a supplier))~~ of a facility; (B) a supplier; or (C) an electric power entity.

(iv) For the purpose of this subsection (5), the term "facility" includes facilities that directly emit greenhouse gases in Washington equivalent to the threshold established under (a) of this subsection with at least one source category listed in the United States environmental protection agency's mandatory greenhouse gas reporting regulation, 40 C.F.R. Part 98 Subparts C through II and RR through UU, as adopted on April 25, 2011.

(v) For the purpose of this subsection (5), the term "electric power entity" includes any of the following that supply electric power in Washington with associated emissions of greenhouse gases equal to or above the threshold established under (a) of this subsection: (A) Electricity importers and exporters; (B) retail providers, including multijurisdictional retail providers; and (C) first jurisdictional deliverers, as defined in section 2 of this act, not otherwise included here.

NEW SECTION. Sec. 33. A new section is added to chapter 43.21C RCW to read as follows:

The review under this chapter of greenhouse gas emissions from a new or expanded facility subject to the greenhouse gas emission reduction requirements of chapter 70A.--- RCW (the new chapter created in section 37 of this act) must occur consistent with section 10(9) of this act.

NEW SECTION. Sec. 34. A new section is added to chapter 70A.15 RCW to read as follows:

The department or a local air authority must issue an enforceable order under this chapter to all permitted or registered sources operating in overburdened communities when, consistent with section 3(2)(a) of this act, the department determines that criteria pollutants are not being reduced in an overburdened community and the department or local air authority adopts stricter air quality standards, emissions standards, or emissions limitations on criteria pollutants.

NEW SECTION. Sec. 35. A new section is added to chapter 70A.45 RCW to read as follows:

The state, state agencies, and political subdivisions of the state, in implementing their duties and authorities established under other laws, may only consider the greenhouse gas limits established in RCW 70A.45.020 in a manner that recognizes, where applicable, that the siting and placement of new best-in-class low carbon facilities is in the economic and environmental interests of the state of Washington.

NEW SECTION. Sec. 36. This act may be known and cited as the Washington climate commitment act.

NEW SECTION. **Sec. 37.** Sections 1 through 31 and 36 of this act constitute a new chapter in Title 70A RCW.

NEW SECTION. **Sec. 38.** (1) Sections 8 through 24 of this act, and any rules adopted by the department of ecology to implement the program established under those sections, are suspended on December 31, 2055, in the event that the department of ecology determines by December 1, 2055, that the 2050 emissions limits of RCW 70A.45.020 have been met for two or more consecutive years.

(2) Upon the occurrence of the events identified in subsection (1) of this section, the department of ecology must provide written notice of the suspension date of sections 8 through 24 of this act to affected parties, the chief clerk of the house of representatives, the secretary of the senate, the office of the code reviser, and others as deemed appropriate by the department.

Sec. 39. RCW 43.376.020 and 2012 c 122 s 2 are each amended to read as follows:

In establishing a government-to-government relationship with Indian tribes, state agencies must:

(1) Make reasonable efforts to collaborate with Indian tribes in the development of policies, agreements, and program implementation that directly affect Indian tribes and develop a consultation process that is used by the agency for issues involving specific Indian tribes. State agencies described in section 6 of this act must offer consultation with Indian tribes on the actions specified in section 6 of this act;

(2) Designate a tribal liaison who reports directly to the head of the state agency;

(3) Ensure that tribal liaisons who interact with Indian tribes and the executive directors of state agencies receive training as described in RCW 43.376.040; and

(4) Submit an annual report to the governor on activities of the state agency involving Indian tribes and on implementation of this chapter.

Sec. 40. RCW 43.21B.110 and 2020 c 138 s 11 and 2020 c 20 s 1035 are each reenacted and amended to read as follows:

(1) The hearings board shall only have jurisdiction to hear and decide appeals from the following decisions of the department, the director, local conservation districts, the air pollution control boards or authorities as established pursuant to chapter 70A.15 RCW, local health departments, the department of natural resources, the department of fish and wildlife, the parks and recreation commission, and authorized public entities described in chapter 79.100 RCW:

(a) Civil penalties imposed pursuant to RCW 18.104.155, 70A.15.3160, 70A.300.090, 70A.20.050, 70A.530.040, 70A.350.070, 70A.515.060, section 23 of this act, 76.09.170, 77.55.440, 78.44.250, 88.46.090, 90.03.600, 90.46.270, 90.48.144, 90.56.310, 90.56.330, and 90.64.102.

(b) Orders issued pursuant to RCW 18.104.043, 18.104.060, 43.27A.190, 70A.15.2520, 70A.15.3010, 70A.300.120, 70A.350.070, section 23 of this act, 86.16.020, 88.46.070, 90.14.130, 90.46.250, 90.48.120, and 90.56.330.

(c) Except as provided in RCW 90.03.210(2), the issuance, modification, or termination of any permit, certificate, or license by the department or any air authority in the exercise of its jurisdiction, including the issuance or termination of a waste disposal permit, the denial of an application for a waste disposal permit, the modification of the conditions or the terms of a waste disposal permit, or a decision to approve or deny an application for a solid waste permit exemption under RCW 70A.205.260.

(d) Decisions of local health departments regarding the grant or denial of solid waste permits pursuant to chapter 70A.205 RCW.

(e) Decisions of local health departments regarding the issuance and enforcement of permits to use or dispose of biosolids under RCW 70A.226.090.

(f) Decisions of the department regarding waste-derived fertilizer or micronutrient fertilizer under RCW 15.54.820, and decisions of the department regarding waste-derived soil amendments under RCW 70A.205.145.

(g) Decisions of local conservation districts related to the denial of approval or denial of certification of a dairy nutrient management plan;

conditions contained in a plan; application of any dairy nutrient management practices, standards, methods, and technologies to a particular dairy farm; and failure to adhere to the plan review and approval timelines in RCW 90.64.026.

(h) Any other decision by the department or an air authority which pursuant to law must be decided as an adjudicative proceeding under chapter 34.05 RCW.

(i) Decisions of the department of natural resources, the department of fish and wildlife, and the department that are reviewable under chapter 76.09 RCW, and the department of natural resources' appeals of county, city, or town objections under RCW 76.09.050(7).

(j) Forest health hazard orders issued by the commissioner of public lands under RCW 76.06.180.

(k) Decisions of the department of fish and wildlife to issue, deny, condition, or modify a hydraulic project approval permit under chapter 77.55 RCW, to issue a stop work order, to issue a notice to comply, to issue a civil penalty, or to issue a notice of intent to disapprove applications.

(l) Decisions of the department of natural resources that are reviewable under RCW 78.44.270.

(m) Decisions of an authorized public entity under RCW 79.100.010 to take temporary possession or custody of a vessel or to contest the amount of reimbursement owed that are reviewable by the hearings board under RCW 79.100.120.

(2) The following hearings shall not be conducted by the hearings board:

(a) Hearings required by law to be conducted by the shorelines hearings board pursuant to chapter 90.58 RCW.

(b) Hearings conducted by the department pursuant to RCW 70A.15.3010, 70A.15.3070, 70A.15.3080, 70A.15.3090, 70A.15.3100, 70A.15.3110, and 90.44.180.

(c) Appeals of decisions by the department under RCW 90.03.110 and 90.44.220.

(d) Hearings conducted by the department to adopt, modify, or repeal rules.

(3) Review of rules and regulations adopted by the hearings board shall be

subject to review in accordance with the provisions of the administrative procedure act, chapter 34.05 RCW.

Sec. 41. RCW 43.21B.300 and 2020 c 20 s 1038 are each amended to read as follows:

(1) Any civil penalty provided in RCW 18.104.155, 70A.15.3160, 70A.205.280, 70A.300.090, 70A.20.050, section 23 of this act, 88.46.090, 90.03.600, 90.46.270, 90.48.144, 90.56.310, 90.56.330, and 90.64.102 and chapter 70A.355 RCW shall be imposed by a notice in writing, either by certified mail with return receipt requested or by personal service, to the person incurring the penalty from the department or the local air authority, describing the violation with reasonable particularity. For penalties issued by local air authorities, within thirty days after the notice is received, the person incurring the penalty may apply in writing to the authority for the remission or mitigation of the penalty. Upon receipt of the application, the authority may remit or mitigate the penalty upon whatever terms the authority in its discretion deems proper. The authority may ascertain the facts regarding all such applications in such reasonable manner and under such rules as it may deem proper and shall remit or mitigate the penalty only upon a demonstration of extraordinary circumstances such as the presence of information or factors not considered in setting the original penalty.

(2) Any penalty imposed under this section may be appealed to the pollution control hearings board in accordance with this chapter if the appeal is filed with the hearings board and served on the department or authority thirty days after the date of receipt by the person penalized of the notice imposing the penalty or thirty days after the date of receipt of the notice of disposition by a local air authority of the application for relief from penalty.

(3) A penalty shall become due and payable on the later of:

(a) Thirty days after receipt of the notice imposing the penalty;

(b) Thirty days after receipt of the notice of disposition by a local air authority on application for relief from penalty, if such an application is made; or

(c) Thirty days after receipt of the notice of decision of the hearings board if the penalty is appealed.

(4) If the amount of any penalty is not paid to the department within thirty days after it becomes due and payable, the attorney general, upon request of the department, shall bring an action in the name of the state of Washington in the superior court of Thurston county, or of any county in which the violator does business, to recover the penalty. If the amount of the penalty is not paid to the authority within thirty days after it becomes due and payable, the authority may bring an action to recover the penalty in the superior court of the county of the authority's main office or of any county in which the violator does business. In these actions, the procedures and rules of evidence shall be the same as in an ordinary civil action.

(5) All penalties recovered shall be paid into the state treasury and credited to the general fund except those penalties imposed pursuant to RCW 18.104.155, which shall be credited to the reclamation account as provided in RCW 18.104.155(7), RCW 70A.15.3160, the disposition of which shall be governed by that provision, RCW 70A.300.090, which shall be credited to the model toxics control operating account created in RCW 70A.305.180, section 23 of this act, which shall be credited to the climate investment account created in section 28 of this act, RCW 90.56.330, which shall be credited to the coastal protection fund created by RCW 90.48.390, and RCW 70A.355.070, which shall be credited to the underground storage tank account created by RCW 70A.355.090.

NEW SECTION. Sec. 42. 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."

Correct the title.

Signed by Representatives Ormsby, Chair; Bergquist, Vice Chair; Gregerson, Vice Chair; Macri, Vice Chair; Chopp; Cody; Dolan; Fitzgibbon; Frame; Hansen; Johnson, J.; Lekanoff; Pollet; Ryu; Senn; Springer; Stonier; Sullivan and Tharinger.

MINORITY recommendation: Do not pass. Signed by Representatives Stokesbary, Ranking Minority Member; Chambers, Assistant Ranking Minority Member; Corry,

Assistant Ranking Minority Member; MacEwen, Assistant Ranking Minority Member; Boehnke; Caldier; Chandler; Dye; Harris; Hoff; Jacobsen; Rude; Schmick and Steele.

There being no objection, ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5126 on the day's supplemental committee reports under the fifth order of business was placed on the second reading calendar.

There being no objection, the House advanced to the sixth order of business.

SECOND READING

ENGROSSED SUBSTITUTE SENATE BILL NO. 5478, by Senate Committee on Ways & Means (originally sponsored by Keiser, Mullet, Billig, Cleveland, Conway, Das, Hunt, King, Kuderer, Liias, Lovelett, Nguyen, Randall, Rolfes, Saldaña, Stanford, Van De Wege and C. Wilson)

Concerning unemployment insurance relief for certain employers.

The bill was read the second time.

There being no objection, the committee striking amendment by the Committee on Appropriations was before the House for purpose of amendment. (For Committee amendment, see Journal, Day 101, April 21, 2021).

Representative Bergquist moved the adoption of amendment (748) to the committee striking amendment:

On page 5, line 17 of the striking amendment, after "than a" strike "four" and insert "three"

On page 5, line 24 of the striking amendment, after "increased by" strike "six" and insert "four"

On page 6, line 27 of the striking amendment, after "than a" strike "four" and insert "three"

On page 6, line 34 of the striking amendment, after "increased by" strike "six" and insert "four"

On page 7, after line 21 of the striking amendment, insert the following:

"NEW SECTION. Sec. 7. A new section is added to chapter 50.29 RCW to read as follows:

(1) If moneys remain in the unemployment insurance relief account after the department determines the forgiven benefits for all approved employers pursuant to sections 3 through 6 of this act, then by December 21, 2021,

the department must again determine any forgiven benefits for approved category 1 employers to be reimbursed by the unemployment insurance relief account instead of charged to the employer's experience rating account. Total approved benefits for all approved category 1 employers may not exceed the available benefits for category 1.

(2) The department will not charge the forgiven benefits to the employer's experience rating account. The commissioner must instead transfer from the unemployment insurance relief account to the unemployment compensation fund created in RCW 50.16.010 an amount equal to the forgiven benefits.

(3) For the purposes of this section, the following definitions apply:

(a) "Approved benefits" means any remaining benefits paid to employees of an approved category 1 employer during the fiscal year ending June 30, 2021, that were not previously forgiven under section 3 of this act, not to exceed an amount that would reduce the employer's rate class increase to no more than a two rate class increase. Approved benefits must not include benefits that were not charged to the employer's experience rating account or benefits otherwise relieved under RCW 50.29.021.

(b) "Approved category 1 employer" has the same meaning as defined in section 3 of this act.

(c) "Available benefits for category 1" means the total amount of money in the unemployment insurance relief account.

(d) "Forgiven benefits" means the approved benefits for an individual employer multiplied by the forgiveness ratio.

(e) "Forgiveness ratio" is computed by dividing the available benefits for category 1 by the total approved benefits. The forgiveness ratio cannot be more than one.

(f) "Total approved benefits" means the sum total of all approved benefits.

(4) The department must adopt such rules as are necessary to carry out the purposes of this section.

(5) This section expires July 30, 2022.

NEW SECTION. Sec. 8. A new section is added to chapter 50.29 RCW to read as follows:

(1) If moneys remain in the unemployment insurance relief account after the department determines the forgiven benefits for approved category 1 employers pursuant to section 7 of this act, the department must again determine any forgiven benefits for approved category 2 employers to be reimbursed by the unemployment insurance relief account instead of charged to the employer's experience rating account. Total approved benefits for all approved category 2 employers may not exceed the available benefits for category 2.

(2) The department will not charge the forgiven benefits to the employer's experience rating account. The commissioner must instead transfer from the unemployment insurance relief account to the unemployment compensation fund created in RCW 50.16.010 an amount equal to the forgiven benefits.

(3) For the purposes of this section, the following definitions apply:

(a) "Approved benefits" means any remaining benefits paid to employees of an approved category 2 employer during the fiscal year ending June 30, 2021, that were not previously forgiven under section 4 of this act, not to exceed an amount that would reduce the employer's rate class increase to no more than a two rate class increase. Approved benefits must not include benefits that were not charged to the employer's experience rating account or benefits otherwise relieved under RCW 50.29.021.

(b) "Approved category 2 employer" has the same meaning as defined in section 4 of this act.

(c) "Available benefits for category 2" means the sum total of:

(i) The difference between the available benefits for category 1, as defined in section 7 of this act, and the total approved benefits for approved category 1 employers, as defined in section 7 of this act; and

(ii) The total amount of money in the unemployment insurance relief account.

(d) "Forgiven benefits" means the approved benefits for an individual employer multiplied by the forgiveness ratio.

(e) "Forgiveness ratio" is computed by dividing the available benefits for category 2 by the total approved

benefits. The forgiveness ratio cannot be more than one.

(f) "Total approved benefits" means the sum total of all approved benefits.

(4) The department must adopt such rules as are necessary to carry out the purposes of this section.

(5) This section expires July 30, 2022.

NEW SECTION. Sec. 9. A new section is added to chapter 50.29 RCW to read as follows:

(1) If moneys remain in the unemployment insurance relief account after the department determines the forgiven benefits for approved category 2 employers pursuant to section 8 of this act, the department must again determine any forgiven benefits for approved category 3 employers to be reimbursed by the unemployment insurance relief account instead of charged to the employer's experience rating account. Total approved benefits for all approved category 3 employers may not exceed the available benefits for category 3.

(2) The department will not charge the forgiven benefits to the employer's experience rating account. The commissioner must instead transfer from the unemployment insurance relief account to the unemployment compensation fund created in RCW 50.16.010 an amount equal to the forgiven benefits.

(3) For the purposes of this section, the following definitions apply:

(a) "Approved benefits" means any remaining benefits paid to employees of an approved category 3 employer during the fiscal year ending June 30, 2021, that were not previously forgiven under section 5 of this act, not to exceed an amount that would reduce the employer's rate class increase to no more than a three rate class increase. Approved benefits must not include benefits that were not charged to the employer's experience rating account or benefits otherwise relieved under RCW 50.29.021.

(b) "Approved category 3 employer" has the same meaning as defined in section 5 of this act.

(c) "Available benefits for category 3" means the sum total of:

(i) The difference between the available benefits for category 2, as defined under section 8 of this act, and

the total approved benefits for approved category 2 employers, as defined under section 8 of this act; and

(ii) The total amount of money in the unemployment insurance relief account.

(d) "Forgiven benefits" means the approved benefits for an individual employer multiplied by the forgiveness ratio.

(e) "Forgiveness ratio" is computed by dividing the available benefits for category 3 by the total approved benefits. The forgiveness ratio cannot be more than one.

(f) "Total approved benefits" means the sum total of all approved benefits.

(4) The department must adopt such rules as are necessary to carry out the purposes of this section.

(5) This section expires July 30, 2022."

Re-number the remaining sections consecutively and correct any internal references accordingly.

On page 7, line 24 of the striking amendment, after "(1) By" strike "July 30th" and insert "September 1st"

Representatives Bergquist and Hoff spoke in favor of the adoption of the amendment to the committee striking amendment.

Amendment (748) to the committee striking amendment was adopted.

There being no objection, the House deferred action on ENGROSSED SUBSTITUTE SENATE BILL NO. 5478, and the bill held its place on the second reading calendar.

The Speaker assumed the chair.

SIGNED BY THE SPEAKER

The Speaker signed the following bill:

SECOND SUBSTITUTE HOUSE BILL NO. 1028

The Speaker called upon Representative Lovick to preside.

The House resumed consideration of ENGROSSED SUBSTITUTE SENATE BILL NO. 5478 on second reading.

The committee striking amendment, as amended, was adopted.

There being no objection, the rules were suspended, the second reading considered the third and the bill as amended by the House, was placed on final passage.

Representatives Bergquist, Hoff and Kraft spoke in favor of the passage of the bill.

MOTION

On motion of Representative Graham, Representative Griffey was excused.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed Substitute Senate Bill No. 5478, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 5478, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Klippert, Kloba, Kraft, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McCaslin, McEntire, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Excused: Representative Griffey.

ENGROSSED SUBSTITUTE SENATE BILL NO. 5478, as amended by the House, having received the necessary constitutional majority, was declared passed.

There being no objection, the House advanced to the seventh order of business.

THIRD READING MESSAGE FROM THE SENATE

April 19, 2021

Madame Speaker:

The Senate has passed ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1477 with the following amendment:

Strike everything after the enacting clause and insert the following:

"PART I

CRISIS CALL CENTER HUBS AND CRISIS SERVICES

NEW SECTION. **Sec. 101.** (1) The legislature finds that:

(a) Nearly 6,000 Washington adults and children died by suicide in the last five years, according to the federal centers for disease control and prevention, tragically reflecting a state increase of 36 percent in the last 10 years.

(b) Suicide is now the single leading cause of death for Washington young people ages 10 through 24, with total deaths 22 percent higher than for vehicle crashes.

(c) Groups with suicide rates higher than the general population include veterans, American Indians/Alaska Natives, LGBTQ youth, and people living in rural counties across the state.

(d) More than one in five Washington residents are currently living with a behavioral health disorder.

(e) The COVID-19 pandemic has increased stressors and substance use among Washington residents.

(f) An improved crisis response system will reduce reliance on emergency room services and the use of law enforcement response to behavioral health crises and will stabilize individuals in the community whenever possible.

(g) To accomplish effective crisis response and suicide prevention, Washington state must continue its integrated approach to address mental health and substance use disorder in tandem under the umbrella of behavioral health disorders, consistently with chapter 71.24 RCW and the state's approach to integrated health care. This is particularly true in the domain of suicide prevention, because of the prevalence of substance use as both a risk factor and means for suicide.

(2) The legislature intends to:

(a) Establish crisis call center hubs and expand the crisis response system in a deliberate, phased approach that includes the involvement of partners from a range of perspectives to:

(i) Save lives by improving the quality of and access to behavioral health crisis services;

(ii) Further equity in addressing mental health and substance use treatment

and assure a culturally and linguistically competent response to behavioral health crises;

(iii) Recognize that, historically, crisis response placed marginalized communities, including those experiencing behavioral health crises, at disproportionate risk of poor outcomes and criminal justice involvement;

(iv) Comply with the national suicide hotline designation act of 2020 and the federal communications commission's rules adopted July 16, 2020, to assure that all Washington residents receive a consistent and effective level of 988 suicide prevention and other behavioral health crisis response services no matter where they live, work, or travel in the state; and

(v) Provide higher quality support for people experiencing behavioral health crises through investment in new technology to create a crisis call center hub system to triage calls and link individuals to follow-up care.

(b) Make additional investments to enhance the crisis response system, including the expansion of crisis teams, to be known as mobile rapid response crisis teams, and deployment of a wide array of crisis stabilization services, such as 23-hour crisis stabilization units based on the living room model, crisis stabilization centers, short-term respite facilities, peer-run respite centers, and same-day walk-in behavioral health services. The overall crisis system shall contain components that operate like hospital emergency departments that accept all walk-ins and ambulance, fire, and police drop-offs. Certified peer counselors as well as peers in other roles providing support must be incorporated within the crisis system and along the continuum of crisis care.

NEW SECTION. Sec. 102. A new section is added to chapter 71.24 RCW to read as follows:

(1) Establishing the state crisis call center hubs and enhancing the crisis response system will require collaborative work between the department and the authority within their respective roles. The department shall have primary responsibility for establishing and designating the crisis call center hubs. The authority shall have primary responsibility for developing and implementing the crisis

response system and services to support the work of the crisis call center hubs. In any instance in which one agency is identified as the lead, the expectation is that agency will be communicating and collaborating with the other to ensure seamless, continuous, and effective service delivery within the statewide crisis response system.

(2) The department shall provide adequate funding for the state's crisis call centers to meet an expected increase in the use of the call centers based on the implementation of the 988 crisis hotline. The funding level shall be established at a level anticipated to achieve an in-state call response rate of at least 90 percent by July 22, 2022, and an in-state call response rate of at least 95 percent by July 1, 2023. The funding level shall be determined by considering standards and cost per call predictions provided by the administrator of the national suicide prevention lifeline, call volume predictions, guidance on crisis call center performance metrics, and necessary technology upgrades.

(3) The department shall adopt rules by July 1, 2023, to establish standards for designation of crisis call centers as crisis call center hubs. The department shall collaborate with the authority and other agencies to assure coordination and availability of services, and shall consider national guidelines for behavioral health crisis care as determined by the federal substance abuse and mental health services administration, national behavioral health accrediting bodies, and national behavioral health provider associations to the extent they are appropriate, and recommendations from the crisis response improvement strategy committee created in section 103 of this act.

(4) The department shall designate crisis call center hubs by July 1, 2024. The crisis call center hubs shall provide crisis intervention services, triage, care coordination, referrals, and connections to individuals contacting the 988 crisis hotline from any jurisdiction within Washington 24 hours a day, seven days a week, using the system platform developed under subsection (5) of this section.

(a) To be designated as a crisis call center hub, the applicant must demonstrate to the department the ability to comply with the requirements of this

section and to contract to provide crisis call center hub services. The department may revoke the designation of any crisis call center hub that fails to substantially comply with the contract.

(b) The contracts entered shall require designated crisis call center hubs to:

(i) Have an active agreement with the administrator of the national suicide prevention lifeline for participation within its network;

(ii) Meet the requirements for operational and clinical standards established by the department and based upon the national suicide prevention lifeline best practices guidelines and other recognized best practices;

(iii) Employ highly skilled and trained clinical staff with at least a bachelors or masters level of education or an approved apprenticeship program, as appropriate, who have sufficient training and resources to provide empathy to callers in acute distress, de-escalate crises, assess behavioral health disorders and suicide risk, triage to system partners, and provide case management and documentation. Call center staff shall be trained to make every effort to resolve cases in the least restrictive environment and without law enforcement involvement whenever possible. Call center staff shall coordinate with certified peer counselors to provide follow-up and outreach to callers in distress as available. It is intended for transition planning to include a pathway for continued employment and skill advancement as needed for experienced crisis call center employees;

(iv) Collaborate with the authority, the national suicide prevention lifeline, and veterans crisis line networks to assure consistency of public messaging about the 988 crisis hotline; and

(v) Provide data and reports and participate in evaluations and related quality improvement activities, according to standards established by the department in collaboration with the authority.

(c) The department and the authority shall incorporate recommendations from the crisis response improvement strategy committee created under section 103 of

this act in its agreements with crisis call center hubs, as appropriate.

(5) The department and authority must coordinate to develop the technology and platforms necessary to manage and operate the behavioral health crisis response and suicide prevention system. The technologies developed must include:

(a) A new technologically advanced behavioral health and suicide prevention crisis call center system platform using technology demonstrated to be interoperable across crisis and emergency response systems used throughout the state, such as 911 systems, emergency medical services systems, and other nonbehavioral health crisis services, for use in crisis call center hubs designated by the department under subsection (4) of this section. This platform, which shall be fully funded by July 1, 2023, shall be developed by the department and must include the capacity to receive crisis assistance requests through phone calls, texts, chats, and other similar methods of communication that may be developed in the future that promote access to the behavioral health crisis system; and

(b) A behavioral health integrated client referral system capable of providing system coordination information to crisis call center hubs and the other entities involved in behavioral health care. This system shall be developed by the authority.

(6) In developing the new technologies under subsection (5) of this section, the department and the authority must coordinate to designate a primary technology system to provide each of the following:

(a) Access to real-time information relevant to the coordination of behavioral health crisis response services, including:

(i) Real-time bed availability for all behavioral health bed types, including but not limited to crisis stabilization services, triage facilities, psychiatric inpatient, substance use disorder inpatient, withdrawal management, peer-run respite centers, and crisis respite services, inclusive of both voluntary and involuntary beds, for use by crisis response workers, first responders, health care providers, emergency departments, and individuals in crisis; and

(ii) Real-time information relevant to the coordination of behavioral health crisis response services for a person, including the means to access:

(A) Information about any less restrictive alternative treatment orders or mental health advance directives related to the person; and

(B) Information necessary to enable the crisis call center hub to actively collaborate with emergency departments, primary care providers and behavioral health providers within managed care organizations, behavioral health administrative services organizations, and other health care payers to establish a safety plan for the person and provide the next steps for the person's transition to follow-up noncrisis care. To establish information-sharing guidelines that fulfill the intent of this section the authority shall consider input from the confidential information compliance and coordination subcommittee established under section 103 of this act;

(b) The means to request deployment of appropriate crisis response services, which may include mobile rapid response crisis teams, co-responder teams, designated crisis responders, fire department mobile integrated health teams, or community assistance referral and educational services programs under RCW 35.21.930, according to best practice guidelines established by the authority, and track local response through global positioning technology; and

(c) The means to track the outcome of the 988 call to enable appropriate follow up, cross-system coordination, and accountability, including as appropriate: (i) Any immediate services dispatched and reports generated from the encounter; (ii) the validation of a safety plan established for the caller in accordance with best practices; (iii) the next steps for the caller to follow in transition to noncrisis follow-up care, including a next-day appointment for callers experiencing urgent, symptomatic behavioral health care needs; and (iv) the means to verify and document whether the caller was successful in making the transition to appropriate noncrisis follow-up care indicated in the safety plan for the person, to be completed either by the care coordinator provided through the person's managed care organization, health plan, or behavioral health administrative services

organization, or if such a care coordinator is not available or does not follow through, by the staff of the crisis call center hub;

(d) The means to provide geographically, culturally, and linguistically appropriate services to persons who are part of high-risk populations or otherwise have need of specialized services or accommodations, and to document these services or accommodations; and

(e) When appropriate, consultation with tribal governments to ensure coordinated care in government-to-government relationships, and access to dedicated services to tribal members.

(7) To implement this section the department and the authority shall collaborate with the state enhanced 911 coordination office, emergency management division, and military department to develop technology that is demonstrated to be interoperable between the 988 crisis hotline system and crisis and emergency response systems used throughout the state, such as 911 systems, emergency medical services systems, and other nonbehavioral health crisis services, as well as the national suicide prevention lifeline, to assure cohesive interoperability, develop training programs and operations for both 911 public safety telecommunicators and crisis line workers, develop suicide and other behavioral health crisis assessments and intervention strategies, and establish efficient and equitable access to resources via crisis hotlines.

(8) The authority shall:

(a) Collaborate with county authorities and behavioral health administrative services organizations to develop procedures to dispatch behavioral health crisis services in coordination with crisis call center hubs to effectuate the intent of this section;

(b) Establish formal agreements with managed care organizations and behavioral health administrative services organizations to provide for the services, capacities, and coordination necessary to effectuate the intent of this section, which shall include a requirement to arrange next-day appointments for persons contacting the 988 crisis hotline experiencing urgent, symptomatic behavioral health care needs with geographically, culturally, and linguistically appropriate primary care

or behavioral health providers within the person's provider network, or, if uninsured, through the person's behavioral health administrative services organization;

(c) Create best practices guidelines by July 1, 2023, for deployment of appropriate and available crisis response services by crisis call center hubs to assist 988 hotline callers to minimize nonessential reliance on emergency room services and the use of law enforcement, considering input from relevant stakeholders and recommendations made by the crisis response improvement strategy committee created under section 103 of this act;

(d) Develop procedures to allow appropriate information sharing and communication between and across crisis and emergency response systems for the purpose of real-time crisis care coordination including, but not limited to, deployment of crisis and outgoing services, follow-up care, and linked, flexible services specific to crisis response; and

(e) Establish guidelines to appropriately serve high-risk populations who request crisis services. The authority shall design these guidelines to promote behavioral health equity for all populations with attention to circumstances of race, ethnicity, gender, socioeconomic status, sexual orientation, and geographic location, and include components such as training requirements for call response workers, policies for transferring such callers to an appropriate specialized center or subnetwork within or external to the national suicide prevention lifeline network, and procedures for referring persons who access the 988 crisis hotline to linguistically and culturally competent care.

NEW SECTION. Sec. 103. A new section is added to chapter 71.24 RCW to read as follows:

(1) The crisis response improvement strategy committee is established for the purpose of providing advice in developing an integrated behavioral health crisis response and suicide prevention system containing the elements described in this section. The work of the committee shall be received and reviewed by a steering committee, which shall in turn form subcommittees to provide the technical

analysis and input needed to formulate system change recommendations.

(2) The office of financial management shall contract with the behavioral health institute at Harborview medical center to facilitate and provide staff support to the steering committee and to the crisis response improvement strategy committee.

(3) The steering committee shall select three cochairs from among its members to lead the crisis response improvement strategy committee. The crisis response improvement strategy committee shall consist of the following members, who shall be appointed or requested by the authority, unless otherwise noted:

(a) The director of the authority, or his or her designee, who shall also serve on the steering committee;

(b) The secretary of the department, or his or her designee, who shall also serve on the steering committee;

(c) A member representing the office of the governor, who shall also serve on the steering committee;

(d) The Washington state insurance commissioner, or his or her designee;

(e) Up to two members representing federally recognized tribes, one from eastern Washington and one from western Washington, who have expertise in behavioral health needs of their communities;

(f) One member from each of the two largest caucuses of the senate, one of whom shall also be designated to participate on the steering committee, to be appointed by the president of the senate;

(g) One member from each of the two largest caucuses of the house of representatives, one of whom shall also be designated to participate on the steering committee, to be appointed by the speaker of the house of representatives;

(h) The director of the Washington state department of veterans affairs, or his or her designee;

(i) The state enhanced 911 coordinator, or his or her designee;

(j) A member with lived experience of a suicide attempt;

(k) A member with lived experience of a suicide loss;

(l) A member with experience of participation in the crisis system related to lived experience of a mental health disorder;

(m) A member with experience of participation in the crisis system related to lived experience with a substance use disorder;

(n) A member representing each crisis call center in Washington that is contracted with the national suicide prevention lifeline;

(o) Up to two members representing behavioral health administrative services organizations, one from an urban region and one from a rural region;

(p) A member representing the Washington council for behavioral health;

(q) A member representing the association of alcoholism and addiction programs of Washington state;

(r) A member representing the Washington state hospital association;

(s) A member representing the national alliance on mental illness Washington;

(t) A member representing the behavioral health interests of persons of color recommended by Sea Mar community health centers;

(u) A member representing the behavioral health interests of persons of color recommended by Asian counseling and referral service;

(v) A member representing law enforcement;

(w) A member representing a university-based suicide prevention center of excellence;

(x) A member representing an emergency medical services department with a CARES program;

(y) A member representing medicaid managed care organizations, as recommended by the association of Washington healthcare plans;

(z) A member representing commercial health insurance, as recommended by the association of Washington healthcare plans;

(aa) A member representing the Washington association of designated crisis responders;

(bb) A member representing the children and youth behavioral health work group;

(cc) A member representing a social justice organization addressing police accountability and the use of deadly force; and

(dd) A member representing an organization specializing in facilitating behavioral health services for LGBTQ populations.

(4) The crisis response improvement strategy committee shall assist the steering committee to identify potential barriers and make recommendations necessary to implement and effectively monitor the progress of the 988 crisis hotline in Washington and make recommendations for the statewide improvement of behavioral health crisis response services.

(5) The steering committee must develop a comprehensive assessment of the behavioral health crisis response services system by January 1, 2022, including an inventory of existing statewide and regional behavioral health crisis response and crisis stabilization services and resources, and taking into account capital projects which are planned and funded. The comprehensive assessment shall identify:

(a) Statewide and regional insufficiencies and gaps in behavioral health crisis response services and resources needed to meet population needs;

(b) Quantifiable goals for the provision of statewide and regional behavioral health crisis services and targeted deployment of resources, which consider factors such as reported rates of involuntary commitment detentions, single-bed certifications, suicide attempts and deaths, substance use disorder-related overdoses, overdose or withdrawal-related deaths, and incarcerations due to a behavioral health incident;

(c) A process for establishing outcome measures, benchmarks, and improvement targets, for the crisis response system; and

(d) Potential funding sources to provide statewide and regional

behavioral health crisis services and resources.

(6) The steering committee, taking into account the comprehensive assessment work under subsection (5) of this section as it becomes available, after discussion with the crisis response improvement strategy committee and hearing reports from the subcommittees, shall report on the following:

(a) A recommended vision for an integrated crisis network in Washington that includes, but is not limited to: An integrated 988 crisis hotline and crisis call center hubs; mobile rapid response crisis teams; mobile crisis response units for youth, adult, and geriatric population; a range of crisis stabilization services; an integrated involuntary treatment system; access to peer-run services, including peer-run respite centers; adequate crisis respite services; and data resources;

(b) Recommendations to promote equity in services for individuals of diverse circumstances of culture, race, ethnicity, gender, socioeconomic status, sexual orientation, and for individuals in tribal, urban, and rural communities;

(c) Recommendations for a work plan with timelines to implement appropriate local responses to calls to the 988 crisis hotline within Washington in accordance with the time frames required by the national suicide hotline designation act of 2020;

(d) The necessary components of each of the new technologically advanced behavioral health crisis call center system platform and the new behavioral health integrated client referral system, as provided under section 102 of this act, for assigning and tracking response to behavioral health crisis calls and providing real-time bed and outpatient appointment availability to 988 operators, emergency departments, designated crisis responders, and other behavioral health crisis responders, which shall include but not be limited to:

(i) Identification of the components crisis call center hub staff need to effectively coordinate crisis response services and find available beds and available primary care and behavioral health outpatient appointments;

(ii) Evaluation of existing bed tracking models currently utilized by

other states and identifying the model most suitable to Washington's crisis behavioral health system;

(iii) Evaluation of whether bed tracking will improve access to all behavioral health bed types and other impacts and benefits; and

(iv) Exploration of how the bed tracking and outpatient appointment availability platform can facilitate more timely access to care and other impacts and benefits;

(e) The necessary systems and capabilities that licensed or certified behavioral health agencies, behavioral health providers, and any other relevant parties will require to report, maintain, and update inpatient and residential bed and outpatient service availability in real time to correspond with the crisis call center system platform or behavioral health integrated client referral system identified in section 102 of this act, as appropriate;

(f) A work plan to establish the capacity for the crisis call center hubs to integrate Spanish language interpreters and Spanish-speaking call center staff into their operations, and to ensure the availability of resources to meet the unique needs of persons in the agricultural community who are experiencing mental health stresses, which explicitly addresses concerns regarding confidentiality;

(g) A work plan with timelines to enhance and expand the availability of community-based mobile rapid response crisis teams based in each region, including specialized teams as appropriate to respond to the unique needs of youth, including American Indian and Alaska Native youth and LGBTQ youth, and geriatric populations, including older adults of color and older adults with comorbid dementia;

(h) The identification of other personal and systemic behavioral health challenges which implementation of the 988 crisis hotline has the potential to address in addition to suicide response and behavioral health crises;

(i) The development of a plan for the statewide equitable distribution of crisis stabilization services, behavioral health beds, and peer-run respite services;

(j) Recommendations concerning how health plans, managed care organizations, and behavioral health administrative services organizations shall fulfill requirements to provide assignment of a care coordinator and to provide next-day appointments for enrollees who contact the behavioral health crisis system;

(k) Appropriate allocation of crisis system funding responsibilities among medicaid managed care organizations, commercial insurers, and behavioral health administrative services organizations;

(l) Recommendations for constituting a statewide behavioral health crisis response oversight board or similar structure for ongoing monitoring of the behavioral health crisis system and where this should be established; and

(m) Cost estimates for each of the components of the integrated behavioral health crisis response and suicide prevention system.

(7) The steering committee shall consist only of members appointed to the steering committee under this section. The steering committee shall convene the committee, form subcommittees, assign tasks to the subcommittees, and establish a schedule of meetings and their agendas.

(8) The subcommittees of the crisis response improvement strategy committee shall focus on discrete topics. The subcommittees may include participants who are not members of the crisis response improvement strategy committee, as needed to provide professional expertise and community perspectives. Each subcommittee shall have at least one member representing the interests of stakeholders in a rural community, at least one member representing the interests of stakeholders in an urban community, and at least one member representing the interests of youth stakeholders. The steering committee shall form the following subcommittees:

(a) A Washington tribal 988 subcommittee, which shall examine and make recommendations with respect to the needs of tribes related to the 988 system, and which shall include representation from the American Indian health commission;

(b) A credentialing and training subcommittee, to recommend workforce needs and requirements necessary to

implement this act, including minimum education requirements such as whether it would be appropriate to allow crisis call center hubs to employ clinical staff without a bachelor's degree or master's degree based on the person's skills and life or work experience;

(c) A technology subcommittee, to examine issues and requirements related to the technology needed to implement this act;

(d) A cross-system crisis response collaboration subcommittee, to examine and define the complementary roles and interactions between mobile rapid response crisis teams, designated crisis responders, law enforcement, emergency medical services teams, 911 and 988 operators, public and private health plans, behavioral health crisis response agencies, nonbehavioral health crisis response agencies, and others needed to implement this act;

(e) A confidential information compliance and coordination subcommittee, to examine issues relating to sharing and protection of health information needed to implement this act; and

(f) Any other subcommittee needed to facilitate the work of the committee, at the discretion of the steering committee.

(9) The proceedings of the crisis response improvement strategy committee must be open to the public and invite testimony from a broad range of perspectives. The committee shall seek input from tribes, veterans, the LGBTQ community, and communities of color to help discern how well the crisis response system is currently working and recommend ways to improve the crisis response system.

(10) Legislative members of the crisis response improvement strategy committee shall be 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.

(11) The steering committee, with the advice of the crisis response improvement strategy committee, shall provide a progress report and the result of its

comprehensive assessment under subsection (5) of this section to the governor and appropriate policy and fiscal committee of the legislature by January 1, 2022. The steering committee shall report the crisis response improvement strategy committee's further progress and the steering committee's recommendations related to crisis call center hubs to the governor and appropriate policy and fiscal committees of the legislature by January 1, 2023. The steering committee shall provide its final report to the governor and the appropriate policy and fiscal committees of the legislature by January 1, 2024.

(12) This section expires June 30, 2024.

NEW SECTION. Sec. 104. A new section is added to chapter 71.24 RCW to read as follows:

(1) The steering committee of the crisis response improvement strategy committee established under section 103 of this act must monitor and make recommendations related to the funding of crisis response services out of the account created in section 205 of this act. The crisis response improvement strategy steering committee must analyze:

(a) The projected expenditures from the account created under section 205 of this act, taking into account call volume, utilization projections, and other operational impacts;

(b) The costs of providing statewide coverage of mobile rapid response crisis teams or other behavioral health first responder services recommended by the crisis response improvement strategy committee, based on 988 crisis hotline utilization and taking into account existing state and local funding;

(c) Potential options to reduce the tax imposed in section 202 of this act, given the expected level of costs related to infrastructure development and operational support of the 988 crisis hotline and crisis call center hubs; and

(d) The viability of providing funding for in-person mobile rapid response crisis services or other behavioral health first responder services recommended by the crisis response improvement strategy committee funded from the account created in section 205 of this act, given the expected revenues to the account and the level of

expenditures required under (a) of this subsection.

(2) If the steering committee finds that funding in-person mobile rapid response crisis services or other behavioral health first responder services recommended by the crisis response improvement strategy committee is viable from the account given the level of expenditures necessary to support the infrastructure development and operational support of the 988 crisis hotline and crisis call center hubs, the steering committee must analyze options for the location and composition of such services given need and available resources with the requirement that funds from the account supplement, not supplant, existing behavioral health crisis funding.

(3) The work of the steering committee under this section must be facilitated by the behavioral health institute at Harborview medical center through its contract with the office of financial management under section 103 of this act with assistance provided by staff from senate committee services, the office of program research, and the office of financial management.

(4) The steering committee shall submit preliminary recommendations to the governor and the appropriate policy and fiscal committees of the legislature by January 1, 2022, and final recommendations to the governor and the appropriate policy and fiscal committees of the legislature by January 1, 2023.

(5) This section expires on July 1, 2023.

NEW SECTION. Sec. 105. A new section is added to chapter 71.24 RCW to read as follows:

(1) The department and authority shall provide an annual report regarding the usage of the 988 crisis hotline, call outcomes, and the provision of crisis services inclusive of mobile rapid response crisis teams and crisis stabilization services. The report shall be submitted to the governor and the appropriate committees of the legislature each November beginning in 2023. The report shall include information on the fund deposits and expenditures of the account created in section 205 of this act.

(2) The department and authority shall coordinate with the department of

revenue, and any other agency that is appropriated funding under the account created in section 205 of this act, to develop and submit information to the federal communications commission required for the completion of fee accountability reports pursuant to the national suicide hotline designation act of 2020.

(3) The joint legislative audit and review committee shall schedule an audit to begin after the full implementation of this act, to provide transparency as to how funds from the statewide 988 behavioral health crisis response and suicide prevention line account have been expended, and to determine whether funds used to provide acute behavioral health, crisis outreach, and stabilization services are being used to supplement services identified as baseline services in the comprehensive analysis provided under section 103 of this act, or to supplant baseline services. The committee shall provide a report by November 1, 2027, which includes recommendations as to the adequacy of the funding provided to accomplish the intent of the act and any other recommendations for alteration or improvement.

NEW SECTION. Sec. 106. A new section is added to chapter 48.43 RCW to read as follows:

Health plans issued or renewed on or after January 1, 2023, must make next-day appointments available to enrollees experiencing urgent, symptomatic behavioral health conditions to receive covered behavioral health services. The appointment may be with a licensed provider other than a licensed behavioral health professional, as long as that provider is acting within their scope of practice, and may be provided through telemedicine consistent with RCW 48.43.735. Need for urgent symptomatic care is associated with the presentation of behavioral health signs or symptoms that require immediate attention, but are not emergent.

NEW SECTION. Sec. 107. A new section is added to chapter 43.06 RCW to read as follows:

(1) The governor shall appoint a 988 hotline and behavioral health crisis system coordinator to provide project coordination and oversight for the implementation and administration of the 988 crisis hotline, other requirements of this act, and other projects supporting

the behavioral health crisis system. The coordinator shall:

(a) Oversee the collaboration between the department of health and the health care authority in their respective roles in supporting the crisis call center hubs, providing the necessary support services for 988 callers, and establishing adequate requirements and guidance for their contractors to fulfill the requirements of this act;

(b) Ensure coordination and facilitate communication between stakeholders such as crisis call center hub contractors, behavioral health administrative service organizations, county authorities, other crisis hotline centers, managed care organizations, and, in collaboration with the state enhanced 911 coordination office, with 911 emergency communications systems;

(c) Review the development of adequate and consistent training for crisis call center personnel and, in coordination with the state enhanced 911 coordination office, for 911 operators with respect to their interactions with the crisis hotline center; and

(d) Coordinate implementation of other behavioral health initiatives among state agencies and educational institutions, as appropriate, including coordination of data between agencies.

(2) This section expires June 30, 2024.

NEW SECTION. Sec. 108. A new section is added to chapter 71.24 RCW to read as follows:

(1) When acting in their statutory capacities pursuant to this act, the state, department, authority, state enhanced 911 coordination office, emergency management division, military department, any other state agency, and their officers, employees, and agents are deemed to be carrying out duties owed to the public in general and not to any individual person or class of persons separate and apart from the public. Nothing contained in this act may be construed to evidence a legislative intent that the duties to be performed by the state, department, authority, state enhanced 911 coordination office, emergency management division, military department, any other state agency, and their officers, employees, and agents, as required by this act, are owed to any individual person or class of persons

separate and apart from the public in general.

(2) Each crisis call center hub designated by the department under any contract or agreement pursuant to this act shall be deemed to be an independent contractor, separate and apart from the department and the state.

NEW SECTION. Sec. 109. A new section is added to chapter 71.24 RCW to read as follows:

For the purpose of development and implementation of technology and platforms by the department and the authority under section 102 of this act, the department and the authority shall create a sophisticated technical and operational plan. The plan shall not conflict with, nor delay, the department meeting and satisfying existing 988 federal requirements that are already underway and must be met by July 16, 2022, nor is it intended to delay the initial planning phase of the project, or the planning and deliverables tied to any grant award received and allotted by the department or the authority prior to April 1, 2021. To the extent that funds are appropriated for this specific purpose, the department and the authority must contract for a consultant to critically analyze the development and implementation technology and platforms and operational challenges to best position the solutions for success. Prior to initiation of a new information technology development, which does not include the initial planning phase of this project or any contracting needed to complete the initial planning phase, the department and authority shall submit the technical and operational plan to the governor, office of financial management, steering committee of the crisis response improvement strategy committee created under section 103 of this act, and appropriate policy and fiscal committees of the legislature, which shall include the committees referenced in this section. The plan must be approved by the office of the chief information officer, the director of the office of financial management, and the steering committee of the crisis response improvement strategy committee, which shall consider any feedback received from the senate ways and means committee chair, the house of representatives appropriations committee chair, the senate environment, energy and technology committee chair, the senate

behavioral health subcommittee chair, and the house of representatives health care and wellness committee chair, before any funds are expended for the solutions, other than those funds needed to complete the initial planning phase. A draft technical and operational plan must be submitted no later than January 1, 2022, and a final plan by August 31, 2022.

The plan submitted must include, but not be limited to:

- (1) Data management;
- (2) Data security;
- (3) Data flow;
- (4) Data access and permissions;
- (5) Protocols to ensure staff are following proper health information privacy procedures;
- (6) Cybersecurity requirements and how to meet these;
- (7) Service level agreements by vendor;
- (8) Maintenance and operations costs;
- (9) Identification of what existing software as a service products might be applicable, to include the:
 - (a) Vendor name;
 - (b) Vendor offerings to include product module and functionality detail and whether each represent add-ons that must be paid separately;
 - (c) Vendor pricing structure by year through implementation; and
 - (d) Vendor pricing structure by year post implementation;
- (10) Integration limitations by system;
- (11) Data analytic and performance metrics to be required by system;
- (12) Liability;
- (13) Which agency will host the electronic health record software as a service;
- (14) Regulatory agency;
- (15) The timeline by fiscal year from initiation to implementation for each solution in this act;
- (16) How to plan in a manner that ensures efficient use of state resources and maximizes federal financial participation; and

(17) A complete comprehensive business plan analysis.

NEW SECTION. **Sec. 110.** The sum of \$500,000, or as much thereof as may be necessary, is appropriated for the fiscal biennium ending June 30, 2023, from the general fund to the state health care authority medical assistance program for the purposes of contracting with a consultant to critically analyze the development and implementation technology and platforms and operational challenges to best position the technology solutions for success as described in section 109 of this act. A draft technical and operational plan compiled by the consultant must be submitted no later than January 1, 2022, and a final plan by August 31, 2022.

PART II

TAX

NEW SECTION. **Sec. 201.** DEFINITIONS.
(1) The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(a) "988 crisis hotline" has the same meaning as in RCW 71.24.025.

(b) "Crisis call center hub" has the same meaning as in RCW 71.24.025.

(2) The definitions in RCW 82.14B.020 apply to this chapter.

NEW SECTION. **Sec. 202.** TAX IMPOSED.
(1)(a) A statewide 988 behavioral health crisis response and suicide prevention line tax is imposed on the use of all radio access lines:

(i) By subscribers whose place of primary use is located within the state in the amount set forth in (a)(ii) of this subsection (1) per month for each radio access line. The tax must be uniform for each radio access line under this subsection (1); and

(ii) By consumers whose retail transaction occurs within the state in the amount set forth in this subsection (1)(a)(ii) per retail transaction. The amount of tax must be uniform for each retail transaction under this subsection (1) and is as follows:

(A) Beginning October 1, 2021, through December 31, 2022, the tax rate is 24 cents for each radio access line; and

(B) Beginning January 1, 2023, the tax rate is 40 cents for each radio access line.

(b) The tax imposed under this subsection (1) must be remitted to the department by radio communications service companies, including those companies that resell radio access lines, and sellers of prepaid wireless telecommunications service, on a tax return provided by the department. Tax proceeds must be deposited by the treasurer into the statewide 988 behavioral health crisis response and suicide prevention line account created in section 205 of this act.

(c) For the purposes of this subsection (1), the retail transaction is deemed to occur at the location where the transaction is sourced under RCW 82.32.520(3)(c).

(2) A statewide 988 behavioral health crisis response and suicide prevention line tax is imposed on all interconnected voice over internet protocol service lines in the state. The amount of tax must be uniform for each line and must be levied on no more than the number of voice over internet protocol service lines on an account that is capable of simultaneous unrestricted outward calling to the public switched telephone network. The tax imposed under this subsection (2) must be remitted to the department by interconnected voice over internet protocol service companies on a tax return provided by the department. The amount of tax for each interconnected voice over internet protocol service line whose place of primary use is located in the state is as follows:

(a) Beginning October 1, 2021, through December 31, 2022, the tax rate is 24 cents for an interconnected voice over internet protocol service line; and

(b) Beginning January 1, 2023, the tax rate is 40 cents for an interconnected voice over internet protocol service line.

(3) A statewide 988 behavioral health crisis response and suicide prevention line tax is imposed on all switched access lines in the state. The amount of tax must be uniform for each line and must be levied on no more than the number of switched access lines on an account that is capable of simultaneous unrestricted outward calling to the public switched telephone network. The tax imposed under this subsection (3) must be remitted to the department by local exchange companies on a tax return provided by the department. The amount of

tax for each switched access line whose place of primary use is located in the state is as follows:

(a) Beginning October 1, 2021, through December 31, 2022, the tax rate is 24 cents for each switched access line; and

(b) Beginning January 1, 2023, the tax rate is 40 cents for each switched access line.

(4) Tax proceeds collected pursuant to this section must be deposited by the treasurer into the statewide 988 behavioral health crisis response and suicide prevention line account created in section 205 of this act.

NEW SECTION. Sec. 203. COLLECTION OF TAX. (1) Except as provided otherwise in subsection (2) of this section:

(a) The statewide 988 behavioral health crisis response and suicide prevention line tax on radio access lines must be collected from the subscriber by the radio communications service company, including those companies that resell radio access lines, providing the radio access line to the subscriber, and the seller of prepaid wireless telecommunications services.

(b) The statewide 988 behavioral health crisis response and suicide prevention line tax on interconnected voice over internet protocol service lines must be collected from the subscriber by the interconnected voice over internet protocol service company providing the interconnected voice over internet protocol service line to the subscriber.

(c) The statewide 988 behavioral health crisis response and suicide prevention line tax on switched access lines must be collected from the subscriber by the local exchange company.

(d) The amount of the tax must be stated separately on the billing statement which is sent to the subscriber.

(2)(a) The statewide 988 behavioral health crisis response and suicide prevention line tax imposed by this chapter must be collected from the consumer by the seller of a prepaid wireless telecommunications service for each retail transaction occurring in this state.

(b) The department must transfer all tax proceeds remitted by a seller under

this subsection (2) to the statewide 988 behavioral health crisis response and suicide prevention line account created in section 205 of this act.

(c) The taxes required by this subsection to be collected by the seller must be separately stated in any sales invoice or instrument of sale provided to the consumer.

NEW SECTION. Sec. 204. PAYMENT AND COLLECTION. (1)(a) The statewide 988 behavioral health crisis response and suicide prevention line tax imposed by this chapter must be paid by the subscriber to the radio communications service company providing the radio access line, the local exchange company, or the interconnected voice over internet protocol service company providing the interconnected voice over internet protocol service line.

(b) Each radio communications service company, each local exchange company, and each interconnected voice over internet protocol service company, must collect from the subscriber the full amount of the taxes payable. The statewide 988 behavioral health crisis response and suicide prevention line tax required by this chapter to be collected by a company or seller, are deemed to be held in trust by the company or seller until paid to the department. Any radio communications service company, local exchange company, or interconnected voice over internet protocol service company that appropriates or converts the tax collected to its own use or to any use other than the payment of the tax to the extent that the money collected is not available for payment on the due date as prescribed in this chapter is guilty of a gross misdemeanor.

(2) If any radio communications service company, local exchange company, or interconnected voice over internet protocol service company fails to collect the statewide 988 behavioral health crisis response and suicide prevention line tax or, after collecting the tax, fails to pay it to the department in the manner prescribed by this chapter, whether such failure is the result of its own act or the result of acts or conditions beyond its control, the company or seller is personally liable to the state for the amount of the tax, unless the company or seller has taken from the buyer in good faith documentation, in a form and manner prescribed by the department, stating

that the buyer is not a subscriber or consumer or is otherwise not liable for the statewide 988 behavioral health crisis response and suicide prevention line tax.

(3) The amount of tax, until paid by the subscriber to the radio communications service company, local exchange company, the interconnected voice over internet protocol service company, or to the department, constitutes a debt from the subscriber to the company, or from the consumer to the seller. Any company or seller that fails or refuses to collect the tax as required with intent to violate the provisions of this chapter or to gain some advantage or benefit, either direct or indirect, and any subscriber or consumer who refuses to pay any tax due under this chapter is guilty of a misdemeanor. The statewide 988 behavioral health crisis response and suicide prevention line tax required by this chapter to be collected by the radio communications service company, local exchange company, or interconnected voice over internet protocol service company must be stated separately on the billing statement that is sent to the subscriber.

(4) If a subscriber has failed to pay to the radio communications service company, local exchange company, or interconnected voice over internet protocol service company, the statewide 988 behavioral health crisis response and suicide prevention line tax imposed by this chapter and the company or seller has not paid the amount of the tax to the department, the department may, in its discretion, proceed directly against the subscriber or consumer for collection of the tax, in which case a penalty of 10 percent may be added to the amount of the tax for failure of the subscriber or consumer to pay the tax to the company or seller, regardless of when the tax is collected by the department.

NEW SECTION. Sec. 205. ACCOUNT CREATION. (1) The statewide 988 behavioral health crisis response and suicide prevention line account is created in the state treasury. All receipts from the statewide 988 behavioral health crisis response and suicide prevention line tax imposed pursuant to this chapter must be deposited into the account. Moneys may only be spent after appropriation.

(2) Expenditures from the account may only be used for (a) ensuring the

efficient and effective routing of calls made to the 988 crisis hotline to an appropriate crisis hotline center or crisis call center hub; and (b) personnel and the provision of acute behavioral health, crisis outreach, and crisis stabilization services, as defined in RCW 71.24.025, by directly responding to the 988 crisis hotline.

(3) Moneys in the account may not be used to supplant general fund appropriations for behavioral health services or for medicaid covered services to individuals enrolled in the medicaid program.

NEW SECTION. Sec. 206. PREEMPTION. A city or county may not impose a tax, measured on a per line basis, on radio access lines, interconnected voice over internet protocol service lines, or switched access lines, for the purpose of ensuring the efficient and effective routing of calls made to the 988 crisis hotline to an appropriate crisis hotline center or crisis call center hub; or providing personnel or acute behavioral health, crisis outreach, or crisis stabilization services, as defined in RCW 71.24.025, associated with directly responding to the 988 crisis hotline.

PART III

DEFINITIONS AND MISCELLANEOUS

Sec. 301. RCW 71.24.025 and 2020 c 256 s 201 are each reenacted and amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Acutely mentally ill" means a condition which is limited to a short-term severe crisis episode of:

(a) A mental disorder as defined in RCW 71.05.020 or, in the case of a child, as defined in RCW 71.34.020;

(b) Being gravely disabled as defined in RCW 71.05.020 or, in the case of a child, a gravely disabled minor as defined in RCW 71.34.020; or

(c) Presenting a likelihood of serious harm as defined in RCW 71.05.020 or, in the case of a child, as defined in RCW 71.34.020.

(2) "Alcoholism" means a disease, characterized by a dependency on alcoholic beverages, loss of control over the amount and circumstances of use, symptoms of tolerance, physiological or

psychological withdrawal, or both, if use is reduced or discontinued, and impairment of health or disruption of social or economic functioning.

(3) "Approved substance use disorder treatment program" means a program for persons with a substance use disorder provided by a treatment program licensed or certified by the department as meeting standards adopted under this chapter.

(4) "Authority" means the Washington state health care authority.

(5) "Available resources" means funds appropriated for the purpose of providing community behavioral health programs, federal funds, except those provided according to Title XIX of the Social Security Act, and state funds appropriated under this chapter or chapter 71.05 RCW by the legislature during any biennium for the purpose of providing residential services, resource management services, community support services, and other behavioral health services. This does not include funds appropriated for the purpose of operating and administering the state psychiatric hospitals.

(6) "Behavioral health administrative services organization" means an entity contracted with the authority to administer behavioral health services and programs under RCW 71.24.381, including crisis services and administration of chapter 71.05 RCW, the involuntary treatment act, for all individuals in a defined regional service area.

(7) "Behavioral health aide" means a counselor, health educator, and advocate who helps address individual and community-based behavioral health needs, including those related to alcohol, drug, and tobacco abuse as well as mental health problems such as grief, depression, suicide, and related issues and is certified by a community health aide program of the Indian health service or one or more tribes or tribal organizations consistent with the provisions of 25 U.S.C. Sec. 16161 and RCW 43.71B.010 (7) and (8).

(8) "Behavioral health provider" means a person licensed under chapter 18.57, 18.57A, 18.71, 18.71A, 18.83, 18.205, 18.225, or 18.79 RCW, as it applies to registered nurses and advanced registered nurse practitioners.

(9) "Behavioral health services" means mental health services as described in this chapter and chapter 71.36 RCW and substance use disorder treatment services as described in this chapter that, depending on the type of service, are provided by licensed or certified behavioral health agencies, behavioral health providers, or integrated into other health care providers.

(10) "Child" means a person under the age of eighteen years.

(11) "Chronically mentally ill adult" or "adult who is chronically mentally ill" means an adult who has a mental disorder and meets at least one of the following criteria:

(a) Has undergone two or more episodes of hospital care for a mental disorder within the preceding two years; or

(b) Has experienced a continuous psychiatric hospitalization or residential treatment exceeding six months' duration within the preceding year; or

(c) Has been unable to engage in any substantial gainful activity by reason of any mental disorder which has lasted for a continuous period of not less than twelve months. "Substantial gainful activity" shall be defined by the authority by rule consistent with Public Law 92-603, as amended.

(12) "Clubhouse" means a community-based program that provides rehabilitation services and is licensed or certified by the department.

(13) "Community behavioral health program" means all expenditures, services, activities, or programs, including reasonable administration and overhead, designed and conducted to prevent or treat substance use disorder, mental illness, or both in the community behavioral health system.

(14) "Community behavioral health service delivery system" means public, private, or tribal agencies that provide services specifically to persons with mental disorders, substance use disorders, or both, as defined under RCW 71.05.020 and receive funding from public sources.

(15) "Community support services" means services authorized, planned, and coordinated through resource management services including, at a minimum, assessment, diagnosis, emergency crisis

intervention available twenty-four hours, seven days a week, prescreening determinations for persons who are mentally ill being considered for placement in nursing homes as required by federal law, screening for patients being considered for admission to residential services, diagnosis and treatment for children who are acutely mentally ill or severely emotionally or behaviorally disturbed discovered under screening through the federal Title XIX early and periodic screening, diagnosis, and treatment program, investigation, legal, and other nonresidential services under chapter 71.05 RCW, case management services, psychiatric treatment including medication supervision, counseling, psychotherapy, assuring transfer of relevant patient information between service providers, recovery services, and other services determined by behavioral health administrative services organizations.

(16) "Consensus-based" means a program or practice that has general support among treatment providers and experts, based on experience or professional literature, and may have anecdotal or case study support, or that is agreed but not possible to perform studies with random assignment and controlled groups.

(17) "County authority" means the board of county commissioners, county council, or county executive having authority to establish a behavioral health administrative services organization, or two or more of the county authorities specified in this subsection which have entered into an agreement to establish a behavioral health administrative services organization.

(18) "Department" means the department of health.

(19) "Designated crisis responder" has the same meaning as in RCW 71.05.020.

(20) "Director" means the director of the authority.

(21) "Drug addiction" means a disease characterized by a dependency on psychoactive chemicals, loss of control over the amount and circumstances of use, symptoms of tolerance, physiological or psychological withdrawal, or both, if use is reduced or discontinued, and impairment of health or disruption of social or economic functioning.

(22) "Early adopter" means a regional service area for which all of the county authorities have requested that the authority purchase medical and behavioral health services through a managed care health system as defined under RCW 71.24.380(6).

(23) "Emerging best practice" or "promising practice" means a program or practice that, based on statistical analyses or a well established theory of change, shows potential for meeting the evidence-based or research-based criteria, which may include the use of a program that is evidence-based for outcomes other than those listed in subsection (24) of this section.

(24) "Evidence-based" means a program or practice that has been tested in heterogeneous or intended populations with multiple randomized, or statistically controlled evaluations, or both; or one large multiple site randomized, or statistically controlled evaluation, or both, where the weight of the evidence from a systemic review demonstrates sustained improvements in at least one outcome. "Evidence-based" also means a program or practice that can be implemented with a set of procedures to allow successful replication in Washington and, when possible, is determined to be cost-beneficial.

(25) "Indian health care provider" means a health care program operated by the Indian health service or by a tribe, tribal organization, or urban Indian organization as those terms are defined in the Indian health care improvement act (25 U.S.C. Sec. 1603).

(26) "Intensive behavioral health treatment facility" means a community-based specialized residential treatment facility for individuals with behavioral health conditions, including individuals discharging from or being diverted from state and local hospitals, whose impairment or behaviors do not meet, or no longer meet, criteria for involuntary inpatient commitment under chapter 71.05 RCW, but whose care needs cannot be met in other community-based placement settings.

(27) "Licensed or certified behavioral health agency" means:

(a) An entity licensed or certified according to this chapter or chapter 71.05 RCW;

(b) An entity deemed to meet state minimum standards as a result of accreditation by a recognized behavioral health accrediting body recognized and having a current agreement with the department; or

(c) An entity with a tribal attestation that it meets state minimum standards for a licensed or certified behavioral health agency.

(28) "Licensed physician" means a person licensed to practice medicine or osteopathic medicine and surgery in the state of Washington.

(29) "Long-term inpatient care" means inpatient services for persons committed for, or voluntarily receiving intensive treatment for, periods of ninety days or greater under chapter 71.05 RCW. "Long-term inpatient care" as used in this chapter does not include: (a) Services for individuals committed under chapter 71.05 RCW who are receiving services pursuant to a conditional release or a court-ordered less restrictive alternative to detention; or (b) services for individuals voluntarily receiving less restrictive alternative treatment on the grounds of the state hospital.

(30) "Managed care organization" means an organization, having a certificate of authority or certificate of registration from the office of the insurance commissioner, that contracts with the authority under a comprehensive risk contract to provide prepaid health care services to enrollees under the authority's managed care programs under chapter 74.09 RCW.

(31) "Mental health peer-run respite center" means a peer-run program to serve individuals in need of voluntary, short-term, noncrisis services that focus on recovery and wellness.

(32) Mental health "treatment records" include registration and all other records concerning persons who are receiving or who at any time have received services for mental illness, which are maintained by the department of social and health services or the authority, by behavioral health administrative services organizations and their staffs, by managed care organizations and their staffs, or by treatment facilities. "Treatment records" do not include notes or records maintained for personal use by a person providing treatment services for the entities listed in this subsection, or a

treatment facility if the notes or records are not available to others.

(33) "Mentally ill persons," "persons who are mentally ill," and "the mentally ill" mean persons and conditions defined in subsections (1), (11), (40), and (41) of this section.

(34) "Recovery" means a process of change through which individuals improve their health and wellness, live a self-directed life, and strive to reach their full potential.

(35) "Research-based" means a program or practice that has been tested with a single randomized, or statistically controlled evaluation, or both, demonstrating sustained desirable outcomes; or where the weight of the evidence from a systemic review supports sustained outcomes as described in subsection (24) of this section but does not meet the full criteria for evidence-based.

(36) "Residential services" means a complete range of residences and supports authorized by resource management services and which may involve a facility, a distinct part thereof, or services which support community living, for persons who are acutely mentally ill, adults who are chronically mentally ill, children who are severely emotionally disturbed, or adults who are seriously disturbed and determined by the behavioral health administrative services organization or managed care organization to be at risk of becoming acutely or chronically mentally ill. The services shall include at least evaluation and treatment services as defined in chapter 71.05 RCW, acute crisis respite care, long-term adaptive and rehabilitative care, and supervised and supported living services, and shall also include any residential services developed to service persons who are mentally ill in nursing homes, residential treatment facilities, assisted living facilities, and adult family homes, and may include outpatient services provided as an element in a package of services in a supported housing model. Residential services for children in out-of-home placements related to their mental disorder shall not include the costs of food and shelter, except for children's long-term residential facilities existing prior to January 1, 1991.

(37) "Resilience" means the personal and community qualities that enable individuals to rebound from adversity, trauma, tragedy, threats, or other stresses, and to live productive lives.

(38) "Resource management services" mean the planning, coordination, and authorization of residential services and community support services administered pursuant to an individual service plan for: (a) Adults and children who are acutely mentally ill; (b) adults who are chronically mentally ill; (c) children who are severely emotionally disturbed; or (d) adults who are seriously disturbed and determined by a behavioral health administrative services organization or managed care organization to be at risk of becoming acutely or chronically mentally ill. Such planning, coordination, and authorization shall include mental health screening for children eligible under the federal Title XIX early and periodic screening, diagnosis, and treatment program. Resource management services include seven day a week, twenty-four hour a day availability of information regarding enrollment of adults and children who are mentally ill in services and their individual service plan to designated crisis responders, evaluation and treatment facilities, and others as determined by the behavioral health administrative services organization or managed care organization, as applicable.

(39) "Secretary" means the secretary of the department of health.

(40) "Seriously disturbed person" means a person who:

(a) Is gravely disabled or presents a likelihood of serious harm to himself or herself or others, or to the property of others, as a result of a mental disorder as defined in chapter 71.05 RCW;

(b) Has been on conditional release status, or under a less restrictive alternative order, at some time during the preceding two years from an evaluation and treatment facility or a state mental health hospital;

(c) Has a mental disorder which causes major impairment in several areas of daily living;

(d) Exhibits suicidal preoccupation or attempts; or

(e) Is a child diagnosed by a mental health professional, as defined in chapter 71.34 RCW, as experiencing a mental disorder which is clearly interfering with the child's functioning in family or school or with peers or is clearly interfering with the child's personality development and learning.

(41) "Severely emotionally disturbed child" or "child who is severely emotionally disturbed" means a child who has been determined by the behavioral health administrative services organization or managed care organization, if applicable, to be experiencing a mental disorder as defined in chapter 71.34 RCW, including those mental disorders that result in a behavioral or conduct disorder, that is clearly interfering with the child's functioning in family or school or with peers and who meets at least one of the following criteria:

(a) Has undergone inpatient treatment or placement outside of the home related to a mental disorder within the last two years;

(b) Has undergone involuntary treatment under chapter 71.34 RCW within the last two years;

(c) Is currently served by at least one of the following child-serving systems: Juvenile justice, child-protection/welfare, special education, or developmental disabilities;

(d) Is at risk of escalating maladjustment due to:

(i) Chronic family dysfunction involving a caretaker who is mentally ill or inadequate;

(ii) Changes in custodial adult;

(iii) Going to, residing in, or returning from any placement outside of the home, for example, psychiatric hospital, short-term inpatient, residential treatment, group or foster home, or a correctional facility;

(iv) Subject to repeated physical abuse or neglect;

(v) Drug or alcohol abuse; or

(vi) Homelessness.

(42) "State minimum standards" means minimum requirements established by rules adopted and necessary to implement this chapter by:

(a) The authority for:

(i) Delivery of mental health and substance use disorder services; and

(ii) Community support services and resource management services;

(b) The department of health for:

(i) Licensed or certified behavioral health agencies for the purpose of providing mental health or substance use disorder programs and services, or both;

(ii) Licensed behavioral health providers for the provision of mental health or substance use disorder services, or both; and

(iii) Residential services.

(43) "Substance use disorder" means a cluster of cognitive, behavioral, and physiological symptoms indicating that an individual continues using the substance despite significant substance-related problems. The diagnosis of a substance use disorder is based on a pathological pattern of behaviors related to the use of the substances.

(44) "Tribe," for the purposes of this section, means a federally recognized Indian tribe.

(45) "Crisis call center hub" means a state-designated center participating in the national suicide prevention lifeline network to respond to statewide or regional 988 calls that meets the requirements of section 102 of this act.

(46) "Crisis stabilization services" means services such as 23-hour crisis stabilization units based on the living room model, crisis stabilization units as provided in RCW 71.05.020, triage facilities as provided in RCW 71.05.020, short-term respite facilities, peer-run respite services, and same-day walk-in behavioral health services, including within the overall crisis system components that operate like hospital emergency departments that accept all walk-ins, and ambulance, fire, and police drop-offs.

(47) "Mobile rapid response crisis team" means a team that provides professional on-site community-based intervention such as outreach, de-escalation, stabilization, resource connection, and follow-up support for individuals who are experiencing a behavioral health crisis, that shall include certified peer counselors as a best practice to the extent practicable

based on workforce availability, and that meets standards for response times established by the authority.

(48) "988 crisis hotline" means the universal telephone number within the United States designated for the purpose of the national suicide prevention and mental health crisis hotline system operating through the national suicide prevention lifeline.

Sec. 302. RCW 71.24.025 and 2020 c 256 s 201 and 2020 c 80 s 52 are each reenacted and amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Acutely mentally ill" means a condition which is limited to a short-term severe crisis episode of:

(a) A mental disorder as defined in RCW 71.05.020 or, in the case of a child, as defined in RCW 71.34.020;

(b) Being gravely disabled as defined in RCW 71.05.020 or, in the case of a child, a gravely disabled minor as defined in RCW 71.34.020; or

(c) Presenting a likelihood of serious harm as defined in RCW 71.05.020 or, in the case of a child, as defined in RCW 71.34.020.

(2) "Alcoholism" means a disease, characterized by a dependency on alcoholic beverages, loss of control over the amount and circumstances of use, symptoms of tolerance, physiological or psychological withdrawal, or both, if use is reduced or discontinued, and impairment of health or disruption of social or economic functioning.

(3) "Approved substance use disorder treatment program" means a program for persons with a substance use disorder provided by a treatment program licensed or certified by the department as meeting standards adopted under this chapter.

(4) "Authority" means the Washington state health care authority.

(5) "Available resources" means funds appropriated for the purpose of providing community behavioral health programs, federal funds, except those provided according to Title XIX of the Social Security Act, and state funds appropriated under this chapter or chapter 71.05 RCW by the legislature during any biennium for the purpose of providing residential services, resource

management services, community support services, and other behavioral health services. This does not include funds appropriated for the purpose of operating and administering the state psychiatric hospitals.

(6) "Behavioral health administrative services organization" means an entity contracted with the authority to administer behavioral health services and programs under RCW 71.24.381, including crisis services and administration of chapter 71.05 RCW, the involuntary treatment act, for all individuals in a defined regional service area.

(7) "Behavioral health aide" means a counselor, health educator, and advocate who helps address individual and community-based behavioral health needs, including those related to alcohol, drug, and tobacco abuse as well as mental health problems such as grief, depression, suicide, and related issues and is certified by a community health aide program of the Indian health service or one or more tribes or tribal organizations consistent with the provisions of 25 U.S.C. Sec. 16161 and RCW 43.71B.010 (7) and (8).

(8) "Behavioral health provider" means a person licensed under chapter 18.57, 18.71, 18.71A, 18.83, 18.205, 18.225, or 18.79 RCW, as it applies to registered nurses and advanced registered nurse practitioners.

(9) "Behavioral health services" means mental health services as described in this chapter and chapter 71.36 RCW and substance use disorder treatment services as described in this chapter that, depending on the type of service, are provided by licensed or certified behavioral health agencies, behavioral health providers, or integrated into other health care providers.

(10) "Child" means a person under the age of eighteen years.

(11) "Chronically mentally ill adult" or "adult who is chronically mentally ill" means an adult who has a mental disorder and meets at least one of the following criteria:

(a) Has undergone two or more episodes of hospital care for a mental disorder within the preceding two years; or

(b) Has experienced a continuous psychiatric hospitalization or

residential treatment exceeding six months' duration within the preceding year; or

(c) Has been unable to engage in any substantial gainful activity by reason of any mental disorder which has lasted for a continuous period of not less than twelve months. "Substantial gainful activity" shall be defined by the authority by rule consistent with Public Law 92-603, as amended.

(12) "Clubhouse" means a community-based program that provides rehabilitation services and is licensed or certified by the department.

(13) "Community behavioral health program" means all expenditures, services, activities, or programs, including reasonable administration and overhead, designed and conducted to prevent or treat substance use disorder, mental illness, or both in the community behavioral health system.

(14) "Community behavioral health service delivery system" means public, private, or tribal agencies that provide services specifically to persons with mental disorders, substance use disorders, or both, as defined under RCW 71.05.020 and receive funding from public sources.

(15) "Community support services" means services authorized, planned, and coordinated through resource management services including, at a minimum, assessment, diagnosis, emergency crisis intervention available twenty-four hours, seven days a week, prescreening determinations for persons who are mentally ill being considered for placement in nursing homes as required by federal law, screening for patients being considered for admission to residential services, diagnosis and treatment for children who are acutely mentally ill or severely emotionally or behaviorally disturbed discovered under screening through the federal Title XIX early and periodic screening, diagnosis, and treatment program, investigation, legal, and other nonresidential services under chapter 71.05 RCW, case management services, psychiatric treatment including medication supervision, counseling, psychotherapy, assuring transfer of relevant patient information between service providers, recovery services, and other services determined by behavioral health administrative services organizations.

(16) "Consensus-based" means a program or practice that has general support among treatment providers and experts, based on experience or professional literature, and may have anecdotal or case study support, or that is agreed but not possible to perform studies with random assignment and controlled groups.

(17) "County authority" means the board of county commissioners, county council, or county executive having authority to establish a behavioral health administrative services organization, or two or more of the county authorities specified in this subsection which have entered into an agreement to establish a behavioral health administrative services organization.

(18) "Department" means the department of health.

(19) "Designated crisis responder" has the same meaning as in RCW 71.05.020.

(20) "Director" means the director of the authority.

(21) "Drug addiction" means a disease characterized by a dependency on psychoactive chemicals, loss of control over the amount and circumstances of use, symptoms of tolerance, physiological or psychological withdrawal, or both, if use is reduced or discontinued, and impairment of health or disruption of social or economic functioning.

(22) "Early adopter" means a regional service area for which all of the county authorities have requested that the authority purchase medical and behavioral health services through a managed care health system as defined under RCW 71.24.380(6).

(23) "Emerging best practice" or "promising practice" means a program or practice that, based on statistical analyses or a well established theory of change, shows potential for meeting the evidence-based or research-based criteria, which may include the use of a program that is evidence-based for outcomes other than those listed in subsection (24) of this section.

(24) "Evidence-based" means a program or practice that has been tested in heterogeneous or intended populations with multiple randomized, or statistically controlled evaluations, or both; or one large multiple site randomized, or statistically controlled

evaluation, or both, where the weight of the evidence from a systemic review demonstrates sustained improvements in at least one outcome. "Evidence-based" also means a program or practice that can be implemented with a set of procedures to allow successful replication in Washington and, when possible, is determined to be cost-beneficial.

(25) "Indian health care provider" means a health care program operated by the Indian health service or by a tribe, tribal organization, or urban Indian organization as those terms are defined in the Indian health care improvement act (25 U.S.C. Sec. 1603).

(26) "Intensive behavioral health treatment facility" means a community-based specialized residential treatment facility for individuals with behavioral health conditions, including individuals discharging from or being diverted from state and local hospitals, whose impairment or behaviors do not meet, or no longer meet, criteria for involuntary inpatient commitment under chapter 71.05 RCW, but whose care needs cannot be met in other community-based placement settings.

(27) "Licensed or certified behavioral health agency" means:

(a) An entity licensed or certified according to this chapter or chapter 71.05 RCW;

(b) An entity deemed to meet state minimum standards as a result of accreditation by a recognized behavioral health accrediting body recognized and having a current agreement with the department; or

(c) An entity with a tribal attestation that it meets state minimum standards for a licensed or certified behavioral health agency.

(28) "Licensed physician" means a person licensed to practice medicine or osteopathic medicine and surgery in the state of Washington.

(29) "Long-term inpatient care" means inpatient services for persons committed for, or voluntarily receiving intensive treatment for, periods of ninety days or greater under chapter 71.05 RCW. "Long-term inpatient care" as used in this chapter does not include: (a) Services for individuals committed under chapter 71.05 RCW who are receiving services pursuant to a conditional release or a

court-ordered less restrictive alternative to detention; or (b) services for individuals voluntarily receiving less restrictive alternative treatment on the grounds of the state hospital.

(30) "Managed care organization" means an organization, having a certificate of authority or certificate of registration from the office of the insurance commissioner, that contracts with the authority under a comprehensive risk contract to provide prepaid health care services to enrollees under the authority's managed care programs under chapter 74.09 RCW.

(31) "Mental health peer-run respite center" means a peer-run program to serve individuals in need of voluntary, short-term, noncrisis services that focus on recovery and wellness.

(32) Mental health "treatment records" include registration and all other records concerning persons who are receiving or who at any time have received services for mental illness, which are maintained by the department of social and health services or the authority, by behavioral health administrative services organizations and their staffs, by managed care organizations and their staffs, or by treatment facilities. "Treatment records" do not include notes or records maintained for personal use by a person providing treatment services for the entities listed in this subsection, or a treatment facility if the notes or records are not available to others.

(33) "Mentally ill persons," "persons who are mentally ill," and "the mentally ill" mean persons and conditions defined in subsections (1), (11), (40), and (41) of this section.

(34) "Recovery" means a process of change through which individuals improve their health and wellness, live a self-directed life, and strive to reach their full potential.

(35) "Research-based" means a program or practice that has been tested with a single randomized, or statistically controlled evaluation, or both, demonstrating sustained desirable outcomes; or where the weight of the evidence from a systemic review supports sustained outcomes as described in subsection (24) of this section but does not meet the full criteria for evidence-based.

(36) "Residential services" means a complete range of residences and supports authorized by resource management services and which may involve a facility, a distinct part thereof, or services which support community living, for persons who are acutely mentally ill, adults who are chronically mentally ill, children who are severely emotionally disturbed, or adults who are seriously disturbed and determined by the behavioral health administrative services organization or managed care organization to be at risk of becoming acutely or chronically mentally ill. The services shall include at least evaluation and treatment services as defined in chapter 71.05 RCW, acute crisis respite care, long-term adaptive and rehabilitative care, and supervised and supported living services, and shall also include any residential services developed to service persons who are mentally ill in nursing homes, residential treatment facilities, assisted living facilities, and adult family homes, and may include outpatient services provided as an element in a package of services in a supported housing model. Residential services for children in out-of-home placements related to their mental disorder shall not include the costs of food and shelter, except for children's long-term residential facilities existing prior to January 1, 1991.

(37) "Resilience" means the personal and community qualities that enable individuals to rebound from adversity, trauma, tragedy, threats, or other stresses, and to live productive lives.

(38) "Resource management services" mean the planning, coordination, and authorization of residential services and community support services administered pursuant to an individual service plan for: (a) Adults and children who are acutely mentally ill; (b) adults who are chronically mentally ill; (c) children who are severely emotionally disturbed; or (d) adults who are seriously disturbed and determined by a behavioral health administrative services organization or managed care organization to be at risk of becoming acutely or chronically mentally ill. Such planning, coordination, and authorization shall include mental health screening for children eligible under the federal Title XIX early and periodic screening, diagnosis, and treatment program. Resource management

services include seven day a week, twenty-four hour a day availability of information regarding enrollment of adults and children who are mentally ill in services and their individual service plan to designated crisis responders, evaluation and treatment facilities, and others as determined by the behavioral health administrative services organization or managed care organization, as applicable.

(39) "Secretary" means the secretary of the department of health.

(40) "Seriously disturbed person" means a person who:

(a) Is gravely disabled or presents a likelihood of serious harm to himself or herself or others, or to the property of others, as a result of a mental disorder as defined in chapter 71.05 RCW;

(b) Has been on conditional release status, or under a less restrictive alternative order, at some time during the preceding two years from an evaluation and treatment facility or a state mental health hospital;

(c) Has a mental disorder which causes major impairment in several areas of daily living;

(d) Exhibits suicidal preoccupation or attempts; or

(e) Is a child diagnosed by a mental health professional, as defined in chapter 71.34 RCW, as experiencing a mental disorder which is clearly interfering with the child's functioning in family or school or with peers or is clearly interfering with the child's personality development and learning.

(41) "Severely emotionally disturbed child" or "child who is severely emotionally disturbed" means a child who has been determined by the behavioral health administrative services organization or managed care organization, if applicable, to be experiencing a mental disorder as defined in chapter 71.34 RCW, including those mental disorders that result in a behavioral or conduct disorder, that is clearly interfering with the child's functioning in family or school or with peers and who meets at least one of the following criteria:

(a) Has undergone inpatient treatment or placement outside of the home related to a mental disorder within the last two years;

(b) Has undergone involuntary treatment under chapter 71.34 RCW within the last two years;

(c) Is currently served by at least one of the following child-serving systems: Juvenile justice, child-protection/welfare, special education, or developmental disabilities;

(d) Is at risk of escalating maladjustment due to:

(i) Chronic family dysfunction involving a caretaker who is mentally ill or inadequate;

(ii) Changes in custodial adult;

(iii) Going to, residing in, or returning from any placement outside of the home, for example, psychiatric hospital, short-term inpatient, residential treatment, group or foster home, or a correctional facility;

(iv) Subject to repeated physical abuse or neglect;

(v) Drug or alcohol abuse; or

(vi) Homelessness.

(42) "State minimum standards" means minimum requirements established by rules adopted and necessary to implement this chapter by:

(a) The authority for:

(i) Delivery of mental health and substance use disorder services; and

(ii) Community support services and resource management services;

(b) The department of health for:

(i) Licensed or certified behavioral health agencies for the purpose of providing mental health or substance use disorder programs and services, or both;

(ii) Licensed behavioral health providers for the provision of mental health or substance use disorder services, or both; and

(iii) Residential services.

(43) "Substance use disorder" means a cluster of cognitive, behavioral, and physiological symptoms indicating that an individual continues using the substance despite significant substance-related problems. The diagnosis of a substance use disorder is based on a pathological pattern of behaviors related to the use of the substances.

(44) "Tribe," for the purposes of this section, means a federally recognized Indian tribe.

(45) "Crisis call center hub" means a state-designated center participating in the national suicide prevention lifeline network to respond to statewide or regional 988 calls that meets the requirements of section 102 of this act.

(46) "Crisis stabilization services" means services such as 23-hour crisis stabilization units based on the living room model, crisis stabilization units as provided in RCW 71.05.020, triage facilities as provided in RCW 71.05.020, short-term respite facilities, peer-run respite services, and same-day walk-in behavioral health services, including within the overall crisis system components that operate like hospital emergency departments that accept all walk-ins, and ambulance, fire, and police drop-offs.

(47) "Mobile rapid response crisis team" means a team that provides professional on-site community-based intervention such as outreach, de-escalation, stabilization, resource connection, and follow-up support for individuals who are experiencing a behavioral health crisis, that shall include certified peer counselors as a best practice to the extent practicable based on workforce availability, and that meets standards for response times established by the authority.

(48) "988 crisis hotline" means the universal telephone number within the United States designated for the purpose of the national suicide prevention and mental health crisis hotline system operating through the national suicide prevention lifeline.

Sec. 303. RCW 71.24.649 and 2019 c 324 s 5 are each amended to read as follows:

The secretary shall license or certify mental health peer-run respite centers that meet state minimum standards. In consultation with the authority and the department of social and health services, the secretary must:

(1) Establish requirements for licensed and certified community behavioral health agencies to provide mental health peer-run respite center services and establish physical plant and service requirements to provide voluntary, short-term, noncrisis

services that focus on recovery and wellness;

(2) Require licensed and certified agencies to partner with the local crisis system including, but not limited to, evaluation and treatment facilities and designated crisis responders;

(3) Establish staffing requirements, including rules to ensure that facilities are peer-run;

(4) Limit services to a maximum of seven days in a month;

(5) Limit services to individuals who are experiencing psychiatric distress, but do not meet legal criteria for involuntary hospitalization under chapter 71.05 RCW; and

(6) Limit services to persons at least eighteen years of age.

NEW SECTION. Sec. 304. Sections 201 through 206 of this act constitute a new chapter in Title 82 RCW.

NEW SECTION. Sec. 305. Sections 201 through 205 of this act take effect October 1, 2021.

NEW SECTION. Sec. 306. Section 301 of this act expires July 1, 2022.

NEW SECTION. Sec. 307. Section 302 of this act takes effect July 1, 2022.

NEW SECTION. Sec. 308. Section 103 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 immediately.

NEW SECTION. Sec. 309. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2021, in the omnibus appropriations act, this act is null and void."

On page 1, line 4 of the title, after "services;" strike the remainder of the title and insert "amending RCW 71.24.649; reenacting and amending RCW 71.24.025 and 71.24.025; adding new sections to chapter 71.24 RCW; adding a new section to chapter 48.43 RCW; adding a new section to chapter 43.06 RCW; adding a new chapter to Title 82 RCW; creating new sections; prescribing penalties; making an appropriation; providing effective dates; providing expiration dates; and declaring an emergency."

and the same is herewith transmitted.

Brad Hendrickson, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House refused to concur in the Senate Amendment to ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1477 and asked the Senate for a conference thereon. The Speaker (Representative Lovick presiding) appointed Representatives Orwall, Macri and Schmick as conferees.

MESSAGE FROM THE SENATE

April 14, 2021

Madame Speaker:

The Senate refuses to concur in the House amendment to SUBSTITUTE SENATE BILL NO. 5165 and asks the House for a Conference thereon. The President has

appointed the following members as Conferees: Senators Hobbs, King and Saldana,

and the same is herewith transmitted.

Sarah Bannister, Deputy Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House granted the Senate's request for a Conference on SUBSTITUTE SENATE BILL NO. 5165. The Speaker (Representative Lovick presiding) appointed the following members as Conferees: Representatives Fey, Wylie and Barkis.

There being no objection, the House adjourned until 10:00 a.m., April 22, 2021, the 102nd Legislative Day of the Regular Session.

Laurie Jenkins, Speaker

Bernard Dean, Chief Clerk

SIXTY SEVENTH LEGISLATURE - REGULAR SESSION

ONE HUNDRED SECOND DAY

House Chamber, Olympia, Thursday, April 22, 2021

The House was called to order at 10:00 a.m. by the Speaker (Representative Orwall presiding). The Clerk called the roll and a quorum was present.

The Speaker (Representative Orwall presiding) led the Chamber in the Pledge of Allegiance. The prayer was offered by Representative Rob Chase, 4th Legislative District.

Reading of the Journal of the previous day was dispensed with and it was ordered to stand approved.

There being no objection, the House advanced to the fifth order of business.

REPORTS OF STANDING COMMITTEES

April 21, 2021

ESB 5476 Prime Sponsor, Senator Dhingra: Addressing the State v. Blake decision. (REVISED FOR ENGROSSED: Responding to the State v. Blake decision by addressing justice system responses and behavioral health prevention, treatment, and related services.) Reported by Committee on Appropriations

MAJORITY recommendation: Do pass as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** A new section is added to chapter 71.24 RCW to read as follows:

(1) The authority, in collaboration with the substance use recovery services advisory committee established in subsection (2) of this section, shall establish a substance use recovery services plan. The purpose of the plan is to implement measures to assist persons with substance use disorder in accessing outreach, treatment, and recovery support services that are low-barrier, person-centered, informed by people with lived experience, and culturally and linguistically appropriate. The plan must articulate the manner in which continual, rapid, and widespread access to a comprehensive continuum of care will

be provided to all persons with substance use disorder.

(2) (a) The authority shall establish the substance use recovery services advisory committee to collaborate with the authority in the development and implementation of the substance use recovery services plan under this section. The authority must, in consultation with the University of Washington department of psychiatry and behavioral sciences and an organization that represents the interests of people who have been directly impacted by substance use and the criminal legal system, appoint members to the advisory committee who have relevant background related to the needs of persons with substance use disorder.

(b) In its collaboration with the advisory committee to develop the substance use recovery services plan, the authority must give due consideration to the recommendations of the advisory committee. If the authority determines that any of the advisory committee's recommendations are not feasible to adopt and implement, the authority must notify the advisory committee and request refinement or modification of those recommendations.

(c) The advisory committee must convene as necessary for the development of the substance use recovery services plan and to provide consultation and advice related to the development and adoption of rules to implement the plan. The advisory committee must convene to monitor implementation of the plan and advise the authority.

(3) The plan must consider:

(a) The manner in which persons with substance use disorder currently access and interact with the behavioral health system;

(b) The points of intersection that persons with substance use disorder have with the health care, criminal, civil legal, and child welfare systems, including emergency departments, syringe

service programs, law enforcement, correctional facilities, and dependency court;

(c) The various locations in which persons with untreated substance use disorder congregate, including homeless encampments, motels, and casinos;

(d) New community-based care access points, including the safe station model in partnership with fire departments;

(e) Current regional capacity for existing public and private programs providing substance use disorder assessments, each of the American society of addiction medicine levels of care, and recovery support services;

(f) Barriers to accessing the existing behavioral health system for (i) indigent youth and adult populations in need of assessments, services, treatment, and waivers of civil infraction penalties; and (ii) populations chronically exposed to criminal legal system responses relating to complex behavioral health conditions and the consequences of trauma, and possible innovations that could reduce those barriers and improve the quality and accessibility of care for those populations;

(g) Evidence-based, research-based, and promising treatment and recovery services appropriate for target populations;

(h) Workforce needs for the behavioral health services sector, including addressing wage and retention challenges;

(i) Options for leveraging existing integrated managed care, medicaid waiver, American Indian or Alaska Native fee-for-service behavioral health benefits, and private insurance service capacity for substance use disorders, including but not limited to coordination with managed care organizations, behavioral health administrative services organizations, the Washington health benefit exchange, accountable communities of health, and the office of the insurance commissioner;

(j) Framework and design assistance for jurisdictions to assist in compliance with the requirements of RCW 10.31.110 for diversion of individuals with complex behavioral health conditions to community-based care whenever possible and appropriate, and identifying resource gaps that impede jurisdictions

in fully realizing the potential impact of this approach;

(k) The design of recovery navigator programs in section 2 of this act, including reporting requirements by behavioral health administrative services organizations to monitor the effectiveness of the programs and recommendations for program improvement;

(l) The design of ongoing qualitative and quantitative research about the types of services desired by people with substance use disorders and barriers they experience in accessing existing and recommended services;

(m) The proposal of a funding framework in which, over time, resources are shifted from punishment sectors to community-based care interventions such that community-based care becomes the primary strategy for addressing and resolving public order issues related to behavioral health conditions;

(n) Strategic grant making to community organizations to promote public understanding and eradicate stigma and prejudice against persons with substance use disorder by promoting hope, empathy, and recovery;

(o) Innovative mechanisms for real-time, peer-driven, noncoercive outreach and engagement to individuals in active substance use disorder across all settings and develop measures to enhance the effectiveness of and opportunities for intervention across new and existing points of contact with this population; and

(p) Diversion to community-based care for individuals with substance use disorder across all points of the sequential intercept model.

(4) The plan and related rules adopted by the authority must give due consideration to the needs of youth and include the following substance use outreach, treatment, and recovery services, which must be available in or accessible by all jurisdictions: Field-based outreach and engagement; intensive case management; all American society of addiction medicine substance use disorder treatment levels of care, including evidence-based treatment, promising practices, and innovative approaches; access to all medications for opioid use disorder; and recovery support services. These services must be equitably distributed across urban and

rural settings. If feasible and appropriate, service initiation shall be made available on demand through 24 hour, seven days a week peer recovery coach response, behavioral health walk-in centers, or other innovative rapid response models. These services must, at a minimum, incorporate the following principles: Establish low barriers to entry and reentry; improve the health and safety of the individual; reduce the harm of substance use and related activity for the public; include integrated and coordinated services; incorporate structural competency and antiracism; use noncoercive methods of retaining people in treatment and recovery services, including contingency management; consider the unique needs of rural communities; and have a focus on services that increase social determinants of health.

(5) In developing the plan, the authority shall:

(a) Align the components of the plan with previous and ongoing studies, plans, and reports, including the Washington state opioid overdose and response plan, published by the authority, the roadmap to recovery planning grant strategy being developed by the authority, and plans associated with federal block grants; and

(b) Coordinate its work with the efforts of the blue ribbon commission on the intersection of the criminal justice and behavioral health crisis systems established in the governor's executive order 21-03 and the crisis response improvement strategy committee established in chapter . . . , Laws of 2021 (Engrossed Second Substitute House Bill No. 1477).

(6) The authority must submit the substance use recovery services plan to the governor and the legislature by December 1, 2021. After submitting the plan, the authority shall adopt rules and enter into contracts with providers to implement the plan by December 1, 2022. In addition to seeking public comment under chapter 34.05 RCW, the authority must adopt rules in accordance with the recommendations of the substance use recovery services advisory committee as provided in subsection (2) of this section.

(7) In consultation with the substance use recovery services advisory committee, the authority must submit a report on the implementation of the

substance use recovery services plan to the appropriate committees of the legislature and governor by December 1st of each year, beginning in 2022. This report shall include progress on the substance use disorder continuum of care, including availability of outreach, treatment, and recovery support services statewide.

(8) For the purposes of this section, "recovery support services" means a collection of nontreatment resources that sustain long-term recovery from substance use disorder, including recovery housing, employment and education supports, peer recovery coaching, family education, technological recovery supports, transportation and child care assistance to facilitate treatment participation and early recovery, and social connectedness.

(9) This section expires December 31, 2026.

NEW SECTION. **Sec. 2.** A new section is added to chapter 71.24 RCW to read as follows:

(1) Each behavioral health administrative services organization shall establish a recovery navigator program. The program shall provide community-based outreach, intake, assessment, and connection to services and, as appropriate, long-term intensive case management and recovery coaching services, to youth and adults with substance use disorder who are referred to the program from diverse sources and shall facilitate and coordinate connections to a broad range of community resources for youth and adults with substance use disorder, including treatment and recovery support services.

(2) The authority shall establish uniform program standards for behavioral health administrative services organizations to follow in the design of their recovery navigator programs. The uniform program standards must be modeled upon the components of the law enforcement assisted diversion program and address project management, field engagement, biopsychosocial assessment, intensive case management and care coordination, stabilization housing when available and appropriate, and, as necessary, legal system coordination. The authority must adopt the uniform program standards from the components of the law enforcement assisted diversion

program to accommodate an expanded population of persons with substance use disorder and allow for referrals from a broad range of sources. In addition to accepting referrals from law enforcement, the uniform program standards must provide guidance for accepting referrals on behalf of an individual with substance use disorder from various sources including, but not limited to, self-referral, family members of the individual, emergency department personnel, persons engaged with serving homeless encampments, fire department personnel, emergency medical service personnel, community-based organizations, members of the business community, harm reduction program personnel, faith-based organization staff, and other sources within the criminal legal system, as outlined within the sequential intercept model. In developing response time requirements within the statewide program standards, the authority shall require that responses to referrals from law enforcement occur immediately for in-custody referrals and shall strive for rapid response times to other appropriate settings such as emergency departments.

(3) The authority shall provide funding to each behavioral health administrative services organization for the development of its recovery navigator program. Before receiving funding for implementation and ongoing administration, each behavioral health administrative services organization must submit a program plan that demonstrates the ability to fully comply with statewide program standards. The authority shall establish a schedule for the regular review of behavioral health administrative services organizations' programs. The authority shall arrange for technical assistance to be provided by the LEAD national support bureau to all behavioral health administrative services organizations.

(4) Each behavioral health administrative services organization must have a substance use disorder regional administrator for its recovery navigator program. The regional administrator shall be responsible for assuring compliance with program standards, including staffing standards. Each recovery navigator program must maintain a sufficient number of appropriately trained personnel for providing intake and referral services, conducting comprehensive biopsychosocial

assessments, providing intensive case management services, and making warm handoffs to treatment and recovery support services along the continuum of care. Program staff must include people with lived experience with substance use disorder to the extent possible. The substance use disorder regional administrator must assure that staff who are conducting intake and referral services and field assessments are paid a livable and competitive wage and have appropriate initial training and receive continuing education.

(5) Each recovery navigator program must submit quarterly reports to the authority with information identified by the authority and the substance use recovery services advisory committee. The reports must be provided to the substance use recovery services advisory committee for discussion at meetings following the submission of the reports.

NEW SECTION. Sec. 3. A new section is added to chapter 71.24 RCW to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the authority shall establish a grant program to:

(a) Provide treatment services for low-income individuals with substance use disorder who are not eligible for medical assistance programs under chapter 74.09 RCW, with priority for the use of the funds for very low-income individuals; and

(b) Provide treatment services that are not eligible for federal matching funds to individuals who are enrolled in medical assistance programs under chapter 74.09 RCW.

(2) In establishing the grant program, the authority shall consult with the substance use recovery services advisory committee established in section 1 of this act, behavioral health administrative services organizations, managed care organizations, and regional behavioral health providers to adopt regional standards that are consistent with the substance use recovery services plan developed under section 1 of this act to provide sufficient access for youth and adults to meet each region's needs for:

(a) Opioid treatment programs;

(b) Low-barrier buprenorphine clinics;

(c) Outpatient substance use disorder treatment;

(d) Withdrawal management services, including both subacute and medically managed withdrawal management;

(e) Secure withdrawal management and stabilization services;

(f) Inpatient substance use disorder treatment services;

(g) Inpatient co-occurring disorder treatment services; and

(h) Behavioral health crisis walk-in and drop-off services.

(3) Funds in the grant program must be used to reimburse providers for the provision of services to individuals identified in subsection (1) of this section. The authority may use the funds to support evidence-based practices and promising practices that are not reimbursed by medical assistance or private insurance, including contingency management. In addition, funds may be used to provide assistance to organizations to establish or expand services as reasonably necessary and feasible to increase the availability of services to achieve the regional access standards developed under subsection (2) of this section, including such items as training and recruitment of personnel, reasonable modifications to existing facilities to accommodate additional clients, start-up funding, and similar forms of assistance. Funds may not be used to support the ongoing operational costs of a provider or organization, except in relation to payments for specific service encounters with an individual identified in subsection (1) of this section or for noninsurance reimbursable services.

(4) The authority must establish regional access standards under subsection (2) of this section by January 1, 2022, and begin distributing grant funds by March 1, 2022.

NEW SECTION. Sec. 4. A new section is added to chapter 71.24 RCW to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the authority shall establish the expanded recovery support services program to increase access to recovery services for individuals in recovery from substance use disorder.

(2) In establishing the program, the authority shall consult with the substance use recovery services advisory committee established in section 1 of this act, behavioral health administrative services organizations, regional behavioral health providers, and regional community organizations that support individuals in recovery from substance use disorder to adopt regional expanded recovery plans that are consistent with the substance use recovery services plan developed under section 1 of this act to provide sufficient access for youth and adults to meet each region's needs for:

(a) Recovery housing;

(b) Employment pathways, support, training, and job placement;

(c) Education pathways, including recovery high schools and collegiate recovery programs;

(d) Recovery coaching and substance use disorder peer support;

(e) Social connectedness initiatives, including the recovery café model;

(f) Family support services, including family reconciliation services;

(g) Technology-based recovery support services;

(h) Transportation assistance; and

(i) Legal support services.

(3) Funds in the expanded recovery support services program must be used to reimburse providers for the provision of services to individuals in recovery from substance use disorder. In addition, the funds may be used to provide assistance to organizations to establish or expand recovery support services as reasonably necessary and feasible to increase the availability of services to achieve the regional access standards developed under subsection (2) of this section, including such items as training and recruitment of personnel, reasonable modifications to existing facilities to accommodate additional clients, and similar forms of assistance.

(4) The authority must establish regional expanded recovery plans under subsection (2) of this section by January 1, 2022, and begin distributing grant funds by March 1, 2022.

NEW SECTION. Sec. 5. A new section is added to chapter 71.24 RCW to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the authority shall establish a homeless outreach stabilization transition program to expand access to modified assertive community treatment services provided by multidisciplinary behavioral health outreach teams to serve people who are living with serious substance use disorders or co-occurring substance use disorders and mental health conditions, are experiencing homelessness, and whose severity of behavioral health symptom acuity level creates a barrier to accessing and receiving conventional behavioral health services and outreach models.

(a) In establishing the program, the authority shall consult with behavioral health outreach organizations who have experience delivering this service model in order to establish program guidelines regarding multidisciplinary team staff types, service intensity and quality fidelity standards, and criteria to ensure programs are reaching the appropriate priority population.

(b) Funds for the homeless outreach stabilization transition program must be used to reimburse organizations for the provision of multidisciplinary outreach services to individuals who are living with substance use disorders or co-occurring substance use and mental health disorders and are experiencing homelessness or transitioning from homelessness to housing. The funds may be used to provide assistance to organizations to establish or expand services as reasonably necessary to create a homeless outreach stabilization transition program, including items such as training and recruitment of personnel, outreach and engagement resources, client engagement and health supplies, medications for people who do not have access to insurance, and similar forms of assistance.

(c) The authority must establish one or more homeless outreach stabilization transition programs by January 1, 2022, and begin distributing grant funds by March 1, 2022.

(2) Subject to the availability of amounts appropriated for this specific purpose, the authority shall establish a project for psychiatric outreach to the

homeless program to expand access to behavioral health medical services for people who are experiencing homelessness and living in permanent supportive housing.

(a) In establishing the program, the authority shall consult with behavioral health medical providers, homeless service providers, and permanent supportive housing providers that support people living with substance use disorders, co-occurring substance use and mental health conditions, and people who are currently or have formerly experienced homelessness.

(b) Funds for the project for psychiatric outreach to the homeless program must be used to reimburse organizations for the provision of medical services to individuals who are living with or in recovery from substance use disorders, co-occurring substance use and mental health disorders, or other behavioral and physical health conditions. Organizations must provide medical services to people who are experiencing homelessness or are living in permanent supportive housing and would be at risk of homelessness without access to appropriate services. The funds may be used to provide assistance to organizations to establish or expand behavioral health medical services as reasonably necessary to create a project for psychiatric outreach to the homeless program, including items such as training and recruitment of personnel, outreach and engagement resources, medical equipment and health supplies, medications for people who do not have access to insurance, and similar forms of assistance.

(c) The authority must establish one or more projects for psychiatric outreach to the homeless programs by January 1, 2022, and begin distributing grant funds by March 1, 2022.

(3) Subject to the availability of amounts appropriated for this specific purpose, the authority shall increase contingency management resources for opioid treatment networks that are serving people living with co-occurring stimulant use and opioid use disorder.

(4) Subject to the availability of amounts appropriated for this specific purpose, the authority shall develop a plan for implementing a comprehensive statewide substance misuse prevention

effort. The plan must be completed by January 1, 2022.

(5) Subject to the availability of amounts appropriated for this specific purpose, the authority shall administer a competitive grant process to broaden existing local community coalition efforts to prevent substance misuse by increasing relevant protective factors while decreasing risk factors. Coalitions are to be open to all stakeholders interested in substance misuse prevention, including, but not limited to, representatives from people in recovery, law enforcement, education, behavioral health, parent organizations, treatment organizations, organizations serving youth, prevention professionals, and business.

Sec. 6. RCW 10.31.110 and 2019 c 326 s 3 and 2019 c 325 s 5004 are each reenacted and amended to read as follows:

(1) When a police officer has reasonable cause to believe that the individual has committed acts constituting a crime, and the individual is known by history or consultation with the behavioral health administrative services organization, managed care organization, ~~((behavioral health administrative services organization,))~~ crisis hotline, ~~((or))~~ local crisis services providers, or community health providers to suffer from a mental disorder or substance use disorder, in addition to existing authority under state law or local policy, as an alternative to arrest, the arresting officer is authorized and encouraged to:

(a) Take the individual to a crisis stabilization unit as defined in RCW 71.05.020. Individuals delivered to a crisis stabilization unit pursuant to this section may be held by the facility for a period of up to twelve hours. The individual must be examined by a mental health professional or substance use disorder professional within three hours of arrival;

(b) Take the individual to a triage facility as defined in RCW 71.05.020. An individual delivered to a triage facility which has elected to operate as an involuntary facility may be held up to a period of twelve hours. The individual must be examined by a mental health professional or substance use disorder professional within three hours of arrival;

(c) Refer the individual to a ~~((mental health professional))~~ designated crisis responder for evaluation for initial detention and proceeding under chapter 71.05 RCW; ~~((or))~~

(d) Release the individual upon agreement to voluntary participation in outpatient treatment;

(e) Refer the individual to youth, adult, or geriatric mobile crisis response services, as appropriate; or

(f) Refer the individual to the regional entity responsible to receive referrals in lieu of legal system involvement, including the recovery navigator program described in section 2 of this act.

(2) If the individual is released to the community from the facilities in subsection (1)(a) through (c) of this section, the mental health provider or substance use disorder professional shall make reasonable efforts to inform the arresting officer of the planned release prior to release if the arresting officer has specifically requested notification and provided contact information to the provider.

(3) In deciding whether to refer the individual to treatment under this section, the police officer must be guided by local law enforcement diversion guidelines for behavioral health developed and mutually agreed upon with the prosecuting authority with an opportunity for consultation and comment by the defense bar and disability community. These guidelines must address, at a minimum, the length, seriousness, and recency of the known criminal history of the individual, the mental health history of the individual, if available, the substance use disorder history of the individual, if available, the opinions of a mental health professional, if available, the opinions of a substance use disorder professional, if available, and the circumstances surrounding the commission of the alleged offense. The guidelines must include a process for clearing outstanding warrants or referring the individual for assistance in clearing outstanding warrants, if any, and issuing a new court date, if appropriate, without booking or incarcerating the individual or disqualifying ~~((him or her))~~ the individual from referral to treatment under this section, and define the circumstances under which such action is

permissible. Referrals to services, care, and treatment for substance use disorder must be made in accordance with protocols developed for the recovery navigator program described in section 2 of this act.

(4) Any agreement to participate in treatment or services in lieu of jail booking or referring a case for prosecution shall not require individuals to stipulate to any of the alleged facts regarding the criminal activity as a prerequisite to participation in ((a mental health treatment)) the alternative response described in this section. ((The)) Any agreement is inadmissible in any criminal or civil proceeding. ((The agreement does)) Such agreements do not create immunity from prosecution for the alleged criminal activity.

(5) If ((an individual violates such agreement and the mental health treatment alternative is no longer appropriate)) there are required terms of participation in the services or treatment to which an individual was referred under this section, and if the individual violates such terms and is therefore no longer participating in services:

(a) The ((mental health)) behavioral health or service provider shall inform the referring law enforcement agency of the violation, if consistent with the terms of the program and applicable law; and

(b) The original charges may be filed or referred to the prosecutor, as appropriate, and the matter may proceed accordingly, unless filing or referring the charges is inconsistent with the terms of a local diversion program or a recovery navigator program described in section 2 of this act.

(6) The police officer is immune from liability for any good faith conduct under this section.

NEW SECTION. Sec. 7. A new section is added to chapter 43.101 RCW to read as follows:

(1) Beginning July 1, 2022, all law enforcement personnel required to complete basic law enforcement training under RCW 43.101.200 must receive training on law enforcement interaction with persons with substance use disorders, including referral to treatment and recovery services and the unique referral processes for youth, as

part of the basic law enforcement training. The training must be developed by the University of Washington behavioral health institute in collaboration with the commission and agencies that have expertise in the area of working with persons with substance use disorders, including law enforcement diversion of such individuals to community-based care. In developing the training, the behavioral health institute must also examine existing courses certified by the commission that relate to persons with a substance use disorder, and should draw on existing training partnerships with the Washington association of sheriffs and police chiefs.

(2) The training must consist of classroom instruction or internet instruction and shall replicate likely field situations to the maximum extent possible. The training should include, at a minimum, core instruction in all of the following:

(a) Proper procedures for referring persons to the recovery navigator program in accordance with section 2 of this act;

(b) The etiology of substance use disorders, including the role of trauma;

(c) Barriers to treatment engagement experienced by many with such disorders who have contact with the legal system;

(d) How to identify indicators of substance use disorder and how to respond appropriately in a variety of common situations;

(e) Conflict resolution and de-escalation techniques for potentially dangerous situations involving persons with a substance use disorder;

(f) Appropriate language usage when interacting with persons with a substance use disorder;

(g) Alternatives to lethal force when interacting with potentially dangerous persons with a substance use disorder;

(h) The principles of recovery and the multiple pathways to recovery; and

(i) Community and state resources available to serve persons with substance use disorders and how these resources can be best used by law enforcement to support persons with a substance use disorder in their communities.

(3) In addition to incorporation into the basic law enforcement training under

RCW 43.101.200, training must be made available to law enforcement agencies, through electronic means, for use at their convenience and determined by the internal training needs and resources of each agency.

Sec. 8. RCW 69.50.4011 and 2003 c 53 s 332 are each amended to read as follows:

(1) Except as authorized by this chapter, it is unlawful for ~~((any))~~:

(a) Any person to create~~((r))~~ or deliver~~((r, or possess))~~ a counterfeit substance; or

(b) Any person to knowingly possess a counterfeit substance.

(2) Any person who violates subsection (1)(a) of this section with respect to:

(a) A counterfeit substance classified in Schedule I or II which is a narcotic drug, or flunitrazepam classified in Schedule IV, is guilty of a class B felony and upon conviction may be imprisoned for not more than ten years, fined not more than twenty-five thousand dollars, or both;

(b) A counterfeit substance which is methamphetamine, is guilty of a class B felony and upon conviction may be imprisoned for not more than ten years, fined not more than twenty-five thousand dollars, or both;

(c) Any other counterfeit substance classified in Schedule I, II, or III, is guilty of a class C felony punishable according to chapter 9A.20 RCW;

(d) A counterfeit substance classified in Schedule IV, except flunitrazepam, is guilty of a class C felony punishable according to chapter 9A.20 RCW;

(e) A counterfeit substance classified in Schedule V, is guilty of a class C felony punishable according to chapter 9A.20 RCW.

(3) A violation of subsection (1)(b) of this section is a misdemeanor. Where a case is legally sufficient, the prosecutor shall divert the case for treatment if the alleged violation involving possession is the person's first or second violation. On a person's third and subsequent violation involving possession, the prosecutor is encouraged to divert the case for treatment.

Sec. 9. RCW 69.50.4013 and 2017 c 317 s 15 are each amended to read as follows:

(1) It is unlawful for any person to knowingly 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))~~ A person who violates this section is guilty of a ~~((class C felony punishable under chapter 9A.20 RCW))~~ misdemeanor.

(3) Where a case is legally sufficient, the prosecutor shall divert the case for treatment if the alleged violation is the person's first or second violation of this section. On a person's third and subsequent violation of this section, the prosecutor is encouraged to divert the case for treatment.

(4)(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))~~ (5)(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))~~) (5) 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))~~ (6) 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.

~~((6))~~ (7) 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.

Sec. 10. RCW 69.41.030 and 2019 c 55 s 9 are each amended to read as follows:

(1) It shall be unlawful for any person to sell, deliver, or knowingly possess any legend drug except upon the order or prescription of a physician under chapter 18.71 RCW, an osteopathic physician and surgeon under chapter 18.57 RCW, an optometrist licensed under chapter 18.53 RCW who is certified by the optometry board under 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 commissioned medical or dental officer in the United States armed forces or public health service in the discharge of his or her official duties, a duly licensed physician or dentist employed by the veterans administration in the discharge of his or her official duties, a registered nurse or advanced registered nurse practitioner under chapter 18.79 RCW when authorized by the nursing care quality assurance commission, a pharmacist licensed under chapter 18.64 RCW to the extent permitted by drug therapy guidelines or protocols

established under RCW 18.64.011 and authorized by the commission and approved by a practitioner authorized to prescribe drugs, an osteopathic physician assistant under chapter 18.57A RCW when authorized by the board of osteopathic medicine and surgery, a physician assistant under chapter 18.71A RCW when authorized by the Washington medical commission, or any of the following professionals in any province of Canada that shares a common border with the state of Washington or in any state of the United States: A physician licensed to practice medicine and surgery or 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 advanced registered nurse practitioner, a licensed physician assistant, a licensed osteopathic physician assistant, or a veterinarian licensed to practice veterinary medicine: PROVIDED, HOWEVER, That the above provisions shall not apply to sale, delivery, or possession by drug wholesalers or drug manufacturers, or their agents or employees, or to any practitioner acting within the scope of his or her license, or to a common or contract carrier or warehouse operator, or any employee thereof, whose possession of any legend drug is in the usual course of business or employment: PROVIDED FURTHER, That nothing in this chapter or chapter 18.64 RCW shall prevent a family planning clinic that is under contract with the health care authority from selling, delivering, possessing, and dispensing commercially prepackaged oral contraceptives prescribed by authorized, licensed health care practitioners: PROVIDED FURTHER, That nothing in this chapter prohibits possession or delivery of legend drugs by an authorized collector or other person participating in the operation of a drug take-back program authorized in chapter 69.48 RCW.

(2)(a) A violation of this section involving the sale, delivery, or possession with intent to sell or deliver is a class B felony punishable according to chapter 9A.20 RCW.

(b) A violation of this section involving possession is a misdemeanor. Where a case is legally sufficient, the prosecutor shall divert the case for treatment if the alleged violation involving possession is the person's first or second violation. On a person's

third and subsequent violation involving possession, the prosecutor is encouraged to divert the case for treatment.

Sec. 11. RCW 69.41.030 and 2020 c 80 s 41 are each amended to read as follows:

(1) It shall be unlawful for any person to sell, deliver, or knowingly possess any legend drug except upon the order or prescription of a physician under chapter 18.71 RCW, an osteopathic physician and surgeon under chapter 18.57 RCW, an optometrist licensed under chapter 18.53 RCW who is certified by the optometry board under 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 commissioned medical or dental officer in the United States armed forces or public health service in the discharge of his or her official duties, a duly licensed physician or dentist employed by the veterans administration in the discharge of his or her official duties, a registered nurse or advanced registered nurse practitioner under chapter 18.79 RCW when authorized by the nursing care quality assurance commission, a pharmacist licensed under chapter 18.64 RCW to the extent permitted by drug therapy guidelines or protocols established under RCW 18.64.011 and authorized by the commission and approved by a practitioner authorized to prescribe drugs, a physician assistant under chapter 18.71A RCW when authorized by the Washington medical commission, or any of the following professionals in any province of Canada that shares a common border with the state of Washington or in any state of the United States: A physician licensed to practice medicine and surgery or 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 advanced registered nurse practitioner, a licensed physician assistant, or a veterinarian licensed to practice veterinary medicine: PROVIDED, HOWEVER, That the above provisions shall not apply to sale, delivery, or possession by drug wholesalers or drug manufacturers, or their agents or employees, or to any practitioner acting within the scope of his or her license, or to a common or contract carrier or warehouse operator, or any employee thereof, whose possession of any legend drug is in the usual course of business or employment: PROVIDED

FURTHER, That nothing in this chapter or chapter 18.64 RCW shall prevent a family planning clinic that is under contract with the health care authority from selling, delivering, possessing, and dispensing commercially prepackaged oral contraceptives prescribed by authorized, licensed health care practitioners: PROVIDED FURTHER, That nothing in this chapter prohibits possession or delivery of legend drugs by an authorized collector or other person participating in the operation of a drug take-back program authorized in chapter 69.48 RCW.

(2)(a) A violation of this section involving the sale, delivery, or possession with intent to sell or deliver is a class B felony punishable according to chapter 9A.20 RCW.

(b) A violation of this section involving possession is a misdemeanor. Where a case is legally sufficient, the prosecutor shall divert the case for treatment if the alleged violation involving possession is the person's first or second violation. On a person's third and subsequent violation involving possession, the prosecutor is encouraged to divert the case for treatment.

Sec. 12. RCW 69.50.412 and 2019 c 64 s 22 are each amended to read as follows:

(1) It is unlawful for any person to use drug paraphernalia to plant, propagate, cultivate, grow, harvest, manufacture, compound, convert, produce, process, or prepare (~~(, test, analyze, pack, repack, store, contain, conceal, inject, ingest, inhale, or otherwise introduce into the human body)~~) a controlled substance other than marijuana. Any person who violates this subsection is guilty of a misdemeanor.

(2) It is unlawful for any person to deliver, possess with intent to deliver, or manufacture with intent to deliver drug paraphernalia, knowing, or under circumstances where one reasonably should know, that it will be used to plant, propagate, cultivate, grow, harvest, manufacture, compound, convert, produce, process, or prepare (~~(, test, analyze, pack, repack, store, contain, conceal, inject, ingest, inhale, or otherwise introduce into the human body)~~) a controlled substance other than marijuana. Any person who violates this subsection is guilty of a misdemeanor.

(3) Any person eighteen years of age or over who violates subsection (2) of this section by delivering drug

paraphernalia to a person under eighteen years of age who is at least three years his or her junior is guilty of a gross misdemeanor.

(4) It is unlawful for any person to place in any newspaper, magazine, handbill, or other publication any advertisement, knowing, or under circumstances where one reasonably should know, that the purpose of the advertisement, in whole or in part, is to promote the sale of objects designed or intended for use as drug paraphernalia. Any person who violates this subsection is guilty of a misdemeanor.

(5) It is lawful for any person over the age of eighteen to possess sterile hypodermic syringes and needles for the purpose of reducing blood-borne diseases.

Sec. 13. RCW 69.50.4011 and 2003 c 53 s 332 are each amended to read as follows:

(1) Except as authorized by this chapter, it is unlawful for ~~((any))~~:

(a) Any person to create~~((r))~~ or deliver~~((r or possess))~~ a counterfeit substance; or

(b) Any person to knowingly possess a counterfeit substance.

(2) Any person who violates subsection (1)(a) of this section with respect to:

(a) A counterfeit substance classified in Schedule I or II which is a narcotic drug, or flunitrazepam classified in Schedule IV, is guilty of a class B felony and upon conviction may be imprisoned for not more than ten years, fined not more than twenty-five thousand dollars, or both;

(b) A counterfeit substance which is methamphetamine, is guilty of a class B felony and upon conviction may be imprisoned for not more than ten years, fined not more than twenty-five thousand dollars, or both;

(c) Any other counterfeit substance classified in Schedule I, II, or III, is guilty of a class C felony punishable according to chapter 9A.20 RCW;

(d) A counterfeit substance classified in Schedule IV, except flunitrazepam, is guilty of a class C felony punishable according to chapter 9A.20 RCW;

(e) A counterfeit substance classified in Schedule V, is guilty of a class C

felony punishable according to chapter 9A.20 RCW.

(3) A violation of subsection (1)(b) of this section is a class 2 civil infraction under chapter 7.80 RCW. The law enforcement officer issuing the infraction shall refer the person to the program established in section 2 of this act for evaluation and services, and must notify the program of the infraction. The monetary penalty for the civil infraction must be waived upon verification that the person has received an assessment by the program within 30 days of receiving the infraction. Proceeds from the infraction must be deposited in the State v. Blake reimbursement account created in section 25 of this act.

Sec. 14. RCW 69.50.4013 and 2017 c 317 s 15 are each amended to read as follows:

(1) It is unlawful for any person to knowingly 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))~~ A violation of this section is a class 2 civil infraction under chapter 7.80 RCW. The law enforcement officer issuing the infraction shall refer the person to the program established in section 2 of this act for evaluation and services, and must notify the program of the infraction. The monetary penalty for the civil infraction must be waived upon verification that the person has received an assessment by the program within 30 days of receiving the infraction. Proceeds from the infraction must be deposited in the State v. Blake reimbursement account created in section 25 of this act.

(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.

(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.

Sec. 15. RCW 69.41.030 and 2020 c 80 s 41 are each amended to read as follows:

(1) It shall be unlawful for any person to sell, deliver, or knowingly possess any legend drug except upon the order or prescription of a physician under chapter 18.71 RCW, an osteopathic physician and surgeon under chapter 18.57 RCW, an optometrist licensed under chapter 18.53 RCW who is certified by the optometry board under 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 commissioned medical or dental officer in the United States armed forces or public health service in the discharge of his or her official duties, a duly licensed physician or dentist employed by the veterans administration in the discharge of his or her official duties, a registered nurse or advanced registered nurse practitioner under chapter 18.79 RCW when authorized by the nursing care quality assurance commission, a pharmacist licensed under chapter 18.64 RCW to the extent permitted by drug therapy guidelines or protocols established under RCW 18.64.011 and authorized by the commission and approved by a practitioner authorized to prescribe drugs, a physician assistant under chapter 18.71A RCW when authorized by the Washington medical commission, or any of the following professionals in any province of Canada that shares a common border with the state of Washington or in any state of the United States: A physician licensed to practice medicine and surgery or 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 advanced registered nurse practitioner, a licensed physician assistant, or a veterinarian licensed to practice veterinary medicine: PROVIDED, HOWEVER, That the above provisions shall not apply to sale, delivery, or possession by drug wholesalers or drug manufacturers, or their agents or employees, or to any practitioner acting within the scope of his or her license, or to a common or contract carrier or warehouse operator, or any employee thereof, whose possession of any legend drug is in the usual course of business or employment: PROVIDED FURTHER, That nothing in this chapter or chapter 18.64 RCW shall prevent a family planning clinic that is under contract with the health care authority from selling, delivering, possessing, and dispensing commercially prepackaged oral

contraceptives prescribed by authorized, licensed health care practitioners: PROVIDED FURTHER, That nothing in this chapter prohibits possession or delivery of legend drugs by an authorized collector or other person participating in the operation of a drug take-back program authorized in chapter 69.48 RCW.

(2)(a) A violation of this section involving the sale, delivery, or possession with intent to sell or deliver is a class B felony punishable according to chapter 9A.20 RCW.

(b) A violation of this section involving possession is a ~~(misdemeanor)~~ class 2 civil infraction under chapter 7.80 RCW. The law enforcement officer issuing the infraction shall refer the person to the program established in section 2 of this act for evaluation and services, and must notify the program of the infraction. The monetary penalty for the civil infraction must be waived upon verification that the person has received an assessment by the program within 30 days of receiving the infraction. Proceeds from the infraction must be deposited in the State v. Blake reimbursement account created in section 25 of this act.

Sec. 16. RCW 7.80.070 and 2006 c 270 s 5 are each amended to read as follows:

(1) A notice of civil infraction represents a determination that a civil infraction has been committed. The determination is final unless contested as provided in this chapter.

(2) The form for the notice of civil infraction shall be prescribed by rule of the supreme court and shall include the following:

(a) A statement that the notice represents a determination that a civil infraction has been committed by the person named in the notice and that the determination is final unless contested as provided in this chapter;

(b) A statement that a civil infraction is a noncriminal offense for which imprisonment may not be imposed as a sanction;

(c) A statement of the specific civil infraction for which the notice was issued;

(d) A statement of the monetary penalty established for the civil infraction;

(e) A statement of the options provided in this chapter for responding to the notice and the procedures necessary to exercise these options;

(f) A statement that at any hearing to contest the determination the state has the burden of proving, by a preponderance of the evidence, that the civil infraction was committed and that the person may subpoena witnesses including the enforcement officer who issued the notice of civil infraction;

(g) A statement that at any hearing requested for the purpose of explaining mitigating circumstances surrounding the commission of the civil infraction, the person will be deemed to have committed the civil infraction and may not subpoena witnesses;

(h) A statement that the person must respond to the notice as provided in this chapter within ~~((fifteen days))~~ the time specified in RCW 7.80.080(1);

(i) A statement that failure to respond to the notice or a failure to appear at a hearing requested for the purpose of contesting the determination or for the purpose of explaining mitigating circumstances will result in a default judgment against the person in the amount of the penalty and that this failure may be referred to the prosecuting attorney for criminal prosecution for failure to respond or appear;

(j) A statement that failure to respond to a notice of civil infraction or to appear at a requested hearing is a misdemeanor and may be punished by a fine or imprisonment in jail.

Sec. 17. RCW 7.80.080 and 1987 c 456 s 16 are each amended to read as follows:

(1) ~~((Any))~~ (a) Except as provided in (b) of this subsection, any person who receives a notice of civil infraction shall respond to such notice as provided in this section within fifteen days of the date of the notice.

(b) A person who receives a notice of civil infraction under RCW 69.50.4011, 69.50.4013, or 69.41.030 shall respond to such notice as provided in this section within 30 days of the date of the notice.

(2) If the person determined to have committed the civil infraction does not contest the determination, the person shall respond by completing the appropriate portion of the notice of

civil infraction and submitting it, either by mail or in person, to the court specified on the notice. A check or money order in the amount of the penalty prescribed for the civil infraction must be submitted with the response. The clerk of a court may accept cash in payment for an infraction. When a response which does not contest the determination is received, an appropriate order shall be entered in the court's records.

(3) If the person determined to have committed the civil infraction wishes to contest the determination, the person shall respond by completing the portion of the notice of civil infraction requesting a hearing and submitting it, either by mail or in person, to the court specified on the notice. The court shall notify the person in writing of the time, place, and date of the hearing, and that date shall not be earlier than seven days nor more than ninety days from the date of the notice of hearing, except by agreement.

(4) If the person determined to have committed the civil infraction does not contest the determination but wishes to explain mitigating circumstances surrounding the infraction, the person shall respond by completing the portion of the notice of civil infraction requesting a hearing for that purpose and submitting it, either by mail or in person, to the court specified on the notice. The court shall notify the person in writing of the time, place, and date of the hearing, and that date shall not be earlier than seven days nor more than ninety days from the date of the notice of hearing, except by agreement.

(5) The court shall enter a default judgment assessing the monetary penalty prescribed for the civil infraction and may notify the prosecuting attorney of the failure to respond to the notice of civil infraction or to appear at a requested hearing if any person issued a notice of civil infraction:

(a) Fails to respond to the notice of civil infraction as provided in subsection (2) of this section; or

(b) Fails to appear at a hearing requested pursuant to subsection (3) or (4) of this section.

Sec. 18. RCW 9.94A.518 and 2003 c 53 s 57 are each amended to read as follows:

TABLE 4

DRUG OFFENSES

INCLUDED WITHIN EACH SERIOUSNESS LEVEL

III Any felony offense under chapter 69.50 RCW with a deadly weapon special verdict under RCW (~~9.94A.602~~) 9.94A.825

Controlled Substance Homicide (RCW 69.50.415)

Delivery of imitation controlled substance by person eighteen or over to person under eighteen (RCW 69.52.030(2))

Involving a minor in drug dealing (RCW 69.50.4015)

Manufacture of methamphetamine (RCW 69.50.401(2)(b))

Over 18 and deliver heroin, methamphetamine, a narcotic from Schedule I or II, or flunitrazepam from Schedule IV to someone under 18 (RCW 69.50.406)

Over 18 and deliver narcotic from Schedule III, IV, or V or a nonnarcotic, except flunitrazepam or methamphetamine, from Schedule I-V to someone under 18 and 3 years junior (RCW 69.50.406)

Possession of Ephedrine, Pseudoephedrine, or Anhydrous Ammonia with intent to manufacture methamphetamine (RCW 69.50.440)

Selling for profit (controlled or counterfeit) any controlled substance (RCW 69.50.410)

II Create (~~;~~) or deliver (~~;~~~~or possess~~) a counterfeit controlled substance (RCW 69.50.4011(1)(a))

Deliver or possess with intent to deliver methamphetamine (RCW 69.50.401(2)(b))

Delivery of a material in lieu of a controlled substance (RCW 69.50.4012)

Maintaining a Dwelling or Place for Controlled Substances (RCW 69.50.402(1)(f))

Manufacture, deliver, or possess with intent to deliver amphetamine (RCW 69.50.401(2)(b))

Manufacture, deliver, or possess with intent to deliver narcotics from Schedule I or II or flunitrazepam from Schedule IV (RCW 69.50.401(2)(a))

Manufacture, deliver, or possess with intent to deliver narcotics from Schedule III, IV, or V or nonnarcotics from Schedule I-V (except marijuana, amphetamine, methamphetamines, or flunitrazepam) (RCW 69.50.401(2) (c) through (e))

Manufacture, distribute, or possess with intent to distribute an imitation controlled substance (RCW 69.52.030(1))

I Forged Prescription (RCW 69.41.020)

Forged Prescription for a Controlled Substance (RCW 69.50.403)

Manufacture, deliver, or possess with intent to deliver marijuana (RCW 69.50.401(2)(c))

~~(Possess _____ Controlled Substance that is a Narcotic from Schedule III, IV, or V or Nonnarcotic from Schedule I-V (RCW 69.50.4013))~~

~~Possession of Controlled Substance that is either heroin or~~

~~narcotics from Schedule I or II (RCW 69.50.4013))~~

Unlawful Use of Building for Drug Purposes (RCW 69.53.010)

Sec. 19. RCW 13.40.0357 and 2020 c 18 s 8 are each amended to read as follows:

DESCRIPTION AND OFFENSE CATEGORY

JUVENILE DISPOSITION	DESCRIPTION (RCW CITATION)	JUVENILE DISPOSITION	CATEGORY FOR ATTEMPT, BAILJUMP, CONSPIRACY, OR SOLICITATION
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Arson and Malicious Mischief

A	Arson 1 (9A.48.020)	B+	
B	Arson 2 (9A.48.030)	C	
C	Reckless Burning (9A.48.040)	1	D
D	Reckless Burning (9A.48.050)	2	E
B	Malicious Mischief (9A.48.070)	1	C
C	Malicious Mischief (9A.48.080)	2	D
D	Malicious Mischief (9A.48.090)	3	E
E	Tampering with Fire Alarm Apparatus (9.40.100)		E
E	Tampering with Fire Alarm Apparatus with Intent to Commit Arson (9.40.105)		E
A	Possession of Incendiary Device (9.40.120)		B+

Assault and Other Crimes Involving Physical Harm

A	Assault 1 (9A.36.011)	B+	
B+	Assault 2 (9A.36.021)	C+	
C+	Assault 3 (9A.36.031)	D+	
D+	Assault 4 (9A.36.041)	E	

B+	Drive-By Shooting	(9A.36.045) committed at age 15 or under	C+
A++	Drive-By Shooting	(9A.36.045) committed at age 16 or 17	A
D+	Reckless Endangerment	(9A.36.050)	E
C+	Promoting Suicide Attempt	(9A.36.060)	D+
D+	Coercion	(9A.36.070)	E
C+	Custodial Assault	(9A.36.100)	D+
Burglary and Trespass			
B+	Burglary 1	(9A.52.020) committed at age 15 or under	C+
A-	Burglary 1	(9A.52.020) committed at age 16 or 17	B+
B	Residential Burglary	(9A.52.025)	C
B	Burglary 2	(9A.52.030)	C
D	Burglary Tools (Possession of)	(9A.52.060)	E
D	Criminal Trespass 1	(9A.52.070)	E
E	Criminal Trespass 2	(9A.52.080)	E
C	Mineral Trespass	(78.44.330)	C
C	Vehicle Prowling 1	(9A.52.095)	D
D	Vehicle Prowling 2	(9A.52.100)	E
Drugs			
E	Possession/Consumption of Alcohol	(66.44.270)	E
C	Illegally Obtaining Legend Drug	(69.41.020)	D
C+	Sale, Delivery, Possession of Legend Drug with Intent to Sell	(69.41.030(2)(a))	D+

E	Possession of Legend Drug	(69.41.030(2)(b))	E
B+	Violation of Uniform Controlled Substances Act - Narcotic, Methamphetamine, or Flunitrazepam Sale	(69.50.401(2) (a) or (b))	B+
C	Violation of Uniform Controlled Substances Act - Nonnarcotic Sale	(69.50.401(2)(c))	C
(E)	Possession of Marijuana <40 grams	(69.50.4014)	(E)
C	Fraudulently Obtaining Controlled Substance	(69.50.403)	C
C+	Sale of Controlled Substance for Profit	(69.50.410)	C+
E	Unlawful Inhalation	(9.47A.020)	E
B	Violation of Uniform Controlled Substances Act - Narcotic, Methamphetamine, or Flunitrazepam Counterfeit Substances	(69.50.4011(2) (a) or (b))	B
C	Violation of Uniform Controlled Substances Act - Nonnarcotic Counterfeit Substances	(69.50.4011(2) (c), (d), or (e))	C
(E)	(E) Violation of Uniform Controlled Substances Act - Possession of a Controlled Substance	(69.50.4013)	(E)
C	Violation of Uniform Controlled Substances Act - Possession of a Controlled Substance	(69.50.4012)	C
Firearms and Weapons			
B	Theft of Firearm	(9A.56.300)	C
B	Possession of Stolen Firearm	(9A.56.310)	C

E	Carrying Loaded Pistol Without Permit (9.41.050)	E	C+	Criminal Mischief with Weapon (9A.84.010(2)(b))	D+
C	Possession of Firearms by Minor (<18) (9.41.040(2)(a)(vi))	C	D+	Criminal Mischief Without Weapon (9A.84.010(2)(a))	E
D+	Possession of Dangerous Weapon (9.41.250)	E	E	Failure to Disperse (9A.84.020)	E
D	Intimidating Another Person by use of Weapon (9.41.270)	E	E	Disorderly Conduct (9A.84.030)	E
Sex Crimes					
A+	Murder 1 (9A.32.030)	A	A	Rape 1 (9A.44.040)	B+
A+	Murder 2 (9A.32.050)	B+	B++	Rape 2 (9A.44.050) committed at age 14 or under	B+
B+	Manslaughter 1 (9A.32.060)	C+	A-	Rape 2 (9A.44.050) committed at age 15 through age 17	B+
C+	Manslaughter 2 (9A.32.070)	D+	C+	Rape 3 (9A.44.060)	D+
B+	Vehicular Homicide (46.61.520)	C+	B++	Rape of a Child 1 (9A.44.073) committed at age 14 or under	B+
Kidnapping					
A	Kidnap 1 (9A.40.020)	B+	A-	Rape of a Child 1 (9A.44.073) committed at age 15	B+
B+	Kidnap 2 (9A.40.030)	C+	B+	Rape of a Child 2 (9A.44.076)	C+
C+	Unlawful Imprisonment (9A.40.040)	D+	B	Incest 1 (9A.64.020(1))	C
Obstructing Governmental Operation					
D	Obstructing a Law Enforcement Officer (9A.76.020)	E	C	Incest 2 (9A.64.020(2))	D
E	Resisting Arrest (9A.76.040)	E	D+	Indecent Exposure (Victim <14) (9A.88.010)	E
B	Introducing Contraband 1 (9A.76.140)	C	E	Indecent Exposure (Victim 14 or over) (9A.88.010)	E
C	Introducing Contraband 2 (9A.76.150)	D	B+	Promoting Prostitution 1 (9A.88.070)	C+
E	Introducing Contraband 3 (9A.76.160)	E	C+	Promoting Prostitution 2 (9A.88.080)	D+
B+	Intimidating a Public Servant (9A.76.180)	C+	E	O & A (Prostitution) (9A.88.030)	E
B+	Intimidating a Witness (9A.72.110)	C+	B+	Indecent Liberties (9A.44.100)	C+
Public Disturbance					
			B++	Child Molestation 1 (9A.44.083) committed at age 14 or under	B+

A-	Child Molestation 1 (9A.44.083) committed at age 15 through age 17	B+	C	Taking Motor Vehicle Without Permission 2 (9A.56.075)	D
B	Child Molestation 2 (9A.44.086)	C+	B	Theft of a Motor Vehicle (9A.56.065)	C
C	Failure to Register as a Sex Offender (9A.44.132)	D		Motor Vehicle Related Crimes	
	Theft, Robbery, Extortion, and Forgery		E	Driving Without a License (46.20.005)	E
B	Theft 1 (9A.56.030)	C	B+	Hit and Run - Death (46.52.020(4)(a))	C+
C	Theft 2 (9A.56.040)	D	C	Hit and Run - Injury (46.52.020(4)(b))	D
D	Theft 3 (9A.56.050)	E	D	Hit and Run-Attended (46.52.020(5))	E
B	Theft of Livestock 1 and 2 (9A.56.080 and 9A.56.083)	C	E	Hit and Run-Unattended (46.52.010)	E
C	Forgery (9A.60.020)	D	C	Vehicle Assault (46.61.522)	D
A	Robbery 1 (9A.56.200) committed at age 15 or under	B+	C	Attempting to Elude Pursuing Police Vehicle (46.61.024)	D
A++	Robbery 1 (9A.56.200) committed at age 16 or 17	A	E	Reckless Driving (46.61.500)	E
B+	Robbery 2 (9A.56.210)	C+	D	Driving While Under the Influence (46.61.502 and 46.61.504)	E
B+	Extortion 1 (9A.56.120)	C+	B+	Felony Driving While Under the Influence (46.61.502(6))	B
C+	Extortion 2 (9A.56.130)	D+	B+	Felony Physical Control of a Vehicle While Under the Influence (46.61.504(6))	B
C	Identity Theft 1 (9.35.020(2))	D		Other	
D	Identity Theft 2 (9.35.020(3))	E	B	Animal Cruelty 1 (16.52.205)	C
D	Improperly Obtaining Financial Information (9.35.010)	E	B	Bomb Threat (9.61.160)	C
B	Possession of a Stolen Vehicle (9A.56.068)	C	C	Escape 1 ¹ (9A.76.110)	C
B	Possession of Stolen Property 1 (9A.56.150)	C	C	Escape 2 ¹ (9A.76.120)	C
C	Possession of Stolen Property 2 (9A.56.160)	D	D	Escape 3 (9A.76.130)	E
D	Possession of Stolen Property 3 (9A.56.170)	E	E	Obscene, Harassing, Etc., Phone Calls (9.61.230)	E
B	Taking Motor Vehicle Without Permission 1 (9A.56.070)	C	A	Other Offense Equivalent to an Adult Class A Felony	B+

B	Other Offense Equivalent to an Adult Class B Felony	C
C	Other Offense Equivalent to an Adult Class C Felony	D
D	Other Offense Equivalent to an Adult Gross Misdemeanor	E
E	Other Offense Equivalent to an Adult Misdemeanor	E
V	Violation of Order of Restitution, Community Supervision, or Confinement (13.40.200) ²	V

		ek	ek	ek		
		s	s	s		
		<hr/>				
	B	1	5	8	1	1
++	5-	2-	0-	03-	03-	
	36	65	10	129	129	
	we	we	0	we	we	
	ek	ek	we	eks	eks	
	s	s	ek			
			s			
	<hr/>					
	B	1	1	5	8	1
+	5-	5-	2-	0-	03-	
	36	36	65	100	129	
	we	we	we	we	we	
	ek	ek	ek	eks	eks	
	s	s	s			

¹Escape 1 and 2 and Attempted Escape 1 and 2 are classed as C offenses and the standard range is established as follows:

1st escape or attempted escape during 12-month period - 28 days confinement

2nd escape or attempted escape during 12-month period - 8 weeks confinement

3rd and subsequent escape or attempted escape during 12-month period - 12 weeks confinement

²If the court finds that a respondent has violated terms of an order, it may impose a penalty of up to 30 days of confinement.

JUVENILE SENTENCING STANDARDS

This schedule must be used for juvenile offenders. The court may select sentencing option A, B, C, or D.

OPTION A

JUVENILE OFFENDER SENTENCING GRID

STANDARD RANGE

++ A 129 to 260 weeks for all category A++ offenses

+ A 180 weeks to age 21 for all category A+ offenses

A 103-129 weeks for all category A offenses

-	A	3	5	8	1	1
	0-	2-	0-	03-	03-	
	40	65	10	129	129	
	we	we	0	we	we	
			we	eks	eks	

CURR
ENT

OFFE
NSE

CATE
GORY

PRIOR

ADJU
DICATIO
NS

	B	L	L	1	1	5
	S	S	5-	5-	2-	
			36	36	65	
			we	we	we	
			ek	eks	eks	
			s			

	C	L	L	L	1	1
+	S	S	S	5-	5-	
				36	36	
				we	we	
				eks	eks	

	C	L	L	L	L	1
	S	S	S	S	5-	
					36	
					we	
					eks	

	D	L	L	L	L	L
+	S	S	S	S	S	

	D	L	L	L	L	L
	S	S	S	S	S	

	E	L	L	L	L	L
	S	S	S	S	S	

		0	1	2	3	4
						or mo re

NOTE: References in the grid to days or weeks mean periods of confinement.

"LS" means "local sanctions" as defined in RCW 13.40.020.

(1) The vertical axis of the grid is the current offense category. The current offense category is determined by the offense of adjudication.

(2) The horizontal axis of the grid is the number of prior adjudications included in the juvenile's criminal history. Each prior felony adjudication shall count as one point. Each prior violation, misdemeanor, and gross misdemeanor adjudication shall count as 1/4 point. Fractional points shall be rounded down.

(3) The standard range disposition for each offense is determined by the intersection of the column defined by the prior adjudications and the row defined by the current offense category.

(4) RCW 13.40.180 applies if the offender is being sentenced for more than one offense.

(5) A current offense that is a violation is equivalent to an offense category of E. However, a disposition for a violation shall not include confinement.

OR

OPTION B

SUSPENDED DISPOSITION ALTERNATIVE

(1) If the offender is subject to a standard range disposition involving confinement by the department, the court may impose the standard range and suspend the disposition on condition that the offender comply with one or more local sanctions and any educational or treatment requirement. The treatment programs provided to the offender must be either research-based best practice programs as identified by the Washington state institute for public policy or the joint legislative audit and review committee, or for chemical dependency treatment programs or services, they must be evidence-based or research-based best practice programs. For the purposes of this subsection:

(a) "Evidence-based" means a program or practice that has had multiple site random controlled trials across heterogeneous populations demonstrating that the program or practice is effective for the population; and

(b) "Research-based" means a program or practice that has some research

demonstrating effectiveness, but that does not yet meet the standard of evidence-based practices.

(2) If the offender fails to comply with the suspended disposition, the court may impose sanctions pursuant to RCW 13.40.200 or may revoke the suspended disposition and order the disposition's execution.

(3) An offender is ineligible for the suspended disposition option under this section if the offender:

(a) Is adjudicated of an A+ or A++ offense;

(b) Is fourteen years of age or older and is adjudicated of one or more of the following offenses:

(i) A class A offense, or an attempt, conspiracy, or solicitation to commit a class A offense;

(ii) Manslaughter in the first degree (RCW 9A.32.060);

(iii) Assault in the second degree (RCW 9A.36.021), extortion in the first degree (RCW 9A.56.120), kidnapping in the second degree (RCW 9A.40.030), drive-by shooting (RCW 9A.36.045), vehicular homicide (RCW 46.61.520), hit and run death (RCW 46.52.020(4)(a)), or manslaughter 2 (RCW 9A.32.070); or

(iv) Violation of the uniform controlled substances act (RCW 69.50.401(2)(a) and (b)), when the offense includes infliction of bodily harm upon another or when during the commission or immediate withdrawal from the offense the respondent was armed with a deadly weapon;

(c) Is ordered to serve a disposition for a firearm violation under RCW 13.40.193;

(d) Is adjudicated of a sex offense as defined in RCW 9.94A.030; or

(e) Has a prior option B disposition.

OR

OPTION C

CHEMICAL DEPENDENCY/MENTAL HEALTH DISPOSITION ALTERNATIVE

If the juvenile offender is subject to a standard range disposition of local sanctions or 15 to 36 weeks of confinement and has not committed a B++ or B+ offense, the court may impose a

disposition under RCW 13.40.160(4) and 13.40.165.

OR

OPTION D

MANIFEST INJUSTICE

If the court determines that a disposition under option A, B, or C would effectuate a manifest injustice, the court shall impose a disposition outside the standard range under RCW 13.40.160(2).

Sec. 20. RCW 13.40.0357 and 2020 c 18 s 8 are each amended to read as follows:

DESCRIPTION AND OFFENSE CATEGORY

JUVENILE DISPOSITION	DESCRIPTION (RCW CITATION)	JUVENILE DISPOSITION	OFFENSE CATEGORY
		CATEGORY FOR ATTEMPT, BAILJUMP, CONSPIRACY, OR SOLICITATION	

Arson and Malicious Mischief

A	Arson 1 (9A.48.020)	B+	
B	Arson 2 (9A.48.030)	C	
C	Reckless Burning (9A.48.040)	1 D	
D	Reckless Burning (9A.48.050)	2 E	
B	Malicious Mischief (9A.48.070)	1 C	
C	Malicious Mischief (9A.48.080)	2 D	
D	Malicious Mischief (9A.48.090)	3 E	
E	Tampering with Fire Alarm Apparatus (9.40.100)	E	
E	Tampering with Fire Alarm Apparatus with Intent to Commit Arson (9.40.105)	E	
A	Possession of Incendiary Device (9.40.120)	B+	

Assault and Other Crimes Involving Physical Harm

A	Assault 1 (9A.36.011)	B+	
B+	Assault 2 (9A.36.021)	C+	

C+	Assault 3 (9A.36.031)	D+	
D+	Assault 4 (9A.36.041)	E	
B+	Drive-By Shooting (9A.36.045) committed at age 15 or under	C+	
A++	Drive-By Shooting (9A.36.045) committed at age 16 or 17	A	
D+	Reckless Endangerment (9A.36.050)	E	
C+	Promoting Suicide Attempt (9A.36.060)	D+	
D+	Coercion (9A.36.070)	E	
C+	Custodial Assault (9A.36.100)	D+	

Burglary and Trespass

B+	Burglary 1 (9A.52.020) committed at age 15 or under	C+	
A-	Burglary 1 (9A.52.020) committed at age 16 or 17	B+	
B	Residential Burglary (9A.52.025)	C	
B	Burglary 2 (9A.52.030)	C	
D	Burglary Tools (Possession of) (9A.52.060)	E	
D	Criminal Trespass (9A.52.070)	1 E	
E	Criminal Trespass (9A.52.080)	2 E	
C	Mineral Trespass (78.44.330)	C	
C	Vehicle Prowling (9A.52.095)	1 D	
D	Vehicle Prowling (9A.52.100)	2 E	

Drugs

E	Possession/Consumption of Alcohol (66.44.270)	E	
C	Illegally Obtaining Legend Drug (69.41.020)	D	

C+	Sale, Delivery, Possession of Legend Drug with Intent to Sell (69.41.030(2)(a))	D+	(9A.56.310)	E	Carrying Loaded Pistol Without Permit (9.41.050)	E
(E)	Possession of Legend Drug (69.41.030(2)(b))	(E)		C	Possession of Firearms by Minor (<18) (9.41.040(2)(a)(vi))	C
B+	Violation of Uniform Controlled Substances Act - Narcotic, Methamphetamine, or Flunitrazepam Sale (69.50.401(2) (a) or (b))	B+		D+	Possession of Dangerous Weapon (9.41.250)	E
C	Violation of Uniform Controlled Substances Act - Nonnarcotic Sale (69.50.401(2)(c))	C		D	Intimidating Another Person by use of Weapon (9.41.270)	E
(E)	Possession of Marijuana <40 grams (69.50.4014)	(E)		Homicide		
C	Fraudulently Obtaining Controlled Substance (69.50.403)	C		A+	Murder 1 (9A.32.030)	A
C+	Sale of Controlled Substance for Profit (69.50.410)	C+		A+	Murder 2 (9A.32.050)	B+
E	Unlawful Inhalation (9.47A.020)	E		B+	Manslaughter 1 (9A.32.060)	C+
B	Violation of Uniform Controlled Substances Act - Narcotic, Methamphetamine, or Flunitrazepam Counterfeit Substances (69.50.4011(2) (a) or (b))	B		C+	Manslaughter 2 (9A.32.070)	D+
C	Violation of Uniform Controlled Substances Act - Nonnarcotic Counterfeit Substances (69.50.4011(2) (c), (d), or (e))	C		B+	Vehicular Homicide (46.61.520)	C+
(C)	Violation of Uniform Controlled Substances Act - Possession of a Controlled Substance (69.50.4013)	(C)		Kidnapping		
C	Violation of Uniform Controlled Substances Act - Possession of a Controlled Substance (69.50.4012)	C		A	Kidnap 1 (9A.40.020)	B+
				B+	Kidnap 2 (9A.40.030)	C+
				C+	Unlawful Imprisonment (9A.40.040)	D+
				Obstructing Governmental Operation		
				D	Obstructing a Law Enforcement Officer (9A.76.020)	E
				E	Resisting Arrest (9A.76.040)	E
				B	Introducing Contraband 1 (9A.76.140)	C
				C	Introducing Contraband 2 (9A.76.150)	D
				E	Introducing Contraband 3 (9A.76.160)	E
				B+	Intimidating a Public Servant (9A.76.180)	C+
				B+	Intimidating a Witness (9A.72.110)	C+
				Public Disturbance		
B	Theft of Firearm (9A.56.300)	C		C+	Criminal Mischief with Weapon (9A.84.010(2)(b))	D+
B	Possession of Stolen Firearm	C				

D+	Criminal Mischief Without Weapon (9A.84.010(2)(a))	E	B	Child Molestation (9A.44.086)	2	C+
E	Failure to Disperse (9A.84.020)	E	C	Failure to Register as a Sex Offender (9A.44.132)		D
E	Disorderly Conduct (9A.84.030)	E		Theft, Robbery, Extortion, and Forgery		
	Sex Crimes		B	Theft 1 (9A.56.030)		C
A	Rape 1 (9A.44.040)	B+	C	Theft 2 (9A.56.040)		D
B++	Rape 2 (9A.44.050) committed at age 14 or under	B+	D	Theft 3 (9A.56.050)		E
A-	Rape 2 (9A.44.050) committed at age 15 through age 17	B+	B	Theft of Livestock 1 and 2 (9A.56.080 and 9A.56.083)		C
C+	Rape 3 (9A.44.060)	D+	C	Forgery (9A.60.020)		D
B++	Rape of a Child (9A.44.073) committed at age 14 or under	B+	A	Robbery 1 (9A.56.200) committed at age 15 or under		B+
A-	Rape of a Child (9A.44.073) committed at age 15	B+	A++	Robbery 1 (9A.56.200) committed at age 16 or 17		A
B+	Rape of a Child (9A.44.076)	C+	B+	Robbery 2 (9A.56.210)		C+
B	Incest 1 (9A.64.020(1))	C	B+	Extortion 1 (9A.56.120)		C+
C	Incest 2 (9A.64.020(2))	D	C+	Extortion 2 (9A.56.130)		D+
D+	Indecent Exposure (Victim <14) (9A.88.010)	E	C	Identity Theft 1 (9.35.020(2))		D
E	Indecent Exposure (Victim 14 or over) (9A.88.010)	E	D	Identity Theft 2 (9.35.020(3))		E
B+	Promoting Prostitution 1 (9A.88.070)	C+	D	Improperly Obtaining Financial Information (9.35.010)		E
C+	Promoting Prostitution 2 (9A.88.080)	D+	B	Possession of a Stolen Vehicle (9A.56.068)		C
E	O & A (Prostitution) (9A.88.030)	E	B	Possession of Stolen Property 1 (9A.56.150)		C
B+	Indecent Liberties (9A.44.100)	C+	C	Possession of Stolen Property 2 (9A.56.160)		D
B++	Child Molestation (9A.44.083) committed at age 14 or under	B+	D	Possession of Stolen Property 3 (9A.56.170)		E
A-	Child Molestation (9A.44.083) committed at age 15 through age 17	B+	B	Taking Motor Vehicle Without Permission 1 (9A.56.070)		C
			C	Taking Motor Vehicle Without Permission 2 (9A.56.075)		D

B	Theft of a Motor Vehicle (9A.56.065)	C
	Motor Vehicle Related Crimes	
E	Driving Without a License (46.20.005)	E
B+	Hit and Run - Death (46.52.020(4)(a))	C+
C	Hit and Run - Injury (46.52.020(4)(b))	D
D	Hit and Run-Attended (46.52.020(5))	E
E	Hit and Run-Unattended (46.52.010)	E
C	Vehicular Assault (46.61.522)	D
C	Attempting to Elude Pursuing Police Vehicle (46.61.024)	D
E	Reckless Driving (46.61.500)	E
D	Driving While Under the Influence (46.61.502 and 46.61.504)	E
B+	Felony Driving While Under the Influence (46.61.502(6))	B
B+	Felony Physical Control of a Vehicle While Under the Influence (46.61.504(6))	B
	Other	
B	Animal Cruelty 1 (16.52.205)	C
B	Bomb Threat (9.61.160)	C
C	Escape 1 ¹ (9A.76.110)	C
C	Escape 2 ¹ (9A.76.120)	C
D	Escape 3 (9A.76.130)	E
E	Obscene, Harassing, Etc., Phone Calls (9.61.230)	E
A	Other Offense Equivalent to an Adult Class A Felony	B+
B	Other Offense Equivalent to an Adult Class B Felony	C
C	Other Offense Equivalent to an Adult Class C Felony	D

D Other Offense Equivalent to an Adult Gross Misdemeanor E

E Other Offense Equivalent to an Adult Misdemeanor E

V Violation of Order of Restitution, Community Supervision, or Confinement (13.40.200)² V

¹Escape 1 and 2 and Attempted Escape 1 and 2 are classed as C offenses and the standard range is established as follows:

1st escape or attempted escape during 12-month period - 28 days confinement

2nd escape or attempted escape during 12-month period - 8 weeks confinement

3rd and subsequent escape or attempted escape during 12-month period - 12 weeks confinement

²If the court finds that a respondent has violated terms of an order, it may impose a penalty of up to 30 days of confinement.

JUVENILE SENTENCING STANDARDS

This schedule must be used for juvenile offenders. The court may select sentencing option A, B, C, or D.

OPTION A

JUVENILE OFFENDER SENTENCING GRID STANDARD RANGE

A 129 to 260 weeks for all category A++ offenses

A 180 weeks to age 21 for all category A+ offenses

A 103-129 weeks for all category A offenses

A	3	5	8	1	1
-	0-	2-	0-	03-	03-
	40	65	10	129	129
	we	we	0	we	we
	ek	ek	we	eks	eks
	s	s	ek	s	s

B 1 5 8 1 1
++ 5- 2- 0- 03- 03-
36 65 10 129 129
we we 0

		ek s	ek s	we ek s	we eks	we eks
	B	1	1	5	8	1
	+	5- 36	5- 36	2- 65	0- 100	03- 129
CURR ENT		we ek s	we ek s	we ek s	we eks	we eks
	B	L S	L S	1 5- 36	1 5- 36	5 2- 65
OFFE NSE				we ek s	we eks	we eks
	C	L S	L S	L S	1 5- 36	1 5- 36
CATE GORY	+				we eks	we eks
	C	L S	L S	L S	L S	1 5- 36
						we eks
	D	L S	L S	L S	L S	L S
+						
	D	L S	L S	L S	L S	L S
	E	L S	L S	L S	L S	L S
PRIOR		0	1	2	3	4
						or mo re

ADJU
DICATIO
NS

NOTE: References in the grid to days or weeks mean periods of confinement. "LS" means "local sanctions" as defined in RCW 13.40.020.

(1) The vertical axis of the grid is the current offense category. The current offense category is determined by the offense of adjudication.

(2) The horizontal axis of the grid is the number of prior adjudications included in the juvenile's criminal history. Each prior felony adjudication shall count as one point. Each prior violation, misdemeanor, and gross misdemeanor adjudication shall count as 1/4 point. Fractional points shall be rounded down.

(3) The standard range disposition for each offense is determined by the intersection of the column defined by the prior adjudications and the row defined by the current offense category.

(4) RCW 13.40.180 applies if the offender is being sentenced for more than one offense.

(5) A current offense that is a violation is equivalent to an offense category of E. However, a disposition for a violation shall not include confinement.

OR

OPTION B

SUSPENDED DISPOSITION ALTERNATIVE

(1) If the offender is subject to a standard range disposition involving confinement by the department, the court may impose the standard range and suspend the disposition on condition that the offender comply with one or more local sanctions and any educational or treatment requirement. The treatment programs provided to the offender must be either research-based best practice programs as identified by the Washington state institute for public policy or the joint legislative audit and review committee, or for chemical dependency treatment programs or services, they must be evidence-based or research-based best practice programs. For the purposes of this subsection:

(a) "Evidence-based" means a program or practice that has had multiple site random controlled trials across heterogeneous populations demonstrating that the program or practice is effective for the population; and

(b) "Research-based" means a program or practice that has some research demonstrating effectiveness, but that does not yet meet the standard of evidence-based practices.

(2) If the offender fails to comply with the suspended disposition, the court may impose sanctions pursuant to RCW

13.40.200 or may revoke the suspended disposition and order the disposition's execution.

(3) An offender is ineligible for the suspended disposition option under this section if the offender:

(a) Is adjudicated of an A+ or A++ offense;

(b) Is fourteen years of age or older and is adjudicated of one or more of the following offenses:

(i) A class A offense, or an attempt, conspiracy, or solicitation to commit a class A offense;

(ii) Manslaughter in the first degree (RCW 9A.32.060);

(iii) Assault in the second degree (RCW 9A.36.021), extortion in the first degree (RCW 9A.56.120), kidnapping in the second degree (RCW 9A.40.030), drive-by shooting (RCW 9A.36.045), vehicular homicide (RCW 46.61.520), hit and run death (RCW 46.52.020(4)(a)), or manslaughter 2 (RCW 9A.32.070); or

(iv) Violation of the uniform controlled substances act (RCW 69.50.401(2)(a) and (b)), when the offense includes infliction of bodily harm upon another or when during the commission or immediate withdrawal from the offense the respondent was armed with a deadly weapon;

(c) Is ordered to serve a disposition for a firearm violation under RCW 13.40.193;

(d) Is adjudicated of a sex offense as defined in RCW 9.94A.030; or

(e) Has a prior option B disposition.

OR

OPTION C

CHEMICAL DEPENDENCY/MENTAL HEALTH DISPOSITION ALTERNATIVE

If the juvenile offender is subject to a standard range disposition of local sanctions or 15 to 36 weeks of confinement and has not committed a B++ or B+ offense, the court may impose a disposition under RCW 13.40.160(4) and 13.40.165.

OR

OPTION D

MANIFEST INJUSTICE

If the court determines that a disposition under option A, B, or C would effectuate a manifest injustice, the court shall impose a disposition outside the standard range under RCW 13.40.160(2).

Sec. 21. RCW 2.24.010 and 2013 c 27 s 3 are each amended to read as follows:

(1) There may be appointed in each county or judicial district, by the judges of the superior court having jurisdiction therein, one or more court commissioners for said county or judicial district. Each such commissioner shall be a citizen of the United States and shall hold the office during the pleasure of the judges making the appointment.

(2)(a) There may be appointed in counties with a population of more than four hundred thousand, by the presiding judge of the superior court having jurisdiction therein, one or more attorneys to act as criminal commissioners to assist the superior court in disposing of adult criminal cases. Such criminal commissioners shall have power, authority, and jurisdiction, concurrent with the superior court and the judges thereof, in adult criminal cases, to preside over arraignments, preliminary appearances, initial extradition hearings, and noncompliance proceedings pursuant to RCW 9.94A.6333 or 9.94B.040; accept pleas if authorized by local court rules; appoint counsel; make determinations of probable cause; set, amend, and review conditions of pretrial release; set bail; set trial and hearing dates; authorize continuances; accept waivers of the right to speedy trial; and authorize and issue search warrants and orders to intercept, monitor, or record wired or wireless telecommunications for the installation of electronic taps or other devices to include, but not be limited to, vehicle global positioning system or other mobile tracking devices with all the powers conferred upon the judge of the superior court in such matters.

(b) Criminal commissioners shall also have the authority to conduct resentencing hearings and to vacate convictions related to State v. Blake, No. 96873-0 (Feb. 25, 2021). Criminal commissioners may be appointed for this purpose regardless of the population of the county served by the appointing court.

(c) The county legislative authority must approve the creation of criminal commissioner positions.

Sec. 22. RCW 2.24.040 and 2009 c 28 s 1 are each amended to read as follows:

Such court commissioner shall have power, authority, and jurisdiction, concurrent with the superior court and the judge thereof, in the following particulars:

(1) To hear and determine all matters in probate, to make and issue all proper orders therein, and to issue citations in all cases where same are authorized by the probate statutes of this state.

(2) To grant and enter defaults and enter judgment thereon.

(3) To issue temporary restraining orders and temporary injunctions, and to fix and approve bonds thereon.

(4) To act as referee in all matters and actions referred to him or her by the superior court as such, with all the powers now conferred upon referees by law.

(5) To hear and determine all proceedings supplemental to execution, with all the powers conferred upon the judge of the superior court in such matters.

(6) To hear and determine all petitions for the adoption of children and for the dissolution of incorporations.

(7) To hear and determine all applications for the commitment of any person to the hospital for the insane, with all the powers of the superior court in such matters: PROVIDED, That in cases where a jury is demanded, same shall be referred to the superior court for trial.

(8) To hear and determine all complaints for the commitments of minors with all powers conferred upon the superior court in such matters.

(9) To hear and determine ex parte and uncontested civil matters of any nature.

(10) To grant adjournments, administer oaths, preserve order, compel attendance of witnesses, and to punish for contempts in the refusal to obey or the neglect of the court commissioner's lawful orders made in any matter before the court commissioner as fully as the judge of the superior court.

(11) To take acknowledgments and proofs of deeds, mortgages and all other instruments requiring acknowledgment under the laws of this state, and to take affidavits and depositions in all cases.

(12) To provide an official seal, upon which shall be engraved the words "Court Commissioner," and the name of the county for which he or she may be appointed, and to authenticate his official acts therewith in all cases where same is necessary.

(13) To charge and collect, for his or her own use, the same fees for the official performance of official acts mentioned in subsections (4) and (11) of this section as are provided by law for referees and notaries public.

(14) To hear and determine small claims appeals as provided in chapter 12.36 RCW.

(15) In adult criminal cases, to preside over arraignments, preliminary appearances, initial extradition hearings, and noncompliance proceedings pursuant to RCW 9.94A.6333 or 9.94B.040; accept pleas if authorized by local court rules; appoint counsel; make determinations of probable cause; set, amend, and review conditions of pretrial release; set bail; set trial and hearing dates; authorize continuances; ~~(and)~~ accept waivers of the right to speedy trial; and conduct resentencing hearings and hearings to vacate convictions related to State v. Blake, No. 96873-0 (Feb. 25, 2021).

Sec. 23. RCW 9.94A.728 and 2018 c 166 s 2 are each amended to read as follows:

(1) No person serving a sentence imposed pursuant to this chapter and committed to the custody of the department shall leave the confines of the correctional facility or be released prior to the expiration of the sentence except as follows:

(a) An offender may earn early release time as authorized by RCW 9.94A.729;

(b) An offender may leave a correctional facility pursuant to an authorized furlough or leave of absence. In addition, offenders may leave a correctional facility when in the custody of a corrections officer or officers;

(c) (i) The secretary may authorize an extraordinary medical placement for an offender when all of the following conditions exist:

(A) The offender has a medical condition that is serious and is expected to require costly care or treatment;

(B) The offender poses a low risk to the community because he or she is currently physically incapacitated due to age or the medical condition or is expected to be so at the time of release; and

(C) It is expected that granting the extraordinary medical placement will result in a cost savings to the state.

(ii) An offender sentenced to death or to life imprisonment without the possibility of release or parole is not eligible for an extraordinary medical placement.

(iii) The secretary shall require electronic monitoring for all offenders in extraordinary medical placement unless the electronic monitoring equipment interferes with the function of the offender's medical equipment or results in the loss of funding for the offender's medical care, in which case, an alternative type of monitoring shall be utilized. The secretary shall specify who shall provide the monitoring services and the terms under which the monitoring shall be performed.

(iv) The secretary may revoke an extraordinary medical placement under this subsection (1)(c) at any time.

(v) Persistent offenders are not eligible for extraordinary medical placement;

(d) The governor, upon recommendation from the clemency and pardons board, may grant an extraordinary release for reasons of serious health problems, senility, advanced age, extraordinary meritorious acts, or other extraordinary circumstances;

(e) No more than the final twelve months of the offender's term of confinement may be served in partial confinement for aiding the offender with: Finding work as part of the work release program under chapter 72.65 RCW; or reestablishing himself or herself in the community as part of the parenting program in RCW 9.94A.6551. This is in addition to that period of earned early release time that may be exchanged for partial confinement pursuant to RCW 9.94A.729(5)(d);

(f) No more than the final six months of the offender's term of confinement may

be served in partial confinement as home detention as part of the graduated reentry program developed by the department under RCW 9.94A.733;

(g) The governor may pardon any offender;

(h) The department may release an offender from confinement any time within ten days before a release date calculated under this section;

(i) An offender may leave a correctional facility prior to completion of his or her sentence if the sentence has been reduced as provided in RCW 9.94A.870;

(j) Notwithstanding any other provisions of this section, an offender sentenced for a felony crime listed in RCW 9.94A.540 as subject to a mandatory minimum sentence of total confinement shall not be released from total confinement before the completion of the listed mandatory minimum sentence for that felony crime of conviction unless allowed under RCW 9.94A.540; and

(k) Any person convicted of one or more crimes committed prior to the person's eighteenth birthday may be released from confinement pursuant to RCW 9.94A.730.

(2) Notwithstanding any other provision of this section, an offender entitled to vacation of a conviction or the recalculation of his or her offender score pursuant to *State v. Blake*, No. 96873-0 (Feb. 25, 2021), may be released from confinement pursuant to a court order if the offender has already served a period of confinement that exceeds his or her new standard range. This provision does not create an independent right to release from confinement prior to resentencing.

(3) Offenders residing in a juvenile correctional facility placement pursuant to RCW 72.01.410(1)(a) are not subject to the limitations in this section.

NEW SECTION. Sec. 24. The *State v. Blake* reimbursement 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 state and local government costs resulting from the supreme court's decision in *State v. Blake*, No. 96873-0 (Feb. 25, 2021), and to reimburse individuals for legal financial obligations paid in connection with

sentences that have been invalidated as a result of the decision.

NEW SECTION. Sec. 25. The *State v. Blake* reimbursement account is created in the state treasury. All receipts from penalties collected under RCW 69.50.4011(3), 69.50.4013(2), and 69.41.030(2)(b) must be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for state and local government costs resulting from the supreme court's decision in *State v. Blake*, No. 96873-0 (Feb. 25, 2021), and to reimburse individuals for legal financial obligations paid in connection with sentences that have been invalidated as a result of the decision.

NEW SECTION. Sec. 26. RCW 69.50.4014 (Possession of forty grams or less of marijuana—Penalty) and 2015 2nd sp.s. c 4 s 505 & 2003 c 53 s 335 are each repealed.

NEW SECTION. Sec. 27. Sections 1 through 10, 12, 18, 19, 21 through 24, and 26 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 immediately.

NEW SECTION. Sec. 28. Section 10 of this act expires July 1, 2022.

NEW SECTION. Sec. 29. Section 11 of this act takes effect July 1, 2022.

NEW SECTION. Sec. 30. Sections 8, 9, 11, 19, and 24 of this act expire July 1, 2023.

NEW SECTION. Sec. 31. Sections 13 through 17, 20, and 25 of this act take effect July 1, 2023.

NEW SECTION. Sec. 32. 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."

Correct the title.

Signed by Representatives Ormsby, Chair; Bergquist, Vice Chair; Gregerson, Vice Chair; Macri, Vice Chair; Chopp; Cody; Dolan; Fitzgibbon; Frame; Hansen; Johnson, J.; Lekanoff; Pollet; Ryu; Senn; Springer; Stonier; Sullivan and Tharinger.

MINORITY recommendation: Do not pass. Signed by Representatives Stokesbary, Ranking Minority Member; Chambers, Assistant Ranking Minority Member; Corry, Assistant Ranking Minority Member; MacEwen, Assistant Ranking Minority Member; Boehnke; Chandler; Dye; Hoff; Jacobsen and Schmick.

MINORITY recommendation: Without recommendation. Signed by Representatives Caldier; Harris; Rude and Steele.

There being no objection, ENGROSSED SENATE BILL NO. 5476 was placed on the second reading calendar.

There being no objection, the House advanced to the sixth order of business.

SECOND READING

SENATE BILL NO. 5008, by Senators Robinson, Short, Brown, Hasegawa and C. Wilson

Extending the business and occupation tax exemption for amounts received as credits against contracts with or funds provided by the Bonneville power administration and used for low-income ratepayer assistance and weatherization.

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Berg and Orcutt spoke in favor of the passage of the bill.

MOTION

On motion of Representative Griffey, Representative McEntire was excused.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Senate Bill No. 5008.

ROLL CALL

The Clerk called the roll on the final passage of Senate Bill No. 5008, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Klippert, Kloba, Kraft, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McCaslin, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude,

Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Excused: Representative McEntire.

SENATE BILL NO. 5008, having received the necessary constitutional majority, was declared passed.

There being no objection, the House advanced to the seventh order of business.

THIRD READING

CONFERENCE COMMITTEE REPORT

April 21, 2021

Engrossed Second Substitute Senate Bill No. 5237

Includes "New Item": YES

Madame Speaker:

We of your Conference Committee, to whom was referred ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5237, expanding accessible, affordable child care and early childhood development programs, have had the same under consideration and we recommend that:

All previous amendments not be adopted and that the attached striking amendment H-1621.1 be adopted.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. SHORT TITLE. This act may be known and cited as the fair start for kids act.

NEW SECTION. Sec. 2. INTENT. (1) The legislature finds that high quality child care and early learning is critical to a child's success in school and life. The legislature recognizes that COVID-19 has devastated the existing child care industry, making it unduly burdensome for families to find care. The legislature recognizes that without immediate action to support child care providers, and without expanded access to affordable child care, especially infant and school-age care, parents will not be able to return to work while children lose valuable learning opportunities. In order to bolster a full economic recovery, the legislature finds that every child deserves a fair start.

(2) The legislature finds that access to affordable child care increases economic growth and labor force participation. The legislature further

finds that an affordable, accessible system of high quality child care is necessary to the health of Washington's economy because employers benefit when parents have safe, stable, and appropriate care for their children. The legislature recognizes that too many working parents are forced to reduce their hours, decline promotional opportunities, or leave the workforce completely due to a lack of affordable and appropriate child care. The legislature finds that a report commissioned by the department of commerce in 2019 found that working parents in Washington forego \$14,000,000,000 each year directly due to child care scarcity. The legislature recognizes that this disproportionately impacts women in the workforce and that in September 2020 alone, 78,000 men left the workforce, compared to 600,000 women.

(3) The legislature recognizes that quality child care can be a stabilizing factor for children experiencing homelessness, and is a proven protective factor against the impacts of trauma they may experience. Access to child care is also a necessary support for families with young children in resolving homelessness and securing employment.

(4) The legislature finds that the scarcity of child care, exacerbated by COVID-19, most significantly impacts families furthest from opportunity. The legislature recognizes that there are additional barriers to accessing this foundational support for immigrant communities and families whose first language is not English, families who have children with disabilities, rural communities, or other child care deserts. The legislature recognizes that high quality, inclusive child care and early learning programs have been shown to reduce the opportunity gap for low-income children and black, indigenous, and children of color while consistently improving outcomes for all children both inside and outside of the classroom.

(5) The legislature finds that without access to comprehensive, high quality prenatal to five services, children often enter kindergarten without the social-emotional, physical, cognitive, and language skills they need to be successful and fall behind their peers, facing compounding developmental challenges throughout their K-12 education. The legislature finds that cascading impacts of inaccessible child

care and early learning programs create systemic barriers for children and their families that result in higher special education needs, greater likelihood of needing to repeat grades, increased child welfare and juvenile justice involvement, reduced high school graduation rates, limited postsecondary education attainment, and greater barriers to employment in adulthood.

(6) The legislature finds the vast majority of child care providers are small businesses and nonprofit organizations. In addition to adhering to federal, state, and local regulations to ensure healthy and safe environments for children, the legislature recognizes that child care providers must ensure their employees are adequately compensated and supported. However, the legislature acknowledges that the reduced staffing ratios for health and safety, additional cost of personal protective equipment and extra cleaning supplies, increased use of substitutes needed during COVID-19-related absences, and increased technology demands during school closures from the pandemic are further straining the viability of the child care business model in Washington state.

(7) The legislature finds that the health and stability of the early learning workforce is pivotal to any expansion of child care in Washington state. The legislature recognizes that the child care workforce, predominantly comprised of women of color, is structurally afflicted by low wages, limited or no health care, and a severe lack of retirement benefits. The legislature further recognizes that the threat of COVID-19 compounds these underlying issues, forcing providers to navigate increased stress, anxiety, and behavioral issues all while risking their lives to care for children. The legislature recognizes that families, friends, and neighbors who provide care are a critical component of the child care system. The legislature finds that child care workers are essential and deserve to be compensated and benefited accordingly.

(8) Therefore, the legislature resolves to respond to the COVID-19 crisis by first stabilizing the child care industry and then expanding access to a comprehensive continuum of high quality early childhood development programs, including infant and school-

age child care, preschool, parent and family supports, and prenatal to three services. The legislature recognizes this continuum as critical to meeting different families' needs and offering every child in Washington access to a fair start.

(9) The legislature recognizes that the federal government has provided substantial additional funding through the coronavirus response and relief supplemental appropriations act, P.L. 116-260, division M., and the American rescue plan act of 2021. The purpose of the additional federal funding is to ensure access to affordable child care and stabilize and support child care providers affected by COVID-19. Therefore, it is the intent of the legislature to use the additional federal funding to supplement state funding in order to accelerate these investments.

(10) The legislature recognizes the strengths that multilingual, diverse early learning providers and caregivers contribute to early learning across the state. Therefore, the legislature intends to expand language access services to create an inclusive early learning system that specifically supports underserved providers.

(11) The legislature intends to expand eligibility for existing child care and preschool programs to increase access. The legislature recognizes that expansion must be accompanied by an investment to make child care more affordable. Therefore, the legislature intends to eliminate copayments for low-income families and limit copayments for any family on subsidy to no more than seven percent of their income.

(12) The legislature further intends to stabilize, support, and grow the diverse early learning workforce by funding living wages and affordable health benefits while providing training, infant and early childhood mental health consultation, shared business services, and a variety of other supports that recognize the critical role that early learning providers serve for all Washington children.

(13) The legislature intends to accelerate Washington's economic recovery from the devastating impacts of COVID-19 by dramatically expanding access to affordable, high quality child care and preschool, in order to get

parents back to work and provide every child with a fair start.

PART I

INVESTING IN CHILD CARE AND EARLY LEARNING

NEW SECTION. **Sec. 101.** FAIR START FOR KIDS ACCOUNT. (1) The fair start for kids account is created in the state treasury. Moneys in the account may be spent only after appropriation.

(2) Expenditures from the account may be used only for child care and early learning purposes.

NEW SECTION. **Sec. 102.** FAIR START FOR KIDS SPENDING GOALS AND STRATEGIES. (1) The spending goals and strategies for the fair start for kids account created under section 101 of this act include, but are not limited to:

(a) Increasing child care subsidy rates, with the goal of moving toward the full cost of providing high quality child care;

(b) Expanding health care coverage through state sponsorship of child care workers on the Washington health benefit exchange and providing consumer assistance through navigators, as well as any other expansions of access to affordable health care for staff in child care centers, family home providers, outdoor nature-based care, and early childhood education and assistance program staff;

(c) Increasing child care and early learning providers' compensation;

(d) Implementing the provisions of collective bargaining agreements for family child care providers negotiated pursuant to RCW 41.56.028;

(e) Supporting and expanding access to the early childhood education and assistance program to reach state-funded entitlement required in RCW 43.216.556;

(f) Making child care affordable for families;

(g) Providing resources and supports for family, friend, and neighbor caregivers that better reflect the full cost of care;

(h) Providing child care subsidies for families working to resolve homelessness;

(i) Providing professional development opportunities and supporting the

substitute pool for child care and early learning providers;

(j) Delivering infant and early childhood mental health consultation services;

(k) Establishing prekindergarten through third grade systems coordinators at educational service districts;

(l) Supporting youth development programs serving children and youth ages birth through 12 including, but not limited to, expanded learning opportunities, mentoring, school-age child care, and wraparound supports or integrated student supports;

(m) Awarding grants and loans through the early learning facilities grant and loan program established under chapter 43.31 RCW;

(n) Funding special designations in the working connections child care programs, early childhood education and assistance programs, and birth to three early childhood education and assistance programs including designations established in sections 302, 304, 305, and 404 of this act;

(o) Supporting costs for transparent data collection and information technology systems operated by the department and department contractors, in particular, to ensure equitable systemic service provision and outcomes;

(p) Providing access to learning technology;

(q) Providing child care resource and referral services;

(r) Conducting quality rating and improvement system activities through the early achievers program;

(s) Expanding prenatal to three services and supports, including the birth to three early childhood education and assistance program and the in-home parent skill-based programs established in RCW 43.216.130;

(t) Building and delivering a family resource and referral linkage system;

(u) Allowing the exploration of options to provide regulatory relief and make licensing more affordable for child care providers;

(v) Administering comprehensive shared services hubs to allow the ongoing pooling and shared use of services by

licensed or certified child care centers and family home providers;

(w) Training department staff to ensure consistent and equitable application of child care licensing and quality standards across the state including antibias and antiracist training;

(x) Providing incentives and supports for child care providers to become licensed;

(y) Studying and evaluating options to incentivize business participation in child care and early learning systems;

(z) Providing start-up grants to eligible organizations as described in RCW 43.31.575 who provide or commit to providing the early childhood education and assistance program or working connections child care. Start-up grants must be used for one-time start-up costs associated with the start-up of a new child care or early childhood education and assistance program site; and

(aa) Recognizing the benefits of the diverse workforce and facilitating communication in the three most commonly spoken languages by developing a language access plan that centers on equity and access for immigrants, multilingual providers, caregivers, and families.

(2) This section does not interfere with, impede, or in any way diminish the right of family child care providers to bargain collectively with the state through the exclusive bargaining representatives as provided for under RCW 41.56.028.

Sec. 103. RCW 43.88.055 and 2020 c 218 s 2 are each amended to read as follows:

LEGISLATIVE BALANCED BUDGET
REQUIREMENT.

(1) The legislature must adopt a four-year balanced budget as follows:

(a) Beginning in the 2013-2015 fiscal biennium, the legislature shall enact a balanced omnibus operating appropriations bill that leaves, in total, a positive ending fund balance in the general fund and related funds.

(b) Beginning in the 2013-2015 fiscal biennium, the projected maintenance level of the omnibus appropriations bill enacted by the legislature shall not exceed the available fiscal resources for the next ensuing fiscal biennium.

(2) For purposes of this section:

(a) "Available fiscal resources" means the beginning general fund and related fund balances and any fiscal resources estimated for the general fund and related funds, adjusted for enacted legislation, and with forecasted revenues adjusted to the greater of (i) the official general fund and related funds revenue forecast for the ensuing biennium, or (ii) the official general fund and related funds forecast for the second fiscal year of the current fiscal biennium, increased by 4.5 percent for each fiscal year of the ensuing biennium;

(b) "Projected maintenance level" means estimated appropriations necessary to maintain the continuing costs of program and service levels either funded in that appropriations bill or mandated by other state or federal law, and the amount of any general fund moneys projected to be transferred to the budget stabilization account pursuant to Article VII, section 12 of the state Constitution;

(c) "Related funds," as used in this section, means the Washington opportunity pathways account, the workforce education investment account, the fair start for kids account, and the education legacy trust account.

(3) Subsection (1)(a) and (b) of this section does not apply to an appropriations bill that makes net reductions in general fund and related funds appropriations and is enacted between July 1st and February 15th of any fiscal year.

(4) Subsection (1)(b) of this section does not apply in a fiscal biennium in which money is appropriated from the budget stabilization account pursuant to Article VII, section 12(d)(ii) of the state Constitution.

Sec. 104. RCW 43.216.075 and 2020 c 262 s 4 are each amended to read as follows:

INVESTMENT ACCOUNTABILITY AND
OVERSIGHT.

(1) The early learning advisory council is established to advise the department on statewide early learning issues that contribute to the ongoing efforts of building a comprehensive system of quality early learning programs and services for Washington's young children and families.

(2) The council shall work in conjunction with the department to ~~((assist))~~:

(a) Assist in policy development and implementation that ~~((assist—the department in promoting))~~ promotes alignment of private and public sector actions, objectives, and resources, ~~((ensuring))~~ with the overall goal of promoting school readiness for all children;

(b) Provide recommendations annually to the governor and the legislature, beginning August 31, 2022, regarding the phased implementation of strategies and priorities identified in section 102 of this act;

(c) Maintain a focus on racial equity and inclusion in order to dismantle systemic racism at its core and contribute to statewide efforts to break the cycle of intergenerational poverty;

(d) Maintain a focus on inclusionary practices for children with disabilities;

(e) Partner with nonprofit organizations to collect and analyze data and measure progress; and

(f) Assist the department in monitoring and ensuring that the investments funded by the fair start for kids account created in section 101 of this act are designed to support the following objectives:

(i) Advance racial equity and strengthen families by recognizing and responding to the growing diversity of our state's population;

(ii) Promote access to affordable, high quality child care and early learning opportunities for all families, paying particular attention to the needs of rural and other underserved communities;

(iii) Promote kindergarten readiness by enhancing child development, including development of social-emotional skills, and eliminating exclusionary admissions practices and disproportionate removals in child care and early learning programs; and

(iv) Contribute to efforts to strengthen and grow our state's economy by supporting working parents as well as stabilizing and supporting the child care and early learning workforce.

(3) In collaboration with the council, the department shall consult with its advisory groups and other interested stakeholders and shall submit a biennial report to the governor and legislature describing how the investments funded by the fair start for kids act have impacted the policy objectives stated in subsection (2)(f) of this section. The first report under this section is due September 15, 2023. The council shall include diverse, statewide representation from public, nonprofit, and for-profit entities. Its membership shall include critical partners in service delivery and reflect regional, racial, and cultural diversity to adequately represent the ~~((needs))~~ interests of all children and families in the state.

(4) Councilmembers shall serve two-year terms. However, to stagger the terms of the council, the initial appointments for twelve of the members shall be for one year. Once the initial one-year to two-year terms expire, all subsequent terms shall be for two years, with the terms expiring on June 30th of the applicable year. The terms shall be staggered in such a way that, where possible, the terms of members representing a specific group do not expire simultaneously.

(5) The council shall consist of members essential to coordinating services statewide prenatal through age ~~((five))~~ 12, as follows:

(a) In addition to being staffed and supported by the department, the governor shall appoint one representative from each of the following: The department of commerce and the department of health ~~((the student achievement council, and the state board for community and technical colleges))~~;

(b) One representative from the student achievement council, to be appointed by the student achievement council;

(c) The military spouse liaison created within the department of veterans affairs under RCW 43.60A.245;

(d) One representative from the state board for community and technical colleges, to be appointed by the state board for community and technical colleges;

(e) One representative from the office of the superintendent of public

instruction, to be appointed by the superintendent of public instruction;

~~((e)) The governor shall appoint leaders in early childhood education to represent critical service delivery and support sectors, with at least one individual representing each of the following:~~

~~(i) The head start state collaboration office director or the director's designee;~~

~~(ii) A representative of a head start, early head start, or migrant/seasonal head start program;~~

~~(iii) A representative of a local education agency;~~

~~(iv) A representative of the state agency responsible for programs under section 619 or part C of the federal individuals with disabilities education act;~~

~~(v) A representative of the early childhood education and assistance program;~~

~~(vi) A representative of licensed family day care providers;~~

~~(vii) A representative of child day care centers; and~~

~~(viii) A representative from the home visiting advisory committee established in RCW 43.216.130;~~

~~(d)) (f) Two members of the house of representatives, one from each caucus, to be appointed by the speaker of the house of representatives and two members of the senate, one from each caucus, to be appointed by the majority leader in the senate and the minority leader in the senate;~~

~~((e)) (g) Two parents, one of whom serves on the department's parent advisory group, to be appointed by the ((governor)) parent advisory group;~~

~~((f)) (h) One representative of the private-public partnership created in RCW 43.216.065, to be appointed by the partnership board;~~

~~((g)) (i) One representative from the developmental disabilities community representing children and families involved in part C of the federal individuals with disabilities education act and one representative from the developmental disabilities community representing children and families~~

involved in part B of the federal individuals with disabilities education act;

~~((h)) (j) Two representatives from early learning regional coalitions;~~

~~((i) Representatives) (k) Up to five representatives of underserved communities who have a special expertise or interest in high quality early learning, one to be appointed by each of the following commissions:~~

~~(i) The Washington state commission on Asian Pacific American affairs established under chapter 43.117 RCW;~~

~~(ii) The Washington state commission on African American affairs established under chapter 43.113 RCW; ((and))~~

~~(iii) The Washington state commission on Hispanic affairs established under chapter 43.115 RCW;~~

~~(iv) The Washington state women's commission established under chapter 43.119 RCW; and~~

~~(v) The Washington state office of equity established under chapter 43.06D RCW;~~

~~((j)) (l) Two representatives designated by sovereign tribal governments, one of whom must be a representative of a tribal early childhood education assistance program or head start program;~~

~~((k)) (m) One representative from the Washington federation of independent schools;~~

~~((l)) (n) One representative from the Washington library association; ((and~~

~~(m)) (o) One representative from a statewide advocacy coalition of organizations that focuses on early learning;~~

~~(p) One representative from an association representing statewide business interests, to be appointed by the association and one representative from a regional business coalition;~~

~~(q) One representative of an advocacy organization for immigrants and refugees;~~

~~(r) One representative of an organization advocating for expanded learning opportunities and school-age child care programs;~~

(s) One representative from the largest union representing child care providers;

(t) A representative of a head start, early head start, or migrant and seasonal head start program, to be appointed by the head start collaboration office;

(u) A representative of educational service districts, to be appointed by a statewide association of educational service district board members;

(v) A provider responsible for programs under section 619 of the federal individuals with disabilities education act, to be appointed by the superintendent of public instruction;

(w) A representative of the state agency responsible for part C of the federal individuals with disabilities education act, to be appointed by the department;

(x) A representative of the early childhood education and assistance program, to be appointed by an association representing early childhood education and assistance programs;

(y) A representative of licensed family home providers, to be appointed by the largest union representing child care providers;

(z) A representative of child care centers, to be appointed by an association representing child care centers;

(aa) A representative from the home visiting advisory committee established in RCW 43.216.130, to be appointed by the committee;

(bb) An infant or early childhood mental health expert, to be appointed by the Barnard center for infant and early childhood mental health at the University of Washington;

(cc) A family, friend, and neighbor caregiver, to be appointed by the largest union representing child care providers;

(dd) A representative from prenatal to three services;

(ee) A pediatrician, to be appointed by the state chapter of the American academy of pediatrics; and

(ff) A representative of the statewide child care resource and referral organization, to be appointed by the

statewide child care resource and referral organization.

(6) The council shall be cochaired by two members, to be elected by the council for two-year terms and not more than one cochair may represent a state agency.

(7) At the direction of the cochaairs, the council may convene advisory groups, such as a parent caucus, to evaluate specific issues and report related findings and recommendations to the full council.

(8) The council shall appoint two members and stakeholders with expertise in early learning to sit on the technical working group created in section 2, chapter 234, Laws of 2010.

~~((9))~~ (9) Each member of the ~~(board)~~ council shall be compensated in accordance with RCW 43.03.240 and reimbursed for travel expenses incurred in carrying out the duties of the ~~(board)~~ council in accordance with RCW 43.03.050 and 43.03.060.

~~((9))~~ (10)(a) The council shall convene an early achievers review subcommittee to provide feedback and guidance on strategies to improve the quality of instruction and environment for early learning and provide input and recommendations on the implementation and refinement of the early achievers program. The subcommittee shall at a minimum provide feedback and guidance to the department and the council on the following:

(i) Adequacy of data collection procedures;

(ii) Coaching and technical assistance standards;

(iii) Progress in reducing barriers to participation for low-income providers and providers from diverse cultural backgrounds, including a review of the early achievers program's rating tools, quality standard areas, and components, and how they are applied;

(iv) Strategies in response to data on the effectiveness of early achievers program standards in relation to providers and children from diverse cultural backgrounds;

(v) Status of the life circumstance exemption protocols; ~~(and)~~

(vi) Analysis of early achievers program data trends; and

(vii) Other relevant early learning data including progress in serving students with disabilities ages birth to five and least restrictive environment data.

(b) The subcommittee must include consideration of cultural linguistic responsiveness when analyzing the areas for review required by (a) of this subsection.

(c) The subcommittee shall include representatives from child care centers, family child care, the early childhood education and assistance program, contractors for early achievers program technical assistance and coaching, tribal governments, the organization responsible for conducting early achievers program ratings, and parents of children participating in early learning programs, including working connections child care and early childhood education and assistance programs. The subcommittee shall include representatives from diverse cultural and linguistic backgrounds.

~~((10))~~ (11)(a) The council shall convene a temporary licensing subcommittee to provide feedback and recommendations on improvement to the statewide licensing process.

(b) Members of the subcommittee must include two representatives of the department, two child care providers, and two parents of children in child care. One child care provider and one parent representative must reside east of the crest of the Cascade mountains and one child care provider and one parent representative must reside west of the crest of the Cascade mountains.

(c) The subcommittee shall:

(i) Examine strategies to increase the number of licensed child care providers in the state, including meeting with prospective licensees to explain the licensure requirements and inspect and provide feedback on the physical space that is contemplated for licensure;

(ii) Develop model policies for licensed child care providers to implement licensing standards including, but not limited to, completing the child care and early learning licensing guidebook, to be made available to support providers with compliance; and

(iii) Develop recommendations regarding incentives and financial

supports to help prospective providers navigate the licensing process.

(d) The subcommittee shall provide feedback and recommendations to the department of children, youth, and families pursuant to this subsection (11) by December 1, 2022.

(12) The department shall provide staff support to the council.

Sec. 105. RCW 83.100.230 and 2019 c 415 s 990 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, early learning and child care programs, and other educational improvement efforts. ~~((During the 2015-2017, 2017-2019, and 2019-2021 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.))~~

NEW SECTION. Sec. 106. INFLATIONARY ADJUSTMENTS. Beginning July 1, 2023, and subject to the availability of amounts appropriated for this specific purpose, rates paid under sections 302, 305, and 404 of this act and RCW 43.216.578 must be adjusted every two years according to an inflationary increase. The inflationary increase must be calculated by applying the rate of the increase in the inflationary adjustment index to the rates established in sections 302, 305, and 404 of this act and RCW 43.216.578. Any funded inflationary increase must be included in the rate used to determine inflationary increases in subsequent years. For the purposes of this section, "inflationary adjustment index" means the implicit price deflator averaged for each fiscal year, using the official current base rate, compiled by the bureau of economic analysis, United States department of commerce.

PART II

EXPANDING ACCESS TO CHILD CARE AND EARLY LEARNING PROGRAMS

NEW SECTION. Sec. 201. WORKING CONNECTIONS CHILD CARE PROGRAM

ELIGIBILITY AND COPAYMENT. (1) It is the intent of the legislature to increase working families' access to affordable, high quality child care and to support the expansion of the workforce to support businesses and the statewide economy.

(2) Beginning October 1, 2021, a family is eligible for working connections child care when the household's annual income is at or below 60 percent of the state median income adjusted for family size and:

(a) The child receiving care is: (i) Less than 13 years of age; or (ii) less than 19 years of age and has a verified special need according to department rule or is under court supervision; and

(b) The household meets all other program eligibility requirements.

(3) Beginning July 1, 2025, a family is eligible for working connections child care when the household's annual income is above 60 percent and at or below 75 percent of the state median income adjusted for family size and:

(a) The child receiving care is: (i) Less than 13 years of age; or (ii) less than 19 years of age and has a verified special need according to department rule or is under court supervision; and

(b) The household meets all other program eligibility requirements.

(4) Beginning July 1, 2027, and subject to the availability of amounts appropriated for this specific purpose, a family is eligible for working connections child care when the household's annual income is above 75 percent of the state median income and is at or below 85 percent of the state median income adjusted for family size and:

(a) The child receiving care is: (i) Less than 13 years of age; or (ii) less than 19 years of age and has a verified special need according to department rule or is under court supervision; and

(b) The household meets all other program eligibility requirements.

(5)(a) Beginning July 1, 2021, through June 30, 2023, the department must calculate a monthly copayment according to the following schedule:

If the household's income is:	Then the household's maximum monthly copayment is:
At or below 20 percent of the state median income	Waived to the extent allowable under federal law; otherwise, a maximum of \$15
Above 20 percent and at or below 36 percent of the state median income	\$65
Above 36 percent and at or below 50 percent of the state median income	\$115 until December 31, 2021, and \$90 beginning January 1, 2022
Above 50 percent and at or below 60 percent of the state median income	\$115

(b) Beginning July 1, 2023, the department must calculate a monthly copayment according to the following schedule:

If the household's income is:	Then the household's maximum monthly copayment is:
At or below 20 percent of the state median income	Waived to the extent allowable under federal law; otherwise, a maximum of \$15
Above 20 percent and at or below 36 percent of the state median income	\$65
Above 36 percent and at or below 50 percent of the state median income	\$90

percent of the state median income	
Above 50 percent and at or below 60 percent of the state median income	\$165

(c) Beginning July 1, 2025, the department must calculate a maximum monthly copayment of \$215 for households with incomes above 60 percent and at or below 75 percent of the state median income.

(d) Subject to the availability of amounts appropriated for this specific purpose, the department shall adopt a copayment model for households with annual incomes above 75 percent of the state median income and at or below 85 percent of the state median income. The model must calculate a copayment for each household that is no greater than seven percent of the household's countable income within this income range.

(e) The department may adjust the copayment schedule to comply with federal law.

(6) The department must adopt rules to implement this section, including an income phase-out eligibility period.

Sec. 202. RCW 43.216.136 and 2020 c 279 s 2 are each amended to read as follows:

WORKING CONNECTIONS CHILD CARE FOR STUDENT PARENTS.

(1) The department shall establish and implement policies in the working connections child care program to promote stability and quality of care for children from low-income households. These policies shall focus on supporting school readiness for young learners. Policies for the expenditure of funds constituting the working connections child care program must be consistent with the outcome measures established by the department and the standards established in this section intended to promote stability, quality, and continuity of early care and education programming.

(2) As recommended by P.L. 113-186, authorizations for the working connections child care subsidy are

effective for twelve months beginning July 1, 2016 (~~(, unless an earlier date is provided in the omnibus appropriations act)~~).

(a) A household's 12-month authorization begins on the date that child care is expected to begin.

(b) If a newly eligible household does not begin care within 12 months of being determined eligible by the department, the household must reapply in order to qualify for subsidy.

(3) (a) The department shall establish and implement policies in the working connections child care program to allow eligibility for families with children who:

(i) In the last six months have:

(A) Received child protective services as defined and used by chapters 26.44 and 74.13 RCW;

(B) Received child welfare services as defined and used by chapter 74.13 RCW; or

(C) Received services through a family assessment response as defined and used by chapter 26.44 RCW;

(ii) Have been referred for child care as part of the family's case management as defined by RCW 74.13.020; and

(iii) Are residing with a biological parent or guardian.

(b) (~~(Children)~~) Families who are eligible for working connections child care pursuant to this subsection do not have to keep receiving services identified in this subsection to maintain twelve-month authorization.

(4) (a) Beginning (~~(August 1, 2020)~~) July 1, 2021, and subject to the availability of amounts appropriated for this specific purpose, the department may not require an applicant or consumer to meet work requirements as a condition of receiving working connections child care benefits when the applicant or consumer is (~~(+~~

~~(i) A single parent,~~

~~(ii) A) a full-time student of a community, technical, or tribal college(~~(+)~~) and (~~(iii) Pursuing~~) is enrolled in: (i) A vocational education program that leads to a degree or certificate in a specific occupation(~~(+ not to result in a bachelor's or advanced degree)~~);~~

(ii) An associate degree program; or

(iii) A registered apprenticeship program.

(b) An applicant or consumer is a full-time student for the purposes of this subsection if he or she meets the college's definition of a full-time student. ~~((The student must maintain passing grades and be in good standing pursuant to college attendance requirements.))~~

(c) Nothing in this subsection is intended to change how applicants or consumers are prioritized when applicants or consumers are placed on a waitlist for working connections child care benefits.

(d) Subject to the availability of amounts appropriated for this specific purpose, the department may extend the provisions of this subsection (4) to full-time students who are enrolled in a bachelor's degree program or applied baccalaureate degree program.

(5) (a) The department must extend the homeless grace period, as adopted in department rule as of January 1, 2020, from a four-month grace period to a twelve-month grace period.

(b) For the purposes of this section, "homeless" means being without a fixed, regular, and adequate nighttime residence as described in the federal McKinney-Vento homeless assistance act (42 U.S.C. Sec. 11434a) as it existed on January 1, 2020.

(6) For purposes of this section, "authorization" means a transaction created by the department that allows a child care provider to claim payment for care. The department may adjust an authorization based on a household's eligibility status.

NEW SECTION. Sec. 203. EARLY CHILDHOOD EDUCATION AND ASSISTANCE PROGRAM INTENT. (1) The legislature finds that eligibility guidelines for the national school lunch program require free meals for children with household incomes at or below 130 percent of the federal poverty level and that this income level is approximately equivalent to 36 percent of the state median income for a household of three. The legislature further finds that eligibility guidelines require reduced-price meals for children with household incomes at or below 185 percent of the federal poverty

level and that this income level is approximately equivalent to 50 percent of the state median income for a household of three.

(2) Therefore, the legislature intends to raise the maximum family income for children entitled to enroll in the early childhood education and assistance program to 36 percent of the state median income beginning July 1, 2026. Beginning in the 2030-31 school year, the legislature intends to raise the maximum family income for children entitled to enroll in this program to 50 percent of the state median income. It is the intent of the legislature to standardize income eligibility levels for assistance programs in order to help families and social workers better understand the benefits for which families qualify and to simplify and align state systems wherever feasible.

(3) The legislature further intends to support educational service districts to help school districts partner with early childhood education and assistance program contractors and providers to expand access.

Sec. 204. RCW 43.216.505 and 2021 c 67 s 1 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout RCW 43.216.500 through 43.216.559, 43.216.900, and 43.216.901.

(1) "Advisory committee" means the advisory committee under RCW 43.216.520.

(2) "Approved programs" means those state-supported education and special assistance programs which are recognized by the department as meeting the minimum program rules adopted by the department to qualify under RCW 43.216.500 through 43.216.550, 43.216.900, and 43.216.901 and are designated as eligible for funding by the department under RCW 43.216.530 and 43.216.540.

(3) "Comprehensive" means an assistance program that focuses on the needs of the child and includes education, health, and family support services.

(4) "Eligible child" means a three to five-year old child who is not age-eligible for kindergarten, is not a participant in a federal or state program

providing comprehensive services, and who:

(a) ~~Has a family ((income at or below one hundred ten percent of the federal poverty level, as published annually by the federal department of health and human services))~~ with financial need;

(b) Is experiencing homelessness;

(c) Has participated in early head start or a successor federal program providing comprehensive services for children from birth through two years of age, the early support for infants and toddlers program or received class C developmental services, the birth to three early childhood education and assistance program, or the early childhood intervention and prevention services program;

(d) Is eligible for special education due to disability under RCW 28A.155.020; ~~((e~~

~~(e))~~ (e) Is Indian as defined in rule by the department after consultation and agreement with Washington state's federally recognized tribes pursuant to section 207 of this act and is at or below 100 percent of the state median income adjusted for family size; or

(f) Meets criteria under rules adopted by the department if the number of such children equals not more than ten percent of the total enrollment in the early childhood program. Preference for enrollment in this group shall be given to children from families with the lowest income, children in foster care, or to eligible children from families with multiple needs.

(5) "Family support services" means providing opportunities for parents to:

(a) Actively participate in their child's early childhood program;

(b) Increase their knowledge of child development and parenting skills;

(c) Further their education and training;

(d) Increase their ability to use needed services in the community;

(e) Increase their self-reliance; and

(f) Connect with culturally competent, disability positive therapists and supports where appropriate.

(6) ~~((("Homeless"))~~ "Experiencing homelessness" means a child without a

fixed, regular, and adequate nighttime residence as described in the federal McKinney-Vento homeless assistance act (Title 42 U.S.C., chapter 119, subchapter VI, part B) as it existed on January 1, 2021.

(7) "Family with financial need" means families with incomes at or below 36 percent of the state median income adjusted for family size until the 2030-31 school year. Beginning in the 2030-31 school year, "family with financial need" means families with incomes at or below 50 percent of the state median income adjusted for family size.

Sec. 205. RCW 43.216.512 and 2019 c 409 s 2 are each amended to read as follows:

EARLY CHILDHOOD EDUCATION AND ASSISTANCE PROGRAM EXPANDED ENROLLMENT.

(1) The department shall adopt rules that allow the enrollment of children in the early childhood education and assistance program, as space is available, if the number of such children equals not more than ~~((twenty-five))~~ 25 percent of total statewide enrollment, when the child is not eligible under RCW 43.216.505 and whose family income level is ~~((+~~

~~(a) Above one hundred ten percent but less than or equal to one hundred thirty percent of the federal poverty level; or~~

~~(b) Above one hundred thirty percent but less than or equal to two hundred percent of the federal poverty level if)~~ above 36 percent of the state median income but at or below 50 percent of the state median income adjusted for family size and the child meets at least one of the risk factor criterion described in subsection (2) of this section.

(2) Children enrolled in the early childhood education and assistance program pursuant to ~~((subsection (1)(b) of~~ this section must be prioritized for available funded slots according to a prioritization system adopted in rule by the department that considers risk factors that have a disproportionate effect on kindergarten readiness and school performance, including:

(a) Family income as a percent of the ((federal poverty level)) state median income;

(b) ~~((Homelessness;~~

~~(e))~~ Child welfare system involvement;

~~((d) Developmental delay or disability that does not meet the eligibility criteria for special education described in RCW 28A.155.020)~~
 (c) Eligible for services under part C of the federal individuals with disabilities education act but not eligible for services under part B of the federal individuals with disabilities education act;

~~((e))~~ (d) Domestic violence;

~~((f))~~ (e) English as a second language;

~~((g))~~ (f) Expulsion from an early learning setting;

~~((h))~~ (g) A parent who is incarcerated;

~~((i))~~ (h) A parent with a ~~((substance use disorder or mental))~~ behavioral health treatment need; and

~~((j))~~ (i) Other risk factors determined by the department to be linked by research to school performance.

(3) ~~((The department shall adopt rules that allow a child to enroll in the early childhood education and assistance program, as space is available, when the child is not eligible under RCW 43.216.505 and the child turns three years old at any time during the school year when the child:~~

~~(a) Has a family income at or below two hundred percent of the federal poverty level or meets at least one risk factor criterion adopted by the department in rule; and~~

~~(b) Has received services from or participated in:~~

~~(i) The early support for infants and toddlers program;~~

~~(ii) The early head start or a successor federal program providing comprehensive services for children from birth through two years of age; or~~

~~(iii) The birth to three early childhood education and assistance program, if such a program is established.~~

(4)) Children enrolled in the early childhood education and assistance program under this section are not considered eligible children as defined in RCW 43.216.505 and are not considered

to be part of the state-funded entitlement required in RCW 43.216.556.

(4) This section expires August 1, 2030.

NEW SECTION. Sec. 206. EARLY CHILDHOOD EDUCATION AND ASSISTANCE PROGRAM EARLY ENTRY. (1) The department shall adopt rules that allow a child to enroll in the early childhood education and assistance program, as space is available and subject to the availability of amounts appropriated for this specific purpose, when the child is not eligible under RCW 43.216.505 and the child turns three years old at any time during the school year when the child:

(a) Has a family income at or below 50 percent of the state median income or meets at least one risk factor criterion adopted by the department in rule; and

(b) Has received services from or participated in:

(i) The early head start or a successor federal program providing comprehensive services for children from birth through two years of age;

(ii) The early support for infants and toddlers program or received class C developmental services;

(iii) The birth to three early childhood education and assistance program; or

(iv) The early childhood intervention and prevention services program.

(2) Children enrolled in the early childhood education and assistance program under this section are not eligible children as defined in RCW 43.216.505 and are not part of the state-funded entitlement required in RCW 43.216.556.

NEW SECTION. Sec. 207. INDIAN CHILD DEFINITION. (1) The department must consult, and obtain the advice and consent of, the governing bodies of the state's federally recognized tribes in developing an agreed-upon definition of the term "Indian" for the purposes of RCW 43.216.505 and, by July 1, 2024, must adopt the definition in rule.

(2) This section expires December 1, 2030.

Sec. 208. RCW 43.216.556 and 2019 c 408 s 3 are each amended to read as follows:

(1) Funding for the program of early learning established under this chapter must be appropriated to the department. The department shall distribute funding to approved early childhood education and assistance program contractors on the basis of eligible children enrolled.

(2) The program shall be implemented in phases, so that full implementation is achieved in the ~~((2022-23))~~ 2026-27 school year.

(3) Funding shall continue to be phased in each year until full statewide implementation of the early learning program is achieved in the ~~((2022-23))~~ 2026-27 school year, at which time any eligible child is entitled to be enrolled in the program. Entitlement under this section is voluntary enrollment.

(4) School districts and approved community-based early learning providers may contract with the department to provide services under the program. The department shall collaborate with school districts, community-based providers, and educational service districts to promote an adequate supply of approved providers.

PART III

SUPPORTING CHILD CARE AND EARLY LEARNING PROVIDERS

Sec. 301. RCW 43.216.749 and 2019 c 368 s 7 are each amended to read as follows:

CHILD CARE SUBSIDY RATES.

(1) ~~((By January 1, 2025, the department of children, youth, and families must))~~ It is the intent of the legislature to systemically increase child care subsidy rates over time until rates are equal to the full cost of providing high quality child care.

(2) Beginning July 1, 2021, child care subsidy base rates must achieve the 85th percentile of market for licensed or certified child care providers. The state and the exclusive representative for family child care providers must enter into bargaining over the implementation of the subsidy rate increase under this subsection.

(3) (a) The department shall build upon the work of the child care collaborative task force to develop and implement a child care cost estimate model and use the completed child care cost model

~~((developed under RCW 43.330.527 to determine child care subsidy rates.~~

~~(2) This section expires January 30, 2025))~~ to recommend subsidy rates at levels that are sufficient to compensate licensed or certified child care providers for the full costs of providing high quality child care. The department shall consider:

(i) Adjusting rates to reflect cost of living such as area median income, cost of living by zip code, and grouping by categories such as rural, suburban, or urban; and

(ii) Incorporating the rate model for nonstandard child care hours developed under section 306 of this act.

(b) The department shall build upon the work of the child care collaborative task force to evaluate options to support access to affordable health care insurance coverage for licensed or certified child care providers.

(4) This section does not interfere with, impede, or in any way diminish the right of family child care providers to bargain collectively with the state through the exclusive bargaining representatives as provided for under RCW 41.56.028.

NEW SECTION. Sec. 302. EARLY CHILDHOOD EDUCATION AND ASSISTANCE PROGRAM RATES. (1) For the 2021-22 school year, rates for the early childhood education and assistance program must be set at a level at least 10 percent higher than the rates established in section 225, chapter 415, Laws of 2019.

(2) It is the intent of the legislature that rate increases shall be informed by the department's 2020 early childhood education and assistance program rate study.

(3) This section expires June 30, 2027.

NEW SECTION. Sec. 303. COMPLEX NEEDS FUNDS. (1) Subject to the availability of amounts appropriated for this specific purpose, the department shall administer two complex needs funds to promote inclusive, least restrictive environments and to support contractors and providers serving children who have developmental delays, disabilities, behavioral needs, or other unique needs. The department shall work collaboratively with the office of the

superintendent of public instruction and providers to best serve children. One fund must support early childhood education and assistance program contractors and providers and birth to three early childhood education and assistance program contractors and providers, and one fund must support licensed or certified child care providers and license-exempt child care programs.

(2) Support may include staffing, programming, therapeutic services, and equipment or technology support. Additional support may include activities to assist families with children expelled or at risk of expulsion from child care, and to help families transition in and out of child care.

NEW SECTION. Sec. 304. TRAUMA-INFORMED CARE SUPPORTS. (1) Beginning July 1, 2022, the department shall provide supports to aid eligible providers in providing trauma-informed care. Trauma-informed care supports may be used by eligible providers for the following purposes:

(a) Additional compensation for individual staff who have an infant and early childhood mental health or other child development specialty credential;

(b) Trauma-informed professional development and training;

(c) The purchase of screening tools and assessment materials;

(d) Supportive services for children with complex needs that are offered as fee-for-service within local communities; or

(e) Other related expenses.

(2) The department must adopt rules to implement this section.

(3) For the purposes of this section, "eligible provider" means: (a) An employee or owner of a licensed or certified child care center or outdoor nature-based care accepting state subsidy; (b) an employee or owner of a licensed family home provider accepting state subsidy; (c) a contractor or provider of the early childhood education and assistance program or birth to three early childhood education and assistance program; (d) a license-exempt child care program; or (e) an early achievers coach.

NEW SECTION. Sec. 305. DUAL LANGUAGE RATE ENHANCEMENT. (1) Beginning July 1,

2022, the department shall establish a dual language designation and provide subsidy rate enhancements or site-specific grants for licensed or certified child care providers who are accepting state subsidy; early childhood education and assistance program contractors; or birth to three early childhood education and assistance program contractors. It is the intent of the legislature to allow uses of rate enhancements or site-specific grants to include increased wages for individual staff who provide bilingual instruction, professional development training, the purchase of dual language and culturally appropriate curricula and accompanying training programs, instructional materials, or other related expenses.

(2) The department must consult with a culturally and linguistically diverse stakeholder advisory group to develop criteria for the dual language designation.

(3) The department must adopt rules to implement this section.

NEW SECTION. Sec. 306. NONSTANDARD HOURS RATE MODEL. (1) In order to expand the supply of critically needed after-hours care to meet the needs of parents and caregivers and a round-the-clock economy, the department of children, youth, and families, in consultation with diverse stakeholders, must develop a rate model for nonstandard child care hours and submit the model to the governor and the appropriate committees of the legislature by January 1, 2022.

(2) This section expires June 30, 2022.

NEW SECTION. Sec. 307. EARLY CHILDHOOD EQUITY GRANTS. (1) Subject to the availability of amounts appropriated for this specific purpose, the department shall distribute early childhood equity grants to eligible applicants. Eligible applicants include play and learn groups, licensed or certified child care centers and family home providers, license-exempt child care programs, and early childhood education and assistance program contractors. The equity grants are intended to serve as a step toward expanding access to early learning statewide and transforming Washington's early learning system to make it more inclusive and equitable. The department shall administer the early childhood equity grants to support inclusive and culturally and linguistically specific

early learning and early childhood and parent support programs across the state.

(2) The department must conduct an equitable process to prioritize grant applications for early childhood equity grant assistance. An eligible applicant may receive an early childhood equity grant once every two years. When conducting the equitable grant process, the department must:

(a) Solicit project applications from a racially and geographically diverse pool of eligible applicants statewide;

(b) Provide application materials in the five most commonly spoken languages in the state and broadly communicate using a variety of strategies to reach diverse communities;

(c) Require applicants to demonstrate their proposed uses of early childhood equity grant funds to incorporate either inclusive practices or culturally and linguistically supportive and relevant practices, or both, into early learning program design, delivery, education, training, and evaluation; and

(d) Provide technical assistance to any applicant who needs it.

NEW SECTION. Sec. 308. A new section is added to chapter 43.330 RCW to read as follows:

EMPLOYER-SUPPORTED CHILD CARE.

(1) Subject to the availability of amounts appropriated for this specific purpose, the department, in collaboration with the department of children, youth, and families, shall provide or contract to provide remote or in-person technical assistance to employers interested in supporting their employees' access to high quality child care.

(2) Technical assistance may include guidance related to:

(a) Operating a licensed child care center at or near the workplace for the benefit of employees;

(b) Financing and construction of a licensed child care center at or near the workplace for the benefit of employees;

(c) Providing financial assistance to employees for licensed or certified child care providers and license-exempt child care program expenses;

(d) Encouraging access and support for low-wage employees;

(e) Sponsoring dependent care flexible spending accounts for employees; and

(f) Developing a "bring your infant to work" program and other family-friendly work policies for employees.

Sec. 309. RCW 43.216.090 and 2019 c 360 s 7 are each amended to read as follows:

INFANT AND EARLY CHILDHOOD MENTAL HEALTH CONSULTATION.

~~((The))~~ (1) The department shall administer or contract for infant and early childhood mental health consultation services to child care providers and early learning providers participating in the early achievers program.

(2) Beginning July 1, 2021, the department of children, youth, and families must have or contract for one infant and early childhood mental health consultation coordinator and must enter into a contractual agreement with an organization providing coaching services to early achievers program participants to hire ~~((one))~~ at least 12 qualified infant and early childhood mental health consultants ~~((for each of the six department designated regions))~~. The department shall determine, in collaboration with the statewide child care resource and referral network, where the additional consultants should be sited based on factors such as the total provider numbers overlaid with indicators of highest need. The infant and early childhood mental health consultants must support early achievers program coaches and child care providers by providing resources, information, and guidance regarding challenging behavior and expulsions and may travel to assist providers in serving families and children with severe behavioral needs. ~~((In coordination with the contractor, the department of children, youth, and families must report on the services provided and the outcomes of the consultant activities to the governor and the appropriate policy and fiscal committees of the legislature by June 30, 2021.))~~

(3) The department shall provide, or contract with an entity to provide, reflective supervision and professional development for infant and early

childhood mental health consultants to meet national competency standards.

(4) As capacity allows, the department may provide access to infant and early childhood mental health consultation services to caregivers and licensed or certified, military, and tribal early learning providers, license-exempt family, friend, and neighbor care providers, and families with children expelled or at risk of expulsion from child care.

NEW SECTION. Sec. 310. PLAY AND LEARN GROUPS. Subject to the availability of amounts appropriated for this specific purpose, the department, in consultation with community-based programs, shall provide or contract to provide, or both, resources and supports for inclusive and culturally and linguistically relevant play and learn groups. Play and learn groups offer parents and other caregivers culturally responsive opportunities to support their children's early learning, build relationships that reduce isolation and encourage socialization, and promote kindergarten readiness.

NEW SECTION. Sec. 311. PROFESSIONAL DEVELOPMENT. (1) Subject to the availability of amounts appropriated for this specific purpose, the department shall provide professional development supports to aid eligible providers in reaching the professional education and training standards adopted by the department. Professional development supports may include:

(a) Department-required trainings for child care providers conducted by department-approved trainers;

(b) Trainings for license-exempt family, friend, and neighbor child care providers conducted by department-approved trainers;

(c) Early achievers scholarships;

(d) Community-based training pathways and systems developed under RCW 43.216.755;

(e) Supporting a nonprofit organization that provides relationship-based professional development support to family, friend, and neighbor caregivers, child care centers, and licensed family home providers, and their work to help providers start their businesses; and

(f) Other professional development activities such as updating training

content, data collection and reporting, trainer recruitment, retention, program monitoring, and trainings delivered by department-approved trainers on topics such as small business management, antibias and antiracist training, providing care for children with developmental disabilities, social-emotional learning, implementing inclusionary practices in early learning environments, infant and toddler care, dual language program development, and providing trauma-informed care.

(2) For the purposes of this section, "eligible provider" means: (a) An owner of a licensed or certified child care center, licensed or certified outdoor nature-based care, or licensed family home provider accepting state subsidy; (b) an employee of a licensed or certified child care center, licensed or certified outdoor nature-based care, or a licensed family home provider; (c) a contractor or provider of the early childhood education and assistance program or birth to three early childhood education and assistance program; or (d) an early achievers coach.

NEW SECTION. Sec. 312. NEGOTIATED RULE MAKING WITH CHILD CARE CENTERS. When the secretary elects to engage in negotiated rule making pursuant to RCW 34.05.310(2)(a), the department must include the largest organization representing child care center owners and directors; the largest organization representing supervisors, teachers, and aides; and other affected interests before adopting requirements that affect child care center licensees.

NEW SECTION. Sec. 313. CAPACITY FLEXIBILITY FOR FAMILY HOME PROVIDERS. The department may waive the limit, as established in RCW 43.216.010(1)(c), that restricts family home providers from serving not more than 12 children. The department must establish conditions for such waivers by rule and must assess, at a minimum, the provider's available square footage and staffing capabilities prior to issuing any waiver of the limit of 12 children.

NEW SECTION. Sec. 314. SUPPORT FOR CHILD CARE DESERTS. (1) Subject to the availability of amounts appropriated for this specific purpose, the department shall establish a grant program to expand child care in child care deserts. Grants must be used for one-time costs associated with the opening of a child care site, including program costs, for

providers who are newly licensed or are in the process of becoming licensed.

(2) The department must use the child care industry insights dashboard from the child care industry assessment as a tool to identify areas in which additional investments are needed in order to expand existing child care capacity to meet family demand and reduce child care deserts.

(3) This section expires June 30, 2026.

PART IV

STRENGTHENING PRENATAL TO THREE SUPPORTS

NEW SECTION. **Sec. 401.** PRENATAL TO THREE INTENT. (1) The legislature finds that parental relationships and healthy interactions in the first few years of life help shape the development of babies' and toddlers' brains and bodies. Eighty percent of the brain is developed by the age of three and parents are a child's first teachers.

(2) The legislature finds that the federal family first prevention services act (P.L. 115-123) offers the state the opportunity to leverage federal funding for certain programs, including in-home parent skill-based programs, substance use disorder support, and mental health interventions. Culturally relevant, evidence-based programs that may qualify for these federal funds are limited. Therefore, state support may be necessary to serve traditionally underrepresented communities and increase positive engagement from parents and caregivers of children from before birth to age three.

(3) The legislature finds that small teacher-child ratios for infant and toddler care, as well as the existence of child care deserts with low levels of access to care for the birth to three age group, contribute to higher expenses for providers and families with babies and young children.

(4) Therefore, the legislature intends to expand parent and family education and support, incentivize the provision of infant and toddler care, and make early therapeutic and preventative services more readily available to families and young children.

NEW SECTION. **Sec. 402.** EDUCATION AND SUPPORT FOR PARENTS AND FAMILY, FRIEND, AND NEIGHBOR CAREGIVERS. (1) Subject to the availability of amounts appropriated

for this specific purpose, the department shall administer a prenatal to three family engagement strategy to support expectant parents, babies and toddlers from birth to three years of age, and their caregivers.

(2) Components of the prenatal to three family engagement strategy must include supports and services to improve maternal and infant health outcomes, reduce and mitigate trauma, promote attachment and other social-emotional assets, strengthen parenting skills, and provide early supports to help maximize healthy and robust childhood development and reduce isolation. Services and supports may include:

(a) In-home parent skill-based programs and training established in RCW 43.216.130;

(b) Facilitated play and learn groups;

(c) Parent peer-support groups, including groups designed for families with children with complex needs; families whose primary home language is not English; incarcerated parents; families coping with substance use disorder or mental health support needs; black, indigenous, and families of color; or other specific needs; and

(d) Other prenatal to age three programs and services.

(3) Continuity of services for babies and toddlers are important for early childhood brain development. Therefore, the services and supports described in this section may be made available to biological parents, foster parents, kinship care providers, and other family, friend, and neighbor caregivers.

Sec. 403. RCW 43.216.578 and 2019 c 408 s 8 are each amended to read as follows:

BIRTH TO THREE EARLY CHILDHOOD EDUCATION AND ASSISTANCE PROGRAM.

(1) (~~Within resources available under the federal preschool development grant birth to five grant award received in December 2019,~~) Subject to the availability of amounts appropriated for this specific purpose, the department shall ((develop a plan for phased implementation of)) administer a birth to three early childhood education and assistance program ((pilot project)) for eligible children under thirty-six months old. Funds to implement the ((pilot project)) program may include a

combination of federal, state, or private sources.

(2) The department may adopt rules to implement the ~~((pilot project))~~ program and may waive or adapt early childhood education and assistance program requirements when necessary to allow for the operation of the birth to three early childhood education and assistance program. The department shall consider early head start rules and regulations when developing the provider and family eligibility requirements and program requirements. ~~((Any deviations from early head start standards, rules, or regulations must be identified and explained by the department in its annual report under subsection (6) of this section.))~~

(3) (a) ~~((Upon securing adequate funds to begin implementation, the pilot project))~~ The birth to three early childhood education and assistance program~~((s))~~ must be delivered through child care centers and family home providers who meet minimum licensing standards and are enrolled in the early achievers program.

(b) The department must determine minimum early achievers ratings scores for ~~((programs))~~ participating ~~((in the pilot project))~~ contractors.

(4) ~~((When selecting pilot project locations for service delivery, the department may allow each pilot project location to have up to three classrooms per location. When selecting and approving pilot project locations, the department shall attempt to select a combination of rural, urban, and suburban locations. The department shall prioritize locations with programs currently operating early head start, head start, or the early childhood education and assistance program.~~

~~(5))~~ To be eligible for the birth to three early childhood education and assistance program, a child's family income must be at or below ~~((one hundred thirty))~~ 50 percent of the ~~((federal poverty level))~~ state median income and the child must be under thirty-six months old.

~~((6) Beginning November 1, 2020, and each November 1st thereafter during pilot project activity, the department shall submit an annual report to the governor and legislature that includes a status update that describes the planning work completed, the status of funds secured,~~

~~and any implementation activities of the pilot project. Implementation activity reports must include a description of the participating programs and number of children and families served.))~~

NEW SECTION. Sec. 404. INFANT CARE INCENTIVES. (1) The legislature finds that our state suffers from an extreme shortage of infant child care, impacting the ability of parents to participate in the workforce. Further, parents returning to work after using paid family leave to care for a new child struggle to find readily available, high quality care during a time of critical growth and brain development for young children. Therefore, the legislature intends to incentivize the provision of high quality infant care.

(2) Beginning July 1, 2022, the department shall provide an infant rate enhancement for licensed or certified child care providers and birth to three early childhood education and assistance program contractors who are:

(a) Accepting state subsidy;

(b) In good standing with the early achievers quality rating and improvement system; and

(c) Caring for a child between the ages of birth and 11 months.

(3) The department must adopt rules to implement this section.

NEW SECTION. Sec. 405. EARLY THERAPEUTIC AND PREVENTATIVE SERVICES. (1) Subject to the availability of amounts appropriated for this specific purpose, the department shall administer early therapeutic and preventative services and programs, such as the early childhood intervention and prevention services program, and other related services for children who are:

(a) Between the ages of birth and five years; and

(b) Referred by a child welfare worker, a department of social and health services social worker, a primary care physician, a behavioral health provider, or a public health nurse due to: (i) Risk of child abuse or neglect; (ii) exposure to complex trauma; or (iii) significant developmental delays.

(2) Subject to the availability of amounts appropriated for this specific purpose, the department shall make all reasonable efforts to deliver early

therapeutic and preventative services and programs statewide. These services and programs must focus first on children and families furthest from opportunity as defined by income and be delivered by programs that emphasize greater racial equity.

PART V

CONFORMING AMENDMENTS

Sec. 501. RCW 43.216.010 and 2021 c 39 s 4 are each amended to read as follows:

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

(1) "Agency" means any person, firm, partnership, association, corporation, or facility that provides child care and early learning services outside a child's own home and includes the following irrespective of whether there is compensation to the agency:

(a) "Child day care center" and "child care center" mean((⊕)) an agency that regularly provides early childhood education and early learning services for a group of children for periods of less than 24 hours;

(b) "Early learning" includes but is not limited to programs and services for child care; state, federal, private, and nonprofit preschool; child care subsidies; child care resource and referral; parental education and support; and training and professional development for early learning professionals;

(c) "Family day care provider" and "family home provider" mean((⊕)) a child care provider who regularly provides early childhood education and early learning services for not more than 12 children at any given time in the provider's home in the family living quarters except as provided in section 313 of this act;

(d) "Nongovernmental private-public partnership" means an entity registered as a nonprofit corporation in Washington state with a primary focus on early learning, school readiness, and parental support, and an ability to raise a minimum of \$5,000,000 in contributions;

(e) "Service provider" means the entity that operates a community facility.

(2) "Agency" does not include the following:

(a) Persons related to the child in the following ways:

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

(ii) Stepfather, stepmother, stepbrother, and stepsister;

(iii) 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; or

(iv) Spouses of any persons named in (a)(i), (ii), or (iii) of this subsection, even after the marriage is terminated;

(b) Persons who are legal guardians of the child;

(c) Persons who care for a neighbor's or friend's child or children, with or without compensation, where the person providing care for periods of less than 24 hours does not conduct such activity on an ongoing, regularly scheduled basis for the purpose of engaging in business, which includes, but is not limited to, advertising such care;

(d) Parents on a mutually cooperative basis exchange care of one another's children;

(e) Nursery schools that are engaged primarily in early childhood education with preschool children and in which no child is enrolled on a regular basis for more than four hours per day;

(f) Schools, including boarding schools, that are engaged primarily in education, operate on a definite school year schedule, follow a stated academic curriculum, and accept only school age children;

(g) Seasonal camps of three months' or less duration engaged primarily in recreational or educational activities;

(h) Facilities providing child care for periods of less than 24 hours when a parent or legal guardian of the child remains on the premises of the facility for the purpose of participating in:

(i) Activities other than employment;
or

(ii) Employment of up to two hours per day when the facility is operated by a nonprofit entity that also operates a licensed child care program at the same facility in another location or at another facility;

(i) Any entity that provides recreational or educational programming for school age children only and the entity meets all of the following requirements:

(i) The entity utilizes a drop-in model for programming, where children are able to attend during any or all program hours without a formal reservation;

(ii) The entity does not assume responsibility in lieu of the parent, unless for coordinated transportation;

(iii) The entity is a local affiliate of a national nonprofit; and

(iv) The entity is in compliance with all safety and quality standards set by the associated national agency;

(j) A program operated by any unit of local, state, or federal government;

(k) A program located within the boundaries of a federally recognized Indian reservation, licensed by the Indian tribe;

(l) A program located on a federal military reservation, except where the military authorities request that such agency be subject to the licensing requirements of this chapter;

(m) A program that offers early learning and support services, such as parent education, and does not provide child care services on a regular basis.

(3) "Applicant" means a person who requests or seeks employment in an agency.

(4) "Certificate of parental improvement" means a certificate issued under RCW 74.13.720 to an individual who has a founded finding of physical abuse or negligent treatment or maltreatment, or a court finding that the individual's child was dependent as a result of a finding that the individual abused or neglected their child pursuant to RCW 13.34.030(6)(b).

(5) "Conviction information" means criminal history record information

relating to an incident which has led to a conviction or other disposition adverse to the applicant.

(6) "Department" means the department of children, youth, and families.

(7) "Early achievers" means a program that improves the quality of early learning programs and supports and rewards providers for their participation.

(8) "Early childhood education and assistance program contractor" means an organization that provides early childhood education and assistance program services under a signed contract with the department.

(9) "Early childhood education and assistance program provider" means an organization that provides site level, direct, and high quality early childhood education and assistance program services under the direction of an early childhood education and assistance program contractor.

~~(10) ("Early start" means an integrated high quality continuum of early learning programs for children birth to five years of age. Components of early start include, but are not limited to, the following:~~

~~(a) Home visiting and parent education and support programs;~~

~~(b) The early achievers program described in RCW 43.216.085;~~

~~(c) Integrated full day and part day high quality early learning programs; and~~

~~(d) High quality preschool for children whose family income is at or below 110 percent of the federal poverty level.~~

~~(11))~~ "Education data center" means the education data center established in RCW 43.41.400, commonly referred to as the education research and data center.

~~((12))~~ (11) "Employer" means a person or business that engages the services of one or more people, especially for wages or salary to work in an agency.

~~((13))~~ (12) "Enforcement action" means denial, suspension, revocation, modification, or nonrenewal of a license pursuant to RCW 43.216.325(1) or assessment of civil monetary penalties pursuant to RCW 43.216.325(3).

~~((14))~~ (13) "Extended day program" means an early childhood education and assistance program that offers early learning education for at least 10 hours per day, a minimum of 2,000 hours per year, at least four days per week, and operates year-round.

(14) "Family resource and referral linkage system" means a system that connects families to resources, services, and programs for which families are eligible and uses a database that is developed and maintained in partnership with communities, health care providers, and early learning providers.

(15) "Family resource center" means a unified single point of entry where families, individuals, children, and youth in communities can obtain information, an assessment of needs, referral to, or direct delivery of family services in a manner that is welcoming and strength-based.

(a) A family resource center is designed to meet the needs, cultures, and interests of the communities that the family resource center serves.

(b) Family services may be delivered directly to a family at the family resource center by family resource center staff or by providers who contract with or have provider agreements with the family resource center. Any family resource center that provides family services shall comply with applicable state and federal laws and regulations regarding the delivery of such family services, unless required waivers or exemptions have been granted by the appropriate governing body.

(c) Each family resource center shall have one or more family advocates who screen and assess a family's needs and strengths. If requested by the family, the family advocate shall assist the family with setting its own goals and, together with the family, develop a written plan to pursue the family's goals in working towards a greater level of self-reliance or in attaining self-sufficiency.

(16) "Full day program" means an early childhood education and assistance program that offers early learning education for a minimum of 1,000 hours per year.

(17) "Low-income child care provider" means a person who administers a child care program that consists of at least 80

percent of children receiving working connections child care subsidy.

(18) "Low-income neighborhood" means a district or community where more than 20 percent of households are below the federal poverty level.

(19) "Negative action" means a court order, court judgment, or an adverse action taken by an agency, in any state, federal, tribal, or foreign jurisdiction, which results in a finding against the applicant reasonably related to the individual's character, suitability, and competence to care for or have unsupervised access to children in child care. This may include, but is not limited to:

(a) A decision issued by an administrative law judge;

(b) A final determination, decision, or finding made by an agency following an investigation;

(c) An adverse agency action, including termination, revocation, or denial of a license or certification, or if pending adverse agency action, the voluntary surrender of a license, certification, or contract in lieu of the adverse action;

(d) A revocation, denial, or restriction placed on any professional license; or

(e) A final decision of a disciplinary board.

(20) "Nonconviction information" means arrest, founded allegations of child abuse, or neglect pursuant to chapter 26.44 RCW, or other negative action adverse to the applicant.

(21) "Nonschool age child" means a child who is age six years or younger and who is not enrolled in a public or private school.

(22) "Part day program" means an early childhood education and assistance program that offers early learning education for at least two and one-half hours per class session, at least 320 hours per year, for a minimum of 30 weeks per year.

(23) "Private school" means a private school approved by the state under chapter 28A.195 RCW.

(24) "Probationary license" means a license issued as a disciplinary measure to an agency that has previously been

issued a full license but is out of compliance with licensing standards.

(25) "Requirement" means any rule, regulation, or standard of care to be maintained by an agency.

(26) "School age child" means a child who is five years of age through 12 years of age and is attending a public or private school or is receiving home-based instruction under chapter 28A.200 RCW.

(27) "Secretary" means the secretary of the department.

(28) "Washington state preschool program" means an education program for children three-to-five years of age who have not yet entered kindergarten, such as the early childhood education and assistance program.

Sec. 502. RCW 28B.50.248 and 2020 c 355 s 4 and 2020 c 279 s 3 are each reenacted and amended to read as follows:

Nothing in RCW 43.216.135(~~(7)~~) or 43.216.136(~~(7) or 43.216.1365~~) requires a community or technical college to expand any of its existing child care facilities. Any additional child care services provided by a community or technical college as a result of RCW 43.216.135(~~(7)~~) or 43.216.136(~~(7) or 43.216.1365~~) must be provided within existing resources and existing facilities.

Sec. 503. RCW 43.84.092 and 2020 c 354 s 11, 2020 c 221 s 5, 2020 c 103 s 7, and 2020 c 18 s 3 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 abandoned recreational vehicle disposal account, the aeronautics account, the Alaskan Way viaduct replacement project account, the ambulance transport fund, the brownfield redevelopment trust fund account, the budget stabilization account, the capital vessel replacement account, the capitol building construction account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the Chehalis basin account, the Chehalis basin taxable 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~~) services account, the diesel idle reduction account, the drinking water assistance account, the administrative subaccount of the drinking water assistance account, the early learning facilities development account, the early learning facilities revolving account, the Eastern Washington University capital projects account, the education construction fund, the education legacy trust account, the election account, the electric vehicle account, the energy freedom account, the energy recovery act account, the essential rail assistance account, The Evergreen State College capital projects account, the fair start for kids 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 state higher education construction account, the higher education construction account, the higher education retirement plan supplemental benefit fund, the highway bond retirement fund, the highway infrastructure account, the highway safety fund, the hospital safety net assessment fund, the Interstate 405 and state route number 167 express toll lanes 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 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 oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the pilotage 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, 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 Gateway facility 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 investment board expense account, the state investment board commingled trust fund accounts, the state patrol highway account, the state reclamation revolving account, the state route number 520 civil penalties account, the state route number 520 corridor account, the state wildlife account, the statewide broadband account, the statewide tourism marketing 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 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 University of Washington bond retirement fund, the University of Washington building account, the voluntary cleanup account, the volunteer firefighters' and reserve officers' relief and pension principal fund, the volunteer firefighters' and reserve officers' administrative fund, the vulnerable roadway user education account, 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 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, and the state university permanent fund 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.

Sec. 504. RCW 43.84.092 and 2020 c 354 s 11, 2020 c 221 s 5, 2020 c 148 s 3, 2020 c 103 s 7, and 2020 c 18 s 3 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 abandoned recreational vehicle disposal account, the aeronautics account, the Alaskan Way viaduct replacement project account, the ambulance transport fund, the brownfield redevelopment trust fund account, the budget stabilization account, the capital vessel replacement account, the capitol building construction account, the Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the Chehalis basin account, the Chehalis basin taxable 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~~) services account, the diesel idle reduction account, the drinking water assistance account, the administrative subaccount of the drinking water assistance account, the early learning facilities development account, the early learning facilities revolving account, the Eastern Washington University capital projects account, the education construction fund, the education legacy trust account, the election account, the electric vehicle account, the energy freedom account, the energy recovery act account, the essential rail assistance account, The Evergreen State College capital projects account, the fair start for kids account, the ferry bond retirement fund, the fish, wildlife, and conservation account, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the public health services account, the state higher education construction account, the higher education construction account, the higher education retirement plan supplemental benefit fund, the highway bond retirement fund, the highway infrastructure account, the highway safety fund, the hospital safety net assessment fund, the Interstate 405 and state route number 167 express toll lanes account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the limited fish and wildlife 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 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 oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the pilotage 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, 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 Gateway facility 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 investment board expense account, the state investment board commingled trust fund accounts, the state patrol highway account, the state reclamation revolving account, the state route number 520 civil penalties account, the state route number 520 corridor account, the statewide broadband account, the statewide tourism marketing 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 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 University of Washington bond retirement

fund, the University of Washington building account, the voluntary cleanup account, the volunteer firefighters' and reserve officers' relief and pension principal fund, the volunteer firefighters' and reserve officers' administrative fund, the vulnerable roadway user education account, 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 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, and the state university permanent fund 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.

Sec. 505. RCW 43.84.092 and 2020 c 221 s 5, 2020 c 148 s 3, 2020 c 103 s 7, and 2020 c 18 s 3 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.

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(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 abandoned recreational vehicle disposal account, the aeronautics 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 Central Washington University capital projects account, the charitable, educational, penal and reformatory institutions account, the Chehalis basin account, the Chehalis basin taxable 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~~) services account, the diesel idle reduction account, the drinking water assistance account, the administrative subaccount of the drinking water assistance account, the early learning facilities development account, the early learning facilities revolving account, the Eastern Washington University capital projects account, the education construction fund, the education legacy trust account, the election account, the electric vehicle account, the energy freedom account, the energy recovery act account, the essential rail assistance account, The Evergreen State College capital projects account, the fair start for kids account, the ferry bond retirement fund, the fish, wildlife, and conservation account, the freight mobility investment account, the freight mobility multimodal account, the grade crossing protective fund, the public health services account, the state higher education construction account, the higher education construction account, the higher education retirement plan supplemental benefit fund, the highway bond retirement fund, the highway infrastructure account, the highway safety fund, the hospital safety net assessment fund, the Interstate 405 and state route number 167 express toll lanes account, the judges' retirement account, the judicial retirement administrative account, the judicial retirement principal account, the limited fish and wildlife 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 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 oyster reserve land account, the pension funding stabilization account, the perpetual surveillance and maintenance account, the pilotage 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, 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 Gateway facility 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 investment board expense account, the state investment board commingled trust fund accounts, the state patrol highway account, the state reclamation revolving account, the state route number 520 civil penalties account, the state route number 520 corridor account, the statewide broadband account, the statewide tourism marketing 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 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 University of Washington bond retirement fund, the University of Washington building account, the voluntary cleanup account, the volunteer firefighters' and reserve officers' relief and pension principal fund, the volunteer firefighters' and reserve officers' administrative fund, the vulnerable roadway user education account, 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 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, and the state university permanent fund 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.

Sec. 506. RCW 43.216.710 and 2017 3rd sp.s. c 6 s 213 are each amended to read as follows:

The department shall:

(1) Work in conjunction with the statewide child care resource and referral network as well as local governments, nonprofit organizations, businesses, and community child care advocates to create local child care resource and referral organizations. These organizations may carry out needs assessments, resource development, provider training, technical assistance, and parent information and training;

(2) Actively seek public and private money for distribution as grants to the statewide child care resource and referral network and to existing or potential local child care resource and referral organizations;

(3) Adopt rules regarding the application for and distribution of grants to local child care resource and referral organizations. The rules shall, at a minimum, require an applicant to submit a plan for achieving the following objectives:

(a) Provide parents with information about child care resources, including location of services and subsidies;

(b) Carry out child care provider recruitment and training programs, including training under RCW 74.25.040;

(c) Offer support services, such as parent and provider seminars, toy-lending libraries, and substitute banks;

(d) Provide information for businesses regarding child care supply and demand;

(e) Advocate for increased public and private sector resources devoted to child care;

(f) Provide technical assistance to employers regarding employee child care services; and

(g) Serve recipients of temporary assistance for needy families and working parents with household incomes at or below ~~((household incomes of two hundred))~~ 100 percent of the ~~((federal poverty line))~~ state median income;

(4) Provide staff support and technical assistance to the statewide

child care resource and referral network and local child care resource and referral organizations;

(5) Maintain a statewide child care licensing data bank and work with department licensors to provide information to local child care resource and referral organizations about licensed or certified child care providers in the state;

(6) Through the statewide child care resource and referral network and local resource and referral organizations, compile data about local child care needs and availability for future planning and development;

(7) Coordinate with the statewide child care resource and referral network and local child care resource and referral organizations for the provision of training and technical assistance to child care providers;

(8) Collect and assemble information regarding the availability of insurance and of federal and other child care funding to assist state and local agencies, businesses, and other child care providers in offering child care services;

(9) Subject to the availability of amounts appropriated for this specific purpose, increase the base rate for all child care providers by ten percent;

(10) Subject to the availability of amounts appropriated for this specific purpose, provide tiered subsidy rate enhancements to child care providers if the provider meets the following requirements:

(a) The provider enrolls in quality rating and improvement system levels 2, 3, 4, or 5;

(b) The provider is actively participating in the early achievers program;

(c) The provider continues to advance towards level 5 of the early achievers program; and

(d) The provider must complete level 2 within thirty months or the reimbursement rate returns the level 1 rate; and

(11) Require exempt providers to participate in continuing education, if adequate funding is available.

Sec. 507. RCW 43.216.514 and 2020 c 343 s 3 are each amended to read as follows:

(1) (a) The department shall prioritize children for enrollment in the early childhood education and assistance program who are eligible pursuant to RCW 43.216.505.

(b) A child who is eligible at the time of enrollment in the early childhood education and assistance program maintains program eligibility until the child begins kindergarten.

(2) As space is available, children may be included in the early childhood education and assistance program pursuant to RCW 43.216.512. (~~Priority within this group must be given first to children with incomes up to one hundred thirty percent of the federal poverty level.~~)

PART VI

MISCELLANEOUS

NEW SECTION. **Sec. 601.** Nothing in this act changes the department's responsibility to collectively bargain over mandatory subjects consistent with RCW 41.56.028(3) or limits the legislature's authority to make programmatic modifications to licensed child care and early learning programs consistent with legislative reservation of rights under RCW 41.56.028(4)(d).

NEW SECTION. **Sec. 602.** RCW 43.216.1365 (Working connections child care program—Eligibility) and 2020 c 355 s 3 are each repealed.

NEW SECTION. **Sec. 603.** If any part of this act is found to be in conflict with federal requirements that are a prescribed condition to the allocation of federal funds to the state, the conflicting part of this act is inoperative solely to the extent of the conflict and with respect to the agencies directly affected, and this finding does not affect the operation of the remainder of this act in its application to the agencies concerned. Rules adopted under this act must meet federal requirements that are a necessary condition to the receipt of federal funds by the state.

NEW SECTION. **Sec. 604.** Sections 204 through 206 and 403 of this act take effect July 1, 2026.

NEW SECTION. **Sec. 605.** Sections 101, 102, 106, 201, 206, 207, 302 through 307,

310 through 314, 402, 404, 405, and 601 of this act are each added to chapter 43.216 RCW.

NEW SECTION. Sec. 606. Section 503 of this act expires July 1, 2021.

NEW SECTION. Sec. 607. Sections 201, 202, 301, 309, and 504 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, 2021.

NEW SECTION. Sec. 608. Section 504 of this act expires July 1, 2024.

NEW SECTION. Sec. 609. Section 505 of this act takes effect July 1, 2024.

NEW SECTION. Sec. 610. Sections 105 and 503 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 immediately."

Correct the title.

and that the bill do pass as recommended by the Conference Committee:

Senators Billig and Wilson C.
Representatives Bergquist and Senn

There being no objection, the House adopted the conference committee report on ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5237 and advanced the bill as recommended by the conference committee to final passage.

**FINAL PASSAGE OF SENATE BILL AS
RECOMMENDED BY CONFERENCE
COMMITTEE**

Representative Senn spoke in favor of the passage of the bill as recommended by the conference committee.

Representatives Dent and McCaslin spoke against the passage of the bill as recommended by the conference committee.

The Speaker (Representative Orwall presiding) stated the question before the House to be final passage of ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5237 as recommended by the conference committee.

ROLL CALL

The Clerk called the roll on the final passage of ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5237, as recommended by the conference committee,

and the bill passed the House by the following votes: Yeas: 65; Nays: 32; Absent: 0; Excused: 1

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Bronoske, Calder, Callan, Chambers, Chapman, Chopp, Cody, Davis, Dolan, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Griffey, Hackney, Hansen, Harris-Talley, Jinkins, Johnson, J., Kirby, Kloba, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Rude, Rule, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, and Wylie

Voting nay: Representatives Boehnke, Chandler, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, Maycumber, McCaslin, Mosbrucker, Orcutt, Robertson, Schmick, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox, Ybarra, and Young

Excused: Representative McEntire

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5237, as recommended by the conference committee, having received the constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 19, 2021

Madame Speaker:

The Senate insists on its position on HOUSE BILL NO. 1022 and asks the House to concur.

and the same is herewith transmitted.

Sarah Bannister, Deputy, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to HOUSE BILL NO. 1022 and advanced the bill, as amended by the Senate, to final passage.

**FINAL PASSAGE OF HOUSE BILL
AS SENATE AMENDED**

Representatives MacEwen, Kloba and Klippert spoke in favor of the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of House Bill No. 1022, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1022, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 93; Nays, 4; Absent, 0; Excused, 1.

Voting yea: Representatives Abbarno, Barkis, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Dent, Dolan, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Klippert, Kloba, Kraft, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McCaslin, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Voting nay: Representatives Bateman, Davis, Ramel and Walen.

Excused: Representative McEntire.

HOUSE BILL NO. 1022, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 19, 2021

Madame Speaker:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL NO. 1120 with the following amendment:

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 43.43.832 and 2020 c 270 s 7 are each amended to read as follows:

(1) The Washington state patrol identification and criminal history section shall disclose conviction records as follows:

(a) An applicant's conviction record, upon the request of a business or organization as defined in RCW 43.43.830, a developmentally disabled person, or a vulnerable adult as defined in RCW 43.43.830 or his or her guardian;

(b) The conviction record of an applicant for certification, upon the request of the Washington professional educator standards board;

(c) Any conviction record to aid in the investigation and prosecution of child, developmentally disabled person, and vulnerable adult abuse cases and to protect children and adults from further incidents of abuse, upon the request of a law enforcement agency, the office of the attorney general, prosecuting

authority, or the department of social and health services; and

(d) A prospective client's or resident's conviction record, upon the request of a business or organization that qualifies for exemption under section 501(c)(3) of the internal revenue code of 1986 (26 U.S.C. Sec. 501(c)(3)) and that provides emergency shelter or transitional housing for children, persons with developmental disabilities, or vulnerable adults.

(2) The secretary of the department of social and health services and the secretary of children, youth, and families must establish rules and set standards to require specific action when considering the information received pursuant to subsection (1) of this section, and when considering additional information including but not limited to civil adjudication proceedings as defined in RCW 43.43.830 and any out-of-state equivalent, in the following circumstances:

(a) When considering persons for state employment in positions directly responsible for the supervision, care, or treatment of children, vulnerable adults, or individuals with mental illness or developmental disabilities provided that: For persons residing in a home that will be utilized to provide foster care for dependent youth, a criminal background check will be required for all persons aged sixteen and older and the department of social and health services may require a criminal background check for persons who are younger than sixteen in situations where it may be warranted to ensure the safety of youth in foster care;

(b) When considering persons for state positions involving unsupervised access to vulnerable adults to conduct comprehensive assessments, financial eligibility determinations, licensing and certification activities, investigations, surveys, or case management; or for state positions otherwise required by federal law to meet employment standards;

(c) When licensing agencies or facilities with individuals in positions directly responsible for the care, supervision, or treatment of children, developmentally disabled persons, or vulnerable adults, including but not limited to agencies or facilities

licensed under chapter 74.15 or 18.51 RCW;

(d) When contracting with individuals or businesses or organizations for the care, supervision, case management, or treatment, including peer counseling, of children, developmentally disabled persons, or vulnerable adults, including but not limited to services contracted for under chapter 18.20, 70.127, 70.128, 72.36, or 74.39A RCW or Title 71A RCW;

(e) When individual providers as defined in RCW 74.39A.240 or providers paid by home care agencies provide in-home services involving unsupervised access to persons with physical, mental, or developmental disabilities or mental illness, or to vulnerable adults as defined in chapter 74.34 RCW, including but not limited to services provided under chapter 74.39 or 74.39A RCW.

(3) The secretary of the department of children, youth, and families shall investigate the conviction records, pending charges, and other information including civil adjudication proceeding records of current employees and of any person actively being considered for any position with the department who will or may have unsupervised access to children, or for state positions otherwise required by federal law to meet employment standards. "Considered for any position" includes decisions about (a) initial hiring, layoffs, reallocations, transfers, promotions, or demotions, or (b) other decisions that result in an individual being in a position that will or may have unsupervised access to children as an employee, an intern, or a volunteer.

(4) The secretary of the department of children, youth, and families shall adopt rules and investigate conviction records, pending charges, and other information including civil adjudication proceeding records, in the following circumstances:

(a) When licensing or certifying agencies with individuals in positions that will or may have unsupervised access to children who are in child day care, in early learning programs, or receiving early childhood education services, including but not limited to licensees, agency staff, interns, volunteers, contracted providers, and persons living on the premises who are sixteen years of age or older;

(b) When authorizing individuals who will or may have unsupervised access to children who are in child day care, in early learning programs, or receiving early childhood learning education services in licensed or certified agencies, including but not limited to licensees, agency staff, interns, volunteers, contracted providers, and persons living on the premises who are sixteen years of age or older;

(c) When contracting with any business or organization for activities that will or may have unsupervised access to children who are in child day care, in early learning programs, or receiving early childhood learning education services;

(d) When establishing the eligibility criteria for individual providers to receive state paid subsidies to provide child day care or early learning services that will or may involve unsupervised access to children; and

(e) When responding to a request from an individual for a certificate of parental improvement under chapter 74.13 RCW.

(5) Whenever a state conviction record check is required by state law, persons may be employed or engaged as volunteers or independent contractors on a conditional basis pending completion of the state background investigation. Whenever a national criminal record check through the federal bureau of investigation is required by state law, a person may be employed or engaged as a volunteer or independent contractor on a conditional basis pending completion of the national check. The office of financial management shall adopt rules to accomplish the purposes of this subsection as it applies to state employees. The department of social and health services shall adopt rules to accomplish the purpose of this subsection as it applies to long-term care workers subject to RCW 74.39A.056.

(6)(a) For purposes of facilitating timely access to criminal background information and to reasonably minimize the number of requests made under this section, recognizing that certain health care providers change employment frequently, health care facilities may, upon request from another health care facility, share copies of completed criminal background inquiry information.

(b) Completed criminal background inquiry information may be shared by a willing health care facility only if the following conditions are satisfied: The licensed health care facility sharing the criminal background inquiry information is reasonably known to be the person's most recent employer, no more than twelve months has elapsed from the date the person was last employed at a licensed health care facility to the date of their current employment application, and the criminal background information is no more than two years old.

(c) If criminal background inquiry information is shared, the health care facility employing the subject of the inquiry must require the applicant to sign a disclosure statement indicating that there has been no conviction or finding as described in RCW 43.43.842 since the completion date of the most recent criminal background inquiry.

(d) Any health care facility that knows or has reason to believe that an applicant has or may have a disqualifying conviction or finding as described in RCW 43.43.842, subsequent to the completion date of their most recent criminal background inquiry, shall be prohibited from relying on the applicant's previous employer's criminal background inquiry information. A new criminal background inquiry shall be requested pursuant to RCW 43.43.830 through 43.43.842.

(e) Health care facilities that share criminal background inquiry information shall be immune from any claim of defamation, invasion of privacy, negligence, or any other claim in connection with any dissemination of this information in accordance with this subsection.

(f) Health care facilities shall transmit and receive the criminal background inquiry information in a manner that reasonably protects the subject's rights to privacy and confidentiality.

(7) The department of social and health services may not consider any final founded finding of physical abuse or negligent treatment or maltreatment of a child made pursuant to chapter 26.44 RCW that is accompanied by a certificate of parental improvement or dependency as a result of a finding of abuse or neglect pursuant to chapter 13.34 RCW that is accompanied by a certificate of parental improvement when evaluating an applicant

or employee's character, competency, and suitability pursuant to any background check authorized or required by this chapter, RCW 43.20A.710 or 74.39A.056, or any of the rules adopted thereunder.

Sec. 2. RCW 43.43.837 and 2019 c 470 s 12 are each amended to read as follows:

(1) Except as provided in subsection (2) of this section, in order to determine the character, competence, and suitability of any applicant or service provider to have unsupervised access, the secretary of the department of social and health services and the secretary of the department of children, youth, and families may require a fingerprint-based background check through both the Washington state patrol and the federal bureau of investigation at any time, but shall require a fingerprint-based background check when the applicant or service provider has resided in the state less than three consecutive years before application, and:

(a) Is an applicant or service provider providing services to children or people with developmental disabilities under RCW 74.15.030;

(b) Is an individual sixteen years of age or older who: (i) Is not under the placement and care authority of the department of children, youth, and families; and (ii) resides in an applicant or service provider's home, facility, entity, agency, or business or who is authorized by the department of children, youth, and families to provide services to children under RCW 74.15.030;

(c) Is an individual who is authorized by the department of social and health services to provide services to people with developmental disabilities under RCW 74.15.030; or

(d) Is an applicant or service provider providing in-home services funded by:

(i) Medicaid personal care under RCW 74.09.520;

(ii) Community options program entry system waiver services under RCW 74.39A.030;

(iii) Chore services under RCW 74.39A.110; or

(iv) Other home and community long-term care programs, established pursuant to chapters 74.39 and 74.39A

RCW, administered by the department of social and health services.

(2) Long-term care workers, as defined in RCW 74.39A.009, who are hired after January 7, 2012, are subject to background checks under RCW 74.39A.056.

(3) To satisfy the shared background check requirements provided for in RCW 43.216.270 and 43.20A.710, the department of children, youth, and families and the department of social and health services shall share federal fingerprint-based background check results as permitted under the law. The purpose of this provision is to allow both departments to fulfill their joint background check responsibility of checking any individual who may have unsupervised access to vulnerable adults, children, or juveniles. Neither department may share the federal background check results with any other state agency or person.

(4) The secretary of the department of children, youth, and families shall require a fingerprint-based background check through the Washington state patrol identification and criminal history section and the federal bureau of investigation when the department seeks to approve an applicant or service provider for a foster or adoptive placement of children in accordance with federal and state law. Fees charged by the Washington state patrol and the federal bureau of investigation for fingerprint-based background checks shall be paid by the department of children, youth, and families for applicant and service providers providing foster care as required in RCW 74.15.030.

(5) Any secure facility operated by the department of social and health services or the department of children, youth, and families under chapter 71.09 RCW shall require applicants and service providers to undergo a fingerprint-based background check through the Washington state patrol identification and criminal history section and the federal bureau of investigation.

(6) Service providers and service provider applicants, except for those long-term care workers exempted in subsection (2) of this section, who are required to complete a fingerprint-based background check may be hired for a one hundred twenty-day provisional period as allowed under law or program rules when:

(a) A fingerprint-based background check is pending; and

(b) The applicant or service provider is not disqualified based on the immediate result of the background check.

(7) Fees charged by the Washington state patrol and the federal bureau of investigation for fingerprint-based background checks shall be paid by the applicable department for applicants or service providers providing:

(a) Services to people with a developmental disability under RCW 74.15.030;

(b) In-home services funded by medicaid personal care under RCW 74.09.520;

(c) Community options program entry system waiver services under RCW 74.39A.030;

(d) Chore services under RCW 74.39A.110;

(e) Services under other home and community long-term care programs, established pursuant to chapters 74.39 and 74.39A RCW, administered by the department of social and health services or the department of children, youth, and families; and

(f) Services in, or to residents of, a secure facility under RCW 71.09.115.

(8) Service providers licensed under RCW 74.15.030 must pay fees charged by the Washington state patrol and the federal bureau of investigation for conducting fingerprint-based background checks.

(9) Department of children, youth, and families service providers licensed under RCW 74.15.030 may not pass on the cost of the background check fees to their applicants unless the individual is determined to be disqualified due to the background information.

(10) The department of social and health services and the department of children, youth, and families shall develop rules identifying the financial responsibility of service providers, applicants, and the department for paying the fees charged by law enforcement to roll, print, or scan fingerprints-based for the purpose of a Washington state patrol or federal bureau of investigation fingerprint-based background check.

(11) For purposes of this section, unless the context plainly indicates otherwise:

(a) "Applicant" means a current or prospective department of social and health services, department of children, youth, and families, or service provider employee, volunteer, student, intern, researcher, contractor, or any other individual who will or may have unsupervised access because of the nature of the work or services he or she provides. "Applicant" includes but is not limited to any individual who will or may have unsupervised access and is:

(i) Applying for a license or certification from the department of social and health services or the department of children, youth, and families;

(ii) Seeking a contract with the department of social and health services, the department of children, youth, and families, or a service provider;

(iii) Applying for employment, promotion, reallocation, or transfer;

(iv) An individual that a department of social and health services or department of children, youth, and families client or guardian of a department of social and health services or department of children, youth, and families client chooses to hire or engage to provide services to himself or herself or another vulnerable adult, juvenile, or child and who might be eligible to receive payment from the department of social and health services or the department of children, youth, and families for services rendered; or

(v) A department of social and health services or department of children, youth, and families applicant who will or may work in a department-covered position.

(b) "Authorized" means the department of social and health services or the department of children, youth, and families grants an applicant, home, or facility permission to:

(i) Conduct licensing, certification, or contracting activities;

(ii) Have unsupervised access to vulnerable adults, juveniles, and children;

(iii) Receive payments from a department of social and health services

or department of children, youth, and families program; or

(iv) Work or serve in a department of social and health services or department of children, youth, and families-covered position.

(c) "Secretary" means the secretary of the department of social and health services.

(d) "Secure facility" has the meaning provided in RCW 71.09.020.

(e) "Service provider" means entities, facilities, agencies, businesses, or individuals who are licensed, certified, authorized, or regulated by, receive payment from, or have contracts or agreements with the department of social and health services or the department of children, youth, and families to provide services to vulnerable adults, juveniles, or children. "Service provider" includes individuals whom a department of social and health services or department of children, youth, and families client or guardian of a department of social and health services or department of children, youth, and families client may choose to hire or engage to provide services to himself or herself or another vulnerable adult, juvenile, or child and who might be eligible to receive payment from the department of social and health services or the department of children, youth, and families for services rendered. (~~"Service provider" does not include those certified under chapter 70.96A RCW.~~)

Sec. 3. RCW 74.39A.056 and 2020 c 270 s 8 are each amended to read as follows:

(1)(a) All long-term care workers shall be screened through state and federal background checks in a uniform and timely manner to verify that they do not have a history that would disqualify them from working with vulnerable persons. The department must process background checks for long-term care workers and make the information available to employers, prospective employers, and others as authorized by law.

(b) (i) (~~Except as provided in (b) (ii) of this subsection, for~~) For long-term care workers hired on or after January 7, 2012, the background checks required under this section shall include checking against the federal bureau of investigation fingerprint identification

records system (~~(and against the national sex offenders registry or their successor programs)~~) or its successor program. The department shall require these long-term care workers to submit fingerprints for the purpose of investigating conviction records through both the Washington state patrol and the federal bureau of investigation. The department shall not pass on the cost of these criminal background checks to the workers or their employers.

(ii) ~~((This subsection does not apply to long term care workers employed by community residential service businesses until January 1, 2016.))~~ A long-term care worker who is not disqualified by the state background check can work and have unsupervised access pending the results of the federal bureau of investigation fingerprint background check as allowed by rules adopted by the department.

(c) The department shall share state and federal background check results with the department of health in accordance with RCW 18.88B.080.

(d) Background check screening required under this section and department rules is not required for an employee of a consumer directed employer if all of the following circumstances apply:

(i) The individual has an individual provider contract with the department;

(ii) The last background check on the contracted individual provider is still valid under department rules and did not disqualify the individual from providing personal care services;

(iii) Employment by the consumer directed employer is the only reason a new background check would be required; and

(iv) The department's background check results have been shared with the consumer directed employer.

(e) The department may require a fingerprint-based background check through both the Washington state patrol and the federal bureau of investigation at any time.

(2) A provider may not be employed in the care of and have unsupervised access to vulnerable adults if:

(a) The provider is on the vulnerable adult abuse registry or on any other registry based upon a finding of abuse,

abandonment, neglect, or financial exploitation of a vulnerable adult;

(b) On or after October 1, 1998, the department of children, youth, and families, or its predecessor agency, has made a founded finding of abuse or neglect of a child against the provider. If the provider has received a certificate of parental improvement under chapter 74.13 RCW pertaining to the finding, the provider is not disqualified under this section;

(c) A disciplining authority, including the department of health, has made a finding of abuse, abandonment, neglect, or financial exploitation of a minor or a vulnerable adult against the provider; or

(d) A court has issued an order that includes a finding of fact or conclusion of law that the provider has committed abuse, abandonment, neglect, or financial exploitation of a minor or vulnerable adult. If the provider has received a certificate of parental improvement under chapter 74.13 RCW pertaining to the finding of fact or conclusion of law, the provider is not disqualified under this section.

(3) The department shall establish, by rule, a state registry which contains identifying information about long-term care workers identified under this chapter who have final substantiated findings of abuse, neglect, financial exploitation, or abandonment of a vulnerable adult as defined in RCW 74.34.020. The rule must include disclosure, disposition of findings, notification, findings of fact, appeal rights, and fair hearing requirements. The department shall disclose, upon request, final substantiated findings of abuse, neglect, financial exploitation, or abandonment to any person so requesting this information. This information must also be shared with the department of health to advance the purposes of chapter 18.88B RCW.

(4) For the purposes of this section, "provider" means:

(a) An individual provider as defined in RCW 74.39A.240;

(b) An employee, licensee, or contractor of any of the following: A home care agency licensed under chapter 70.127 RCW; a nursing home under chapter 18.51 RCW; an assisted living facility under chapter 18.20 RCW; an enhanced

services facility under chapter 70.97 RCW; a certified resident services and supports agency licensed or certified under chapter 71A.12 RCW; an adult family home under chapter 70.128 RCW; or any long-term care facility certified to provide medicaid or medicare services; and

(c) Any contractor of the department who may have unsupervised access to vulnerable adults.

(5) The department shall adopt rules to implement this section.

Sec. 4. RCW 18.51.091 and 2020 c 263 s 1 are each amended to read as follows:

(1) The department shall inspect each nursing home periodically in accordance with federal standards under 42 C.F.R. Part 488, Subpart E. The inspection shall be made without providing advance notice of it. Every inspection may include an inspection of every part of the premises and an examination of all records, methods of administration, the general and special dietary and the stores and methods of supply. Those nursing homes that provide community-based care shall establish and maintain separate and distinct accounting and other essential records for the purpose of appropriately allocating costs of the providing of such care: PROVIDED, That such costs shall not be considered allowable costs for reimbursement purposes under chapter 74.46 RCW. Following such inspection or inspections, written notice of any violation of this law or the rules and regulations promulgated hereunder, shall be given to the applicant or licensee and the department. The notice shall describe the reasons for the facility's noncompliance. The department may prescribe by regulations that any licensee or applicant desiring to make specified types of alterations or additions to its facilities or to construct new facilities shall, before commencing such alteration, addition or new construction, submit its plans and specifications therefor to the department for preliminary inspection and approval or recommendations with respect to compliance with the regulations and standards herein authorized.

(2) If a pandemic, natural disaster, or other declared state of emergency prevents the department from completing inspections according to the timeline in subsection (1) of this section, the

department shall adopt rules to reestablish inspection timelines based on the length of time since the last complete inspection, compliance history of each facility, immediate health or safety concerns, and centers for medicare and medicaid services requirements.

(a) Rules adopted under this subsection (2) are effective until the termination of the pandemic, natural disaster, or other declared state of emergency or until the department determines that all facility inspections are occurring according to time frames established in subsection (1) of this section, whichever occurs later. Once the department determines a rule adopted under this subsection (2) is no longer necessary, it must repeal the rule under RCW 34.05.353.

(b) Within 12 months of the termination of the pandemic, natural disaster, or other declared state of emergency, the department shall conduct a review of inspection compliance with subsection (1) of this section and provide the legislature with a report.

Sec. 5. RCW 18.51.230 and 2020 c 263 s 2 are each amended to read as follows:

(1) The department shall, in addition to any inspections conducted pursuant to complaints filed pursuant to RCW 18.51.190, conduct a periodic general inspection of each nursing home in the state without providing advance notice of such inspection. Such inspections must conform to the federal standards for surveys under 42 C.F.R. Part 488, Subpart E.

(2) If a pandemic, natural disaster, or other declared state of emergency prevents the department from completing inspections according to the timeline in subsection (1) of this section, the department shall adopt rules to reestablish inspection timelines based on the length of time since the last complete inspection, compliance history of each facility, immediate health or safety concerns, and centers for medicare and medicaid services requirements.

(a) Rules adopted under this subsection (2) are effective until the termination of the pandemic, natural disaster, or other declared state of emergency or until the department determines that all facility inspections are occurring according to time frames established in subsection (1) of this section, whichever occurs later. Once the

department determines a rule adopted under this subsection (2) is no longer necessary, it must repeal the rule under RCW 34.05.353.

(b) Within 12 months of the termination of the pandemic, natural disaster, or other declared state of emergency, the department shall conduct a review of inspection compliance with subsection (1) of this section and provide the legislature with a report.

Sec. 6. RCW 74.42.360 and 2020 c 263 s 3 are each amended to read as follows:

(1) The facility shall have staff on duty twenty-four hours daily sufficient in number and qualifications to carry out the provisions of RCW 74.42.010 through 74.42.570 and the policies, responsibilities, and programs of the facility.

(2) The department shall institute minimum staffing standards for nursing homes. Beginning July 1, 2016, facilities must provide a minimum of 3.4 hours per resident day of direct care. Direct care staff has the same meaning as defined in RCW 74.42.010. The minimum staffing standard includes the time when such staff are providing hands-on care related to activities of daily living and nursing-related tasks, as well as care planning. The legislature intends to increase the minimum staffing standard to 4.1 hours per resident day of direct care, but the effective date of a standard higher than 3.4 hours per resident day of direct care will be identified if and only if funding is provided explicitly for an increase of the minimum staffing standard for direct care.

(a) The department shall establish in rule a system of compliance of minimum direct care staffing standards by January 1, 2016. Oversight must be done at least quarterly using the centers for medicare and medicaid services' payroll-based journal and nursing home facility census and payroll data.

(b) The department shall establish in rule by January 1, 2016, a system of financial penalties for facilities out of compliance with minimum staffing standards. No monetary penalty may be issued during the implementation period of July 1, 2016, through September 30, 2016. If a facility is found noncompliant during the implementation period, the department shall provide a written notice identifying the staffing deficiency and

require the facility to provide a sufficiently detailed correction plan to meet the statutory minimum staffing levels. Monetary penalties begin October 1, 2016. Monetary penalties must be established based on a formula that calculates the cost of wages and benefits for the missing staff hours. If a facility meets the requirements in subsection (3) or (4) of this section, the penalty amount must be based solely on the wages and benefits of certified nurse aides. The first monetary penalty for noncompliance must be at a lower amount than subsequent findings of noncompliance. Monetary penalties established by the department may not exceed two hundred percent of the wage and benefit costs that would have otherwise been expended to achieve the required staffing minimum hours per resident day for the quarter. A facility found out of compliance must be assessed a monetary penalty at the lowest penalty level if the facility has met or exceeded the requirements in subsection (2) of this section for three or more consecutive years. Beginning July 1, 2016, pursuant to rules established by the department, funds that are received from financial penalties must be used for technical assistance, specialized training, or an increase to the quality enhancement established in RCW 74.46.561.

(c) The department shall establish in rule an exception allowing geriatric behavioral health workers as defined in RCW 74.42.010 to be recognized in the minimum staffing requirements as part of the direct care service delivery to individuals who have a behavioral health condition. Hours worked by geriatric behavioral health workers may be recognized as direct care hours for purposes of the minimum staffing requirements only up to a portion of the total hours equal to the proportion of resident days of clients with a behavioral health condition identified at that facility on the most recent semiannual minimum data set. In order to qualify for the exception:

(i) The worker must:

(A) Have a bachelor's or master's degree in social work, behavioral health, or other related areas; or

(B) Have at least three years experience providing care for individuals with chronic mental health issues, dementia, or intellectual and

developmental disabilities in a long-term care or behavioral health care setting; or

(C) Have successfully completed a facility-based behavioral health curriculum approved by the department under RCW 74.39A.078;

(ii) Any geriatric behavioral health worker holding less than a master's degree in social work must be directly supervised by an employee who has a master's degree in social work or a registered nurse.

(d) (i) The department shall establish a limited exception to the 3.4 hours per resident day staffing requirement for facilities demonstrating a good faith effort to hire and retain staff.

(ii) To determine initial facility eligibility for exception consideration, the department shall send surveys to facilities anticipated to be below, at, or slightly above the 3.4 hours per resident day requirement. These surveys must measure the hours per resident day in a manner as similar as possible to the centers for medicare and medicaid services' payroll-based journal and cover the staffing of a facility from October through December of 2015, January through March of 2016, and April through June of 2016. A facility must be below the 3.4 staffing standard on all three surveys to be eligible for exception consideration. If the staffing hours per resident day for a facility declines from any quarter to another during the survey period, the facility must provide sufficient information to the department to allow the department to determine if the staffing decrease was deliberate or a result of neglect, which is the lack of evidence demonstrating the facility's efforts to maintain or improve its staffing ratio. The burden of proof is on the facility and the determination of whether or not the decrease was deliberate or due to neglect is entirely at the discretion of the department. If the department determines a facility's decline was deliberate or due to neglect, that facility is not eligible for an exception consideration.

(iii) To determine eligibility for exception approval, the department shall review the plan of correction submitted by the facility. Before a facility's exception may be renewed, the department must determine that sufficient progress is being made towards reaching the 3.4

hours per resident day staffing requirement. When reviewing whether to grant or renew an exception, the department must consider factors including but not limited to: Financial incentives offered by the facilities such as recruitment bonuses and other incentives; the robustness of the recruitment process; county employment data; specific steps the facility has undertaken to improve retention; improvements in the staffing ratio compared to the baseline established in the surveys and whether this trend is continuing; and compliance with the process of submitting staffing data, adherence to the plan of correction, and any progress toward meeting this plan, as determined by the department.

(iv) Only facilities that have their direct care component rate increase capped according to RCW 74.46.561 are eligible for exception consideration. Facilities that will have their direct care component rate increase capped for one or two years are eligible for exception consideration through June 30, 2017. Facilities that will have their direct care component rate increase capped for three years are eligible for exception consideration through June 30, 2018.

(v) The department may not grant or renew a facility's exception if the facility meets the 3.4 hours per resident day staffing requirement and subsequently drops below the 3.4 hours per resident day staffing requirement.

(vi) The department may grant exceptions for a six-month period per exception. The department's authority to grant exceptions to the 3.4 hours per resident day staffing requirement expires June 30, 2018.

(3) (a) Large nonessential community providers must have a registered nurse on duty directly supervising resident care twenty-four hours per day, seven days per week.

(b) (i) The department shall establish a limited exception process for large nonessential community providers that can demonstrate a good faith effort to hire a registered nurse for the last eight hours of required coverage per day. In granting an exception, the department may consider the competitiveness of the wages and benefits offered as compared to nursing facilities in comparable geographic or metropolitan areas within

Washington state, the provider's recruitment and retention efforts, and the availability of registered nurses in the particular geographic area. A one-year exception may be granted and may be renewable; however, the department may limit the admission of new residents, based on medical conditions or complexities, when a registered nurse is not on-site and readily available. If a large nonessential community provider receives an exception, that information must be included in the department's nursing home locator.

(ii) By August 1, 2023, and every three years thereafter, the department, along with a stakeholder work group established by the department, shall conduct a review of the exceptions process to determine if it is still necessary. As part of this review, the department shall provide the legislature with a report that includes enforcement and citation data for large nonessential community providers that were granted an exception in the three previous fiscal years in comparison to those without an exception. The report must include a similar comparison of data, provided to the department by the long-term care ombuds, on long-term care ombuds referrals for large nonessential community providers that were granted an exception in the three previous fiscal years and those without an exception. This report, along with a recommendation as to whether the exceptions process should continue, is due to the legislature by December 1st of each year in which a review is conducted. Based on the recommendations outlined in this report, the legislature may take action to end the exceptions process.

(4) Essential community providers and small nonessential community providers must have a registered nurse on duty directly supervising resident care a minimum of sixteen hours per day, seven days per week, and a registered nurse or a licensed practical nurse on duty directly supervising resident care the remaining eight hours per day, seven days per week.

(5) For the purposes of this section, "behavioral health condition" means one or more of the behavioral symptoms specified in section E of the minimum data set.

(6) If a pandemic, natural disaster, or other declared state of emergency impedes or prevents facilities from compliance with subsections (2) through

(4) of this section, the department may adopt rules to grant exceptions to these requirements, waive penalties, and suspend oversight activities. Facilities must remain in compliance with subsection (1) of this section. Rules adopted under this subsection are effective until 12 months after the termination of the pandemic, natural disaster, or other declared state of emergency or until determined no longer necessary by the department, whichever occurs first. Once the department determines a rule adopted under this subsection is no longer necessary, it must repeal the rule under RCW 34.05.353.

Sec. 7. RCW 74.39A.074 and 2017 c 216 s 1 are each amended to read as follows:

(1)(a) Except for long-term care workers exempt from certification under RCW 18.88B.041(1)(a), all persons hired as long-term care workers must meet the minimum training requirements in this section within one hundred twenty calendar days after the date of being hired.

(b) Except as provided in RCW 74.39A.076, the minimum training requirement is seventy-five hours of entry-level training approved by the department. A long-term care worker must successfully complete five of these seventy-five hours before being eligible to provide care.

(c) Training required by (d) of this subsection applies toward the training required under RCW 18.20.270 or 70.128.230 or any statutory or regulatory training requirements for long-term care workers employed by community residential service businesses.

(d) The seventy-five hours of entry-level training required shall be as follows:

(i) Before a long-term care worker is eligible to provide care, he or she must complete:

(A) Two hours of orientation training regarding his or her role as caregiver and the applicable terms of employment; and

(B) Three hours of safety training, including basic safety precautions, emergency procedures, and infection control; and

(ii) Seventy hours of long-term care basic training, including training related to:

(A) Core competencies; and

(B) Population specific competencies, including identification of individuals with potential hearing loss and how to seek assistance if hearing loss is suspected.

(2) Only training curriculum approved by the department may be used to fulfill the training requirements specified in this section. The department shall only approve training curriculum that:

(a) Has been developed with input from consumer and worker representatives; and

(b) Requires comprehensive instruction by qualified instructors on the competencies and training topics in this section.

(3) Individual providers under RCW 74.39A.270 shall be compensated for training time required by this section.

(4) If a pandemic, natural disaster, or other declared state of emergency impacts the ability of long-term care workers to complete training as required by this section, the department may adopt rules to allow long-term care workers additional time to complete the training requirements.

(a) Rules adopted under this subsection (4) are effective until the termination of the pandemic, natural disaster, or other declared state of emergency or until the department determines that all long-term care workers who were unable to complete the training required in subsection (1) (a) of this section have had adequate access to complete the required training, whichever is later. Once the department determines a rule adopted under this subsection (4) is no longer necessary, it must repeal the rule under RCW 34.05.353.

(b) Within 12 months of the termination of the pandemic, natural disaster, or other declared state of emergency, the department shall conduct a review of training compliance with subsection (1)(a) of this section and provide the legislature with a report.

(5) The department shall adopt rules to implement this section.

Sec. 8. RCW 74.39A.076 and 2019 c 363 s 19 are each amended to read as follows:

(1) Beginning January 7, 2012, except for long-term care workers exempt from certification under RCW 18.88B.041(1) (a):

(a) A biological, step, or adoptive parent who is the individual provider only for the person's developmentally disabled son or daughter must receive twelve hours of training relevant to the needs of adults with developmental disabilities within the first one hundred twenty days after becoming an individual provider.

(b) A spouse or registered domestic partner who is a long-term care worker only for a spouse or domestic partner, pursuant to the long-term services and supports trust program established in chapter 50B.04 RCW, must receive fifteen hours of basic training, and at least six hours of additional focused training based on the care-receiving spouse's or partner's needs, within the first one hundred twenty days after becoming a long-term care worker.

(c) A person working as an individual provider who (i) provides respite care services only for individuals with developmental disabilities receiving services under Title 71A RCW or only for individuals who receive services under this chapter, and (ii) works three hundred hours or less in any calendar year, must complete fourteen hours of training within the first one hundred twenty days after becoming an individual provider. Five of the fourteen hours must be completed before becoming eligible to provide care, including two hours of orientation training regarding the caregiving role and terms of employment and three hours of safety training. The training partnership identified in RCW 74.39A.360 must offer at least twelve of the fourteen hours online, and five of those online hours must be individually selected from elective courses.

(d) Individual providers identified in (d) (i) or (ii) of this subsection must complete thirty-five hours of training within the first one hundred twenty days after becoming an individual provider. Five of the thirty-five hours must be completed before becoming eligible to provide care. Two of these five hours shall be devoted to an orientation training regarding an individual provider's role as caregiver and the applicable terms of employment, and three hours shall be devoted to safety training, including basic safety precautions, emergency procedures, and infection control. Individual providers subject to this requirement include:

(i) An individual provider caring only for the individual provider's biological, step, or adoptive child or parent unless covered by (a) of this subsection; and

(ii) A person working as an individual provider who provides twenty hours or less of care for one person in any calendar month.

(2) In computing the time periods in this section, the first day is the date of hire.

(3) Only training curriculum approved by the department may be used to fulfill the training requirements specified in this section. The department shall only approve training curriculum that:

(a) Has been developed with input from consumer and worker representatives; and

(b) Requires comprehensive instruction by qualified instructors.

(4) If a pandemic, natural disaster, or other declared state of emergency impacts the ability of long-term care workers to complete training as required by this section, the department may adopt rules to allow long-term care workers additional time to complete the training requirements.

(a) Rules adopted under this subsection (4) are effective until the termination of the pandemic, natural disaster, or other declared state of emergency or until the department determines that all long-term care workers who were unable to complete the training required in subsection (1) of this section have had adequate access to complete the required training, whichever is later. Once the department determines a rule adopted under this subsection (4) is no longer necessary, it must repeal the rule under RCW 34.05.353.

(b) Within 12 months of the termination of the pandemic, natural disaster, or other declared state of emergency, the department shall conduct a review of training compliance with subsection (1) of this section and provide the legislature with a report.

(5) The department shall adopt rules to implement this section.

Sec. 9. RCW 74.39A.341 and 2015 c 152 s 3 are each amended to read as follows:

(1) All long-term care workers shall complete twelve hours of continuing education training in advanced training

topics each year. This requirement applies beginning July 1, 2012.

(2) Completion of continuing education as required in this section is a prerequisite to maintaining home care aide certification under chapter 18.88B RCW.

(3) Unless voluntarily certified as a home care aide under chapter 18.88B RCW, subsection (1) of this section does not apply to:

(a) An individual provider caring only for his or her biological, step, or adoptive child;

(b) Registered nurses and licensed practical nurses licensed under chapter 18.79 RCW;

(c) Before January 1, 2016, a long-term care worker employed by a community residential service business;

(d) A person working as an individual provider who provides twenty hours or less of care for one person in any calendar month; or

(e) A person working as an individual provider who only provides respite services and works less than three hundred hours in any calendar year.

(4) Only training curriculum approved by the department may be used to fulfill the training requirements specified in this section. The department shall only approve training curriculum that:

(a) Has been developed with input from consumer and worker representatives; and

(b) Requires comprehensive instruction by qualified instructors.

(5) Individual providers under RCW 74.39A.270 shall be compensated for training time required by this section.

(6) If a pandemic, natural disaster, or other declared state of emergency impacts the ability of long-term care workers to complete training as required by this section, the department may adopt rules to allow long-term care workers additional time to complete the training requirements.

(a) Rules adopted under this subsection (6) are effective until the termination of the pandemic, natural disaster, or other declared state of emergency or until the department determines that all long-term care workers who were unable to complete the

training required in this section have had adequate access to complete the required training, whichever is later. Once the department determines a rule adopted under this subsection (6) is no longer necessary, it must repeal the rule under RCW 34.05.353.

(b) Within 12 months of the termination of the pandemic, natural disaster, or other declared state of emergency, the department shall conduct a review of training compliance with subsection (1) of this section and provide the legislature with a report.

(7) The department of health shall adopt rules to implement subsection (1) of this section.

~~((7))~~ (8) The department shall adopt rules to implement subsection (2) of this section.

Sec. 10. RCW 18.88B.021 and 2013 c 259 s 1 are each amended to read as follows:

(1) Beginning January 7, 2012, except as provided in RCW 18.88B.041, any person hired as a long-term care worker must be certified as a home care aide as provided in this chapter within two hundred calendar days after the date of ~~(being hired. In computing the time periods in this subsection, the first day is the date of)~~ hire, as defined by the department. The department may adopt rules determining under which circumstances a long-term care worker may have more than one date of hire, restarting the person's 200-day period to obtain certification as a home care aide.

(2)(a) No person may practice or, by use of any title or description, represent himself or herself as a certified home care aide without being certified as provided in this chapter.

(b) This section does not prohibit a person: (i) From practicing a profession for which the person has been issued a license or which is specifically authorized under this state's laws; or (ii) who is exempt from certification under RCW 18.88B.041 from providing services as a long-term care worker.

(c) In consultation with consumer and worker representatives, the department shall, by January 1, 2013, establish by rule a single scope of practice that encompasses both long-term care workers who are certified home care aides and

long-term care workers who are exempted from certification under RCW 18.88B.041.

(3) If a pandemic, natural disaster, or other declared state of emergency impacts the ability of long-term care workers to complete certification as required by this section, the department may adopt rules to allow long-term care workers additional time to become certified.

(a) Rules adopted under this subsection (3) are effective until the termination of the pandemic, natural disaster, or other declared state of emergency or until the department determines that additional time for long-term care workers to become certified is no longer necessary, whichever is later. Once the department determines a rule adopted under this subsection (3) is no longer necessary, it must repeal the rule under RCW 34.05.353.

(b) Within 12 months of the termination of the pandemic, natural disaster, or other declared state of emergency, the department shall conduct a review of certification compliance with subsection (1) of this section and rules adopted under this subsection (3) and provide the legislature with a report.

(4) The department shall adopt rules to implement this section.

Sec. 11. RCW 70.128.230 and 2019 c 466 s 5 are each amended to read as follows:

(1) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Caregiver" includes all adult family home resident managers and any person who provides residents with hands-on personal care on behalf of an adult family home, except volunteers who are directly supervised.

(b) "Indirect supervision" means oversight by a person who has demonstrated competency in the core areas or has been fully exempted from the training requirements pursuant to this section and is quickly and easily available to the caregiver, but not necessarily on-site.

(2) Training must have three components: Orientation, basic training, and continuing education. All adult family home providers, resident managers, and employees, or volunteers who routinely interact with residents

shall complete orientation. Caregivers shall complete orientation, basic training, and continuing education.

(3) Orientation consists of introductory information on residents' rights, communication skills, fire and life safety, and universal precautions. Orientation must be provided at the facility by appropriate adult family home staff to all adult family home employees before the employees have routine interaction with residents.

(4) Basic training consists of modules on the core knowledge and skills that caregivers need to learn and understand to effectively and safely provide care to residents. Basic training must be outcome-based, and the effectiveness of the basic training must be measured by demonstrated competency in the core areas through the use of a competency test. Basic training must be completed by caregivers within one hundred twenty days of the date on which they begin to provide hands-on care. Until competency in the core areas has been demonstrated, caregivers shall not provide hands-on personal care to residents without direct supervision.

(5) For adult family homes that serve residents with special needs such as dementia, developmental disabilities, or mental illness, specialty training is required of providers and resident managers.

(a) Specialty training consists of modules on the core knowledge and skills that providers and resident managers need to effectively and safely provide care to residents with special needs. Specialty training should be integrated into basic training wherever appropriate. Specialty training must be outcome-based, and the effectiveness of the specialty training measured by demonstrated competency in the core specialty areas through the use of a competency test.

(b) Specialty training must be completed by providers and resident managers before admitting and serving residents who have been determined to have special needs related to mental illness, dementia, or a developmental disability. Should a resident develop special needs while living in a home without specialty designation, the provider and resident manager have one hundred twenty days to complete specialty training.

(6) Continuing education consists of ongoing delivery of information to caregivers on various topics relevant to the care setting and care needs of residents. Competency testing is not required for continuing education. Continuing education is not required in the same calendar year in which basic or modified basic training is successfully completed. Continuing education is required in each calendar year thereafter. If specialty training is completed, the specialty training applies toward any continuing education requirement for up to two years following the completion of the specialty training.

(7) Persons who successfully complete the competency challenge test for basic training are fully exempt from the basic training requirements of this section. Persons who successfully complete the specialty training competency challenge test are fully exempt from the specialty training requirements of this section.

(8) (a) Registered nurses and licensed practical nurses licensed under chapter 18.79 RCW are exempt from any continuing education requirement established under this section.

(b) The department may adopt rules that would exempt licensed persons from all or part of the training requirements under this chapter, if they are (i) performing the tasks for which they are licensed and (ii) subject to chapter 18.130 RCW.

(9) In an effort to improve access to training and education and reduce costs, especially for rural communities, the adult family home training network must include the use of innovative types of learning strategies such as internet resources, videotapes, and distance learning using satellite technology coordinated through community colleges, private associations, or other entities, as defined by the department.

(10) The adult family home training network shall assist adult family homes that desire to deliver facility-based training with facility designated trainers, or adult family homes that desire to pool their resources to create shared training systems. The department shall develop criteria for reviewing and approving trainers and training materials. The department may approve a curriculum based upon attestation by an adult family home administrator that the adult family home's training curriculum

addresses basic and specialty training competencies identified by the department, and shall review a curriculum to verify that it meets these requirements. The department may conduct the review as part of the next regularly scheduled inspection authorized under RCW 70.128.070. The department shall rescind approval of any curriculum if it determines that the curriculum does not meet these requirements.

(11) The department shall adopt rules by September 1, 2002, for the implementation of this section.

(12) (a) Except as provided in (b) of this subsection, the orientation, basic training, specialty training, and continuing education requirements of this section commence September 1, 2002, and shall be applied to (i) employees hired subsequent to September 1, 2002; or (ii) existing employees that on September 1, 2002, have not successfully completed the training requirements under RCW 70.128.120 or 70.128.130 and this section. Existing employees who have not successfully completed the training requirements under RCW 70.128.120 or 70.128.130 shall be subject to all applicable requirements of this section.

(b) Beginning January 7, 2012, long-term care workers, as defined in RCW 74.39A.009, employed by an adult family home are also subject to the training requirements under RCW 74.39A.074.

(13) If a pandemic, natural disaster, or other declared state of emergency makes specialty training unavailable, the department may adopt rules to allow an adult family home where the provider and resident manager have not completed specialty training to admit a resident or residents with special needs related to mental illness, dementia, or a developmental disability, or to care for a resident or residents already living in the home who develop special needs. Such rules must include information about how to complete the specialty training once the training is available.

(a) Rules adopted under this subsection (13) are effective until the termination of the pandemic, natural disaster, or other declared state of emergency or until the department determines that providers and resident managers who were unable to complete the specialty training required in subsection (5)(b) of this section have had adequate access to complete the

required training, whichever is later. Once the department determines a rule adopted under this subsection (13) is no longer necessary, it must repeal the rule under RCW 34.05.353.

(b) Within 12 months of the termination of the pandemic, natural disaster, or other declared state of emergency, the department shall conduct a review of training compliance with subsection (5)(b) of this section and provide the legislature with a report.

Sec. 12. RCW 18.20.270 and 2013 c 259 s 4 are each amended to read as follows:

(1) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Caregiver" includes any person who provides residents with hands-on personal care on behalf of an assisted living facility, except volunteers who are directly supervised.

(b) "Direct supervision" means oversight by a person who has demonstrated competency in the core areas or has been fully exempted from the training requirements pursuant to this section, is on the premises, and is quickly and easily available to the caregiver.

(2) Training must have the following components: Orientation, basic training, specialty training as appropriate, and continuing education. All assisted living facility employees or volunteers who routinely interact with residents shall complete orientation. Assisted living facility administrators, or their designees, and caregivers shall complete orientation, basic training, specialty training as appropriate, and continuing education.

(3) Orientation consists of introductory information on residents' rights, communication skills, fire and life safety, and universal precautions. Orientation must be provided at the facility by appropriate assisted living facility staff to all assisted living facility employees before the employees have routine interaction with residents.

(4) Basic training consists of modules on the core knowledge and skills that caregivers need to learn and understand to effectively and safely provide care to residents. Basic training must be outcome-based, and the effectiveness of the basic training must be measured by

demonstrated competency in the core areas through the use of a competency test. Basic training must be completed by caregivers within one hundred twenty days of the date on which they begin to provide hands-on care. Until competency in the core areas has been demonstrated, caregivers shall not provide hands-on personal care to residents without direct supervision. Assisted living facility administrators, or their designees, must complete basic training and demonstrate competency within one hundred twenty days of employment.

(5) For assisted living facilities that serve residents with special needs such as dementia, developmental disabilities, or mental illness, specialty training is required of administrators, or designees, and caregivers.

(a) Specialty training consists of modules on the core knowledge and skills that caregivers need to effectively and safely provide care to residents with special needs. Specialty training should be integrated into basic training wherever appropriate. Specialty training must be outcome-based, and the effectiveness of the specialty training measured by demonstrated competency in the core specialty areas through the use of a competency test.

(b) Specialty training must be completed by caregivers within one hundred twenty days of the date on which they begin to provide hands-on care to a resident having special needs. However, if specialty training is not integrated with basic training, the specialty training must be completed within ninety days of completion of basic training. Until competency in the core specialty areas has been demonstrated, caregivers shall not provide hands-on personal care to residents with special needs without direct supervision.

(c) Assisted living facility administrators, or their designees, must complete specialty training and demonstrate competency within one hundred twenty days from the date on which the administrator or his or her designee is hired, if the assisted living facility serves one or more residents with special needs.

(6) Continuing education consists of ongoing delivery of information to caregivers on various topics relevant to the care setting and care needs of

residents. Competency testing is not required for continuing education. Continuing education is not required in the same calendar year in which basic or modified basic training is successfully completed. Continuing education is required in each calendar year thereafter. If specialty training is completed, the specialty training applies toward any continuing education requirement for up to two years following the completion of the specialty training.

(7) Persons who successfully challenge the competency test for basic training are fully exempt from the basic training requirements of this section. Persons who successfully challenge the specialty training competency test are fully exempt from the specialty training requirements of this section.

(8) (a) Registered nurses and licensed practical nurses licensed under chapter 18.79 RCW are exempt from any continuing education requirement established under this section.

(b) The department may adopt rules that would exempt licensed persons from all or part of the training requirements under this chapter, if they are (i) performing the tasks for which they are licensed and (ii) subject to chapter 18.130 RCW.

(9) In an effort to improve access to training and education and reduce costs, especially for rural communities, the coordinated system of long-term care training and education must include the use of innovative types of learning strategies such as internet resources, videotapes, and distance learning using satellite technology coordinated through community colleges or other entities, as defined by the department.

(10) The department shall develop criteria for the approval of orientation, basic training, and specialty training programs.

(11) Assisted living facilities that desire to deliver facility-based training with facility designated trainers, or assisted living facilities that desire to pool their resources to create shared training systems, must be encouraged by the department in their efforts. The department shall develop criteria for reviewing and approving trainers and training materials that are substantially similar to or better than the materials developed by the department. The department may approve a

curriculum based upon attestation by an assisted living facility administrator that the assisted living facility's training curriculum addresses basic and specialty training competencies identified by the department, and shall review a curriculum to verify that it meets these requirements. The department may conduct the review as part of the next regularly scheduled yearly inspection and investigation required under RCW 18.20.110. The department shall rescind approval of any curriculum if it determines that the curriculum does not meet these requirements.

(12) The department shall adopt rules for the implementation of this section.

(13) (a) Except as provided in (b) of this subsection, the orientation, basic training, specialty training, and continuing education requirements of this section commence September 1, 2002, or one hundred twenty days from the date of employment, whichever is later, and shall be applied to (i) employees hired subsequent to September 1, 2002; and (ii) existing employees that on September 1, 2002, have not successfully completed the training requirements under RCW 74.39A.010 or 74.39A.020 and this section. Existing employees who have not successfully completed the training requirements under RCW 74.39A.010 or 74.39A.020 shall be subject to all applicable requirements of this section.

(b) Beginning January 7, 2012, long-term care workers, as defined in RCW 74.39A.009, employed by facilities licensed under this chapter are also subject to the training requirements under RCW 74.39A.074.

(14) If a pandemic, natural disaster, or other declared state of emergency makes specialty training unavailable, the department may adopt rules to allow an assisted living facility where the administrator, designee, and caregiving staff have not completed specialty training to admit a resident or residents with special needs related to mental illness, dementia, or a developmental disability. Such rules must include information about how to complete the specialty training once the training is available.

(a) Rules adopted under this subsection (14) are effective until the termination of the pandemic, natural disaster, or other declared state of emergency or until the department

determines that providers and resident managers who were unable to complete the specialty training required in subsection (5)(b) of this section have had adequate access to complete the required training, whichever is later. Once the department determines a rule adopted under this subsection (14) is no longer necessary, it must repeal the rule under RCW 34.05.353.

(b) Within 12 months of the termination of the pandemic, natural disaster, or other declared state of emergency, the department shall conduct a review of training compliance with subsection (5)(b) of this section and provide the legislature with a report.

Sec. 13. RCW 70.128.070 and 2011 1st sp.s. c 3 s 204 are each amended to read as follows:

(1) A license shall remain valid unless voluntarily surrendered, suspended, or revoked in accordance with this chapter.

(2) (a) Homes applying for a license shall be inspected at the time of licensure.

(b) Homes licensed by the department shall be inspected at least every eighteen months, with an annual average of fifteen months. However, an adult family home may be allowed to continue without inspection for two years if the adult family home had no inspection citations for the past three consecutive inspections and has received no written notice of violations resulting from complaint investigations during that same time period.

(c) The department may make an unannounced inspection of a licensed home at any time to assure that the home and provider are in compliance with this chapter and the rules adopted under this chapter.

(d) If a pandemic, natural disaster, or other declared state of emergency prevents the department from completing inspections according to the timeline in this subsection, the department shall adopt rules to reestablish inspection timelines based on the length of time since last inspection, compliance history of each facility, and immediate health or safety concerns.

(i) Rules adopted under this subsection (2) (d) are effective until the termination of the pandemic, natural

disaster, or other declared state of emergency or until the department determines that all facility inspections are occurring according to time frames established in (b) of this subsection, whichever is later. Once the department determines a rule adopted under this subsection (2)(d) is no longer necessary, it must repeal the rule under RCW 34.05.353.

(ii) Within 12 months of the termination of the pandemic, natural disaster, or declared state of emergency, the department shall conduct a review of inspection compliance with (b) of this subsection and provide the legislature with a report.

(3) If the department finds that the home is not in compliance with this chapter, it shall require the home to correct any violations as provided in this chapter.

Sec. 14. RCW 70.97.160 and 2020 c 278 s 9 are each amended to read as follows:

(1) The department shall make or cause to be made at least one inspection of each facility prior to licensure and an unannounced full inspection of facilities at least once every eighteen months. The statewide average interval between full facility inspections must be fifteen months.

(2) Any duly authorized officer, employee, or agent of the department may enter and inspect any facility at any time to determine that the facility is in compliance with this chapter and applicable rules, and to enforce any provision of this chapter. Complaint inspections shall be unannounced and conducted in such a manner as to ensure maximum effectiveness. No advance notice shall be given of any inspection unless authorized or required by federal law.

(3) During inspections, the facility must give the department access to areas, materials, and equipment used to provide care or support to residents, including resident and staff records, accounts, and the physical premises, including the buildings, grounds, and equipment. The department has the authority to privately interview the provider, staff, residents, and other individuals familiar with resident care and service plans.

(4) Any public employee giving advance notice of an inspection in violation of this section shall be suspended from all

duties without pay for a period of not less than five nor more than fifteen days.

(5) The department shall prepare a written report describing the violations found during an inspection, and shall provide a copy of the inspection report to the facility.

(6) The facility shall develop a written plan of correction for any violations identified by the department and provide a plan of correction to the department within ten working days from the receipt of the inspection report.

(7) If a pandemic, natural disaster, or other declared state of emergency prevents the department from completing inspections according to the timeline in this section, the department shall adopt rules to reestablish inspection timelines based on the length of time since last inspection, compliance history of each facility, and immediate health or safety concerns.

(a) Rules adopted under this subsection (7) are effective until the termination of the pandemic, natural disaster, or other declared state of emergency or until the department determines that all facility inspections are occurring according to time frames established in subsection (1) of this section, whichever is later. Once the department determines a rule adopted under this subsection (7) is no longer necessary, it must repeal the rule under RCW 34.05.353.

(b) Within 12 months of the termination of the pandemic, natural disaster, or other declared state of emergency, the department shall conduct a review of inspection compliance with subsection (1) of this section and provide the legislature with a report.

Sec. 15. RCW 18.20.110 and 2012 c 10 s 6 are each amended to read as follows:

(1) The department shall make or cause to be made, at least every eighteen months with an annual average of fifteen months, an inspection and investigation of all assisted living facilities. However, the department may delay an inspection to twenty-four months if the assisted living facility has had three consecutive inspections with no written notice of violations and has received no written notice of violations resulting from complaint investigation during that same time period. The department may at

anytime make an unannounced inspection of a licensed facility to assure that the licensee is in compliance with this chapter and the rules adopted under this chapter. Every inspection shall focus primarily on actual or potential resident outcomes, and may include an inspection of every part of the premises and an examination of all records, methods of administration, the general and special dietary, and the stores and methods of supply; however, the department shall not have access to financial records or to other records or reports described in RCW 18.20.390. Financial records of the assisted living facility may be examined when the department has reasonable cause to believe that a financial obligation related to resident care or services will not be met, such as a complaint that staff wages or utility costs have not been paid, or when necessary for the department to investigate alleged financial exploitation of a resident. Following such an inspection or inspections, written notice of any violation of this law or the rules adopted hereunder shall be given to the applicant or licensee and the department. The department may prescribe by rule that any licensee or applicant desiring to make specified types of alterations or additions to its facilities or to construct new facilities shall, before commencing such alteration, addition, or new construction, submit plans and specifications therefor to the agencies responsible for plan reviews for preliminary inspection and approval or recommendations with respect to compliance with the rules and standards herein authorized.

(2) If a pandemic, natural disaster, or other declared state of emergency prevents the department from completing inspections according to the timeline in subsection (1) of this section, the department shall adopt rules to reestablish inspection timelines based on the length of time since last inspection, compliance history of each facility, and immediate health or safety concerns.

(a) Rules adopted under this subsection (2) are effective until the termination of the pandemic, natural disaster, or other declared state of emergency or until the department determines that all facility inspections are occurring according to time frames established in subsection (1) of this section, whichever is later. Once the

department determines a rule adopted under this subsection (2) is no longer necessary, it must repeal the rule under RCW 34.05.353.

(b) Within 12 months of the termination of the pandemic, natural disaster, or other declared state of emergency, the department shall conduct a review of inspection compliance with subsection (1) of this section and provide the legislature with a report.

Sec. 16. RCW 18.88A.030 and 2010 c 169 s 4 are each amended to read as follows:

(1) (a) A nursing assistant may assist in the care of individuals as delegated by and under the direction and supervision of a licensed (registered) nurse or licensed practical nurse.

(b) A health care facility shall not assign a nursing assistant-registered to provide care until the nursing assistant-registered has demonstrated skills necessary to perform competently all assigned duties and responsibilities.

(c) Nothing in this chapter shall be construed to confer on a nursing assistant the authority to administer medication unless delegated as a specific nursing task pursuant to this chapter or to practice as a licensed (registered) nurse or licensed practical nurse as defined in chapter 18.79 RCW.

(2) (a) A nursing assistant employed in a nursing home must have successfully obtained certification through: (i) An approved training program and the competency evaluation within ~~((four months after the date of employment))~~ a period of time determined in rule by the commission; or (ii) alternative training and the competency evaluation prior to employment.

(b) Certification is voluntary for nursing assistants working in health care facilities other than nursing homes unless otherwise required by state or federal law or regulation.

(3) The commission may adopt rules to implement the provisions of this chapter.

Sec. 17. RCW 18.88A.087 and 2010 c 169 s 3 are each amended to read as follows:

(1) The commission shall adopt criteria for evaluating an applicant's alternative training to determine the applicant's eligibility to take the

competency evaluation for nursing assistant certification. At least one option adopted by the commission must allow an applicant to take the competency evaluation if he or she:

(a) (i) Is a certified home care aide pursuant to chapter 18.88B RCW; or

(ii) Is a certified medical assistant pursuant to a certification program accredited by a national medical assistant accreditation organization and approved by the commission; and

(b) Has successfully completed at least twenty-four hours of training that the commission determines is necessary to provide training equivalent to approved training on topics not addressed in the training specified for certification as a home care aide or medical assistant, as applicable. In the commission's discretion, a portion of these hours may include clinical training.

(2) (a) (~~By July 1, 2011, the~~) The commission, in consultation with the secretary, the department of social and health services, and consumer, employer, and worker representatives, shall adopt rules to implement this section and to provide (~~(, beginning January 1, 2012,)~~) for a program of credentialing reciprocity to the extent required by this section between home care aide and medical assistant certification and nursing assistant certification. (~~By July 1, 2011, the~~) The secretary shall also adopt such rules as may be necessary to implement this section and the credentialing reciprocity program.

(b) Rules adopted under this section must be consistent with requirements under 42 U.S.C. Sec. 1395i-3(e) and (f) of the federal social security act relating to state-approved competency evaluation programs for certified nurse aides.

(3) (~~Beginning December 1, 2012, the~~) The secretary, in consultation with the commission, shall report annually by December 1st to the governor and the appropriate committees of the legislature on the progress made in achieving career advancement for certified home care aides and medical assistants into nursing practice.

NEW SECTION. Sec. 18. 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. 19. This act is remedial and curative in nature and all of its sections apply retroactively to February 29, 2020, to include the period of the state of emergency created by the COVID-19 outbreak. In any instance where this act grants rule-making authority to the department of social and health services or the department of health, the agencies may adopt the rules as emergency rules and may make the rules retroactively effective."

On page 1, line 2 of the title, after "supports;" strike the remainder of the title and insert "amending RCW 43.43.832, 43.43.837, 74.39A.056, 18.51.091, 18.51.230, 74.42.360, 74.39A.074, 74.39A.076, 74.39A.341, 18.88B.021, 70.128.230, 18.20.270, 70.128.070, 70.97.160, 18.20.110, 18.88A.030, and 18.88A.087; creating a new section; and declaring an emergency."

and the same is herewith transmitted.

Brad Hendrickson, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SUBSTITUTE HOUSE BILL NO. 1120 and advanced the bill, as amended by the Senate, to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Tharinger and Schmick spoke in favor of the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1120, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1120, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 81; Nays, 16; Absent, 0; Excused, 1.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chapman, Chopp, Cody, Davis, Dent, Dolan, Duerr, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, J. Johnson, Kirby, Klicker, Klippert, Kloba, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, Morgan, Ormsby, Ortiz-Self, Orwall, Paul,

Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Volz, Walen, Wicks, Wilcox, Wylie, Ybarra and Mme. Speaker.

Voting nay: Representatives Chambers, Chandler, Chase, Corry, Dufault, Goehner, Hoff, Jacobsen, Kraft, McCaslin, Mosbrucker, Orcutt, Sutherland, Vick, Walsh and Young.

Excused: Representative McEntire.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1120, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 9, 2021

Madame Speaker:

The Senate has passed SECOND SUBSTITUTE HOUSE BILL NO. 1168 with the following amendment:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. FINDINGS AND DETERMINATIONS. (1) Over the last decade, forestland and rangeland wildfires have grown larger and increased in intensity and destructiveness throughout Washington state. The annual acres burned in our state illustrates this alarming trend. In the 1990s, an average of 86,000 acres burned annually. In the 2000s, the average annual acres burned increased to 189,000. In the last five years, the annual average grew to more than 488,000 acres burned. This trajectory of escalation continued last year, with wildfires burning more than 812,000 acres.

(2) Recent wildfires have devastated state, federal, tribal, and private lands, destroyed homes and property, and taken lives. These fires have also released greenhouse gases, destroyed critical fish and wildlife habitat, filled our skies with harmful smoke, polluted our waters, damaged our economy, increased the risk of flooding and landslides, created a critical need for reforestation, and threatened the natural resources needed for essential industries and rural economies.

(3) Catastrophic wildfires have significant negative impacts on fish and wildlife habitat, including the loss and degradation of places to shelter and feed, water quality and quantity, and soil nutrients. Washington's fish and

wildlife are part of a fire-adapted landscape, but catastrophic wildfires threaten their health and recovery.

(4) The increase in these uncharacteristic wildfires are the result of a combination of climate change-driven drought, hotter temperature, and windstorms; human development patterns and land use planning and activities; and where uncharacteristic fires occur in forests, by past fire suppression and departures from native ecosystem structure and function. Uncharacteristic wildfire risk is addressed through scientifically informed landscape-level treatments designed to restore forest ecosystem and watershed resilience.

(5) Wildfires result in significant greenhouse gas emissions. Wildfires have become one of the largest sources of black carbon in the last five years. From 2014-2018, wildfires in Washington state generated 39.2 million metric tons of carbon, the equivalent of more than 8.5 million cars on the road a year. In 2015, when 1.13 million acres burned in Washington, wildfires were the second largest source of greenhouse gas emissions, second only to transportation.

(6) The legislature has recognized our forests, as well as the manufacturing and utilization of wood products, as a natural carbon solution and critical component of our state's carbon reduction strategy pursuant to chapter 120, Laws of 2020. Uncharacteristic wildfires threaten the ability of our forests to sequester carbon, and they threaten the stability and long-term viability of our forest products industry.

(7) The Washington state department of natural resources' 20-year forest health strategic plan and climate risk assessment finds that carbon emissions from wildfires are anticipated to increase if there is no change in forest management practices. Unless the state significantly increases active forest management across land ownerships to reduce the risk and intensity of wildfires, wildfire emissions will erode efforts to achieve our state's greenhouse gas emissions reduction goals. In addition to reducing fuel loads, many effective forest health treatments retain and restore older, large fire-resilient trees across the landscape that play an important role in carbon sequestration, enhancing climate

resilience and ecosystem services, and mitigating climate change.

(8) Wildfires inflict huge costs to the state budget, the budgets of partner agencies, and our economy. From 2014-2019, agencies in Washington annually spent nearly \$150 million fighting wildfires. In 2015, firefighting costs were more than \$342 million. In 2019, firefighting costs were more than \$172 million. And suppression costs are only a small portion of the full economic impact. According to a 2018 report by the nonprofit headwater's economics, suppression costs account for only nine percent of the total cost of wildfires when factoring in disaster recovery, lost business, lost infrastructure, and timber damage, and public health impacts.

(9) Over one-half of Washington is forested, providing significant environmental and economic value. Over \$4,900,000,000 in wages and \$200,000,000 in taxes are paid by the forest products' sector each year. Opportunities exist to boost our rural economies through wildfire preparation and preparedness that maintain and attract private sector investments and employment in rural communities.

(10) Wildfires are significant threats to life and property. Over the last five years, wildfires in Washington have taken five lives, including four firefighters and the life of a one-year old boy. In 2020 alone, 298 homes were destroyed by wildfires in our state. More than 1,100 homes have been destroyed this decade. Communities in every corner of Washington have felt the impact and devastation of flames and smoke. In 2020, the town of Malden, Washington was forever scarred by rangeland wildfire. Approximately 80 percent of the town's structures burned down in the Babb Road fire, including the city hall, post office, and fire station.

(11) Wildfire smoke has significant negative impacts on public health. For the second time in the last three years, Washington state had the worst air quality in the world due to wildfires. Communities in every corner of the state felt the impact. Exposure to particulate matter in wildfire smoke has been associated with a wide range of damaging health effects. The particulates in this smoke make those breathing the air wheeze, cough, shorten their breath, and experience sore eyes and throats, diminishing health and quality of life. Other adverse health outcomes are more

severe, including increases in asthma-related hospitalizations, chronic and acute respiratory and cardiovascular health problems, and premature death.

(12) Historical forest management, legacy wildfire suppression responses, and a rapidly changing climate have increased the risk of catastrophic wildfires throughout the state. It is the policy of the state to encourage prudent and responsible forest resource management to maintain the health of forests and ecosystems in Washington state. Increasing the pace and scale of forest restoration through fuel reduction, thinning, and the use of prescribed fire on federal, state, tribal, and private lands pursuant to the 20-year forest health strategic plan, the wildland fire protection 10-year strategic plan, and RCW 79.10.520 will reduce the risk of catastrophic wildfires.

(13) In 2020, more than 1,300,000 acres of national forest system land in eastern Washington were considered in need of treatments to restore forest health and reduce the risk of wildfire hazard potential. Many of these lands are adjacent to populated communities, private lands, and state trust lands.

(14) In 2020, 166,000 acres of department of natural resources' land and 74,000 acres of other state-owned lands in eastern Washington were in need of forest health treatment. These forestlands provide critical fish and wildlife habitat, natural and cultural resources, recreation, raw materials for the forest industry, and funding for counties and schools. From 2011-2020, 102,700 forested acres of department of natural resources' managed trust lands have burned.

(15) Tribal lands and communities have been significantly impacted by wildfires and unhealthy forests. Approximately 494,000 acres of tribal lands in eastern Washington need forest health treatments. These forestlands provide critical fish and wildlife habitat, natural and cultural resources, and economic opportunities.

(16) Washington state has nearly eight million acres of private forestlands. Forested acres are declining statewide with a loss of 394,000 acres between 2007 and 2019. Small forestland owners account for 15 percent of total forest acres. Small forestland owner forested acres

declined 3.7 percent from 2,990,000 acres in 2007 to 2,880,000 million acres in 2019. The number of small forestland owners increased 8.5 percent from 201,000 in 2007 to 218,000 in 2019. The number of small forestland owner parcels increased 2.1 percent from 256,500 to 261,800. This rapid land use change creates significant challenges for implementing forest health and wildfire response actions in the wildland urban interface. In eastern Washington alone, approximately 288,000 acres owned by small forestland owners are in need of immediate forest health treatment. These forestlands provide critical raw materials for the forest industry, rural economic opportunities, fish and wildlife habitat, cultural resources, and recreation. A coordinated interagency response is needed to address the multifaceted challenge posed by increasing parcelization, forest fragmentation, loss of economic viability, and changes in landowner assistance needs.

(17) The legislature finds that increasing the pace and scale of science-based forest health activities to reduce hazardous fuels and restore fire resilient forests, including through mechanical thinning and prescribed burning, on federal, state, tribal, and private lands, will reduce the risk and severity of wildfires, protect cultural and archaeological resources, improve fish and wildlife habitat, expand recreational opportunities, protect air and water quality, create rural economic opportunities, provide critical wood products, and increase long-term carbon sequestration on our natural resource lands.

(18) Increased development in the wildland urban interface has also increased the number of people living in areas that are at risk of wildfire. In Washington, over 2,000,000 homes are currently at risk of wildfire. Communities and homeowners can take actions that reduce the risk of loss in the event of wildfire including, but not limited to, home hardening, creating defensible space, and building potential control lines or strategic fuel breaks.

(19) Long-term, sustainable investment in wildfire response, forest restoration, and community resilience is of utmost importance to the health and safety of our environment, our economy, our communities, and the well-being of every resident.

(20) It is the intent of the legislature to take immediate action to fully fund the wildland fire protection 10-year strategic plan. Strategies to accomplish these goals include, but are not limited to:

(a) Upgrading our capability to attack wildfires with critical air and ground resources;

(b) Providing needed wildfire resources to state wildfire response and local fire service districts;

(c) Working with each state utility, local publicly owned electric utility, and electrical cooperative to reduce wildfire risk and develop consistent approaches and shared data related to fire prevention, safety, vegetation management, and energy distribution systems; and

(d) Improving wildfire detection in areas at risk of wildfire through new technologies and equipment.

(21) Furthermore, it is the intent of the legislature to take immediate action to increase the pace and scale of forest management across different land ownerships and fully fund the 20-year forest health strategic plan and activities developed to facilitate implementation of the Washington state forest action plan. Strategies to accomplish these goals include, but are not limited to:

(a) Restoring to health a minimum of 1,250,000 acres of forestland in need of immediate action to become more resilient and improve watershed health;

(b) Increasing prescribed fire and other fuel reduction projects through proven forestry practices and the operation of prescribed fire crews;

(c) Establishing potential control lines and strategic fuel breaks around communities with high wildfire risk;

(d) Increasing funding for the small forestland owner office for technical assistance and support for small forestland owners and funding an integrated small forestland owner forest health program in support of extending management and control of wildfire from homes through the wildland urban interface to small forestland owner holdings; and

(e) Monitoring forest health conditions and effectiveness of

treatments throughout the state, including ecological function and reducing catastrophic wildfires.

(22) Furthermore, it is the intent of the legislature to take immediate action to help communities become more resilient to wildfire. Strategies to accomplish these goals include, but are not limited to:

(a) Increasing funding for cost share programs for home hardening, fuels reduction, and community resilience programs in communities at risk of wildfire;

(b) Reducing wildfire risk to wildland urban interfaces; and

(c) Ensuring our state's most vulnerable populations are not disproportionately burdened by the impact and consequences of wildfire.

(23) The legislature intends to provide \$125,000,000 per biennium over the next four biennia for a total of \$500,000,000 and that these investments will help protect the state's people, environment, and economy.

NEW SECTION. Sec. 2. WILDFIRE RESPONSE, FOREST RESTORATION, AND COMMUNITY RESILIENCE ACCOUNT. (1) The wildfire response, forest restoration, and community resilience account is created in the state treasury. All receipts from moneys directed to the account must be deposited in the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for carrying out the purposes of this act and for no other purposes.

(2) Expenditures from the account may be made to state agencies, federally recognized tribes, local governments, fire and conservation districts, nonprofit organizations, forest collaboratives, and small forestland owners, consistent with the 20-year forest health strategic plan, the wildland fire protection 10-year strategic plan, and the Washington state forest action plan.

(3) The wildfire response, forest restoration, and community resilience account may only be used to monitor, track, and implement the following purposes:

(a) Fire preparedness activities consistent with the goals contained in the state's wildland fire protection 10-

year strategic plan including, but not limited to, funding for firefighting capacity and investments in ground and aerial firefighting resources, equipment, and technology, and the development and implementation of a wildland fire aviation support plan in order to expand and improve the effectiveness and cost-efficiency of the department's wildland fire aviation program;

(b) Fire prevention activities to restore and improve forest health and reduce vulnerability to drought, insect infestation, disease, and other threats to healthy forests including, but not limited to, silvicultural treatments, seedling development, thinning and prescribed fire, and postfire recovery activities to stabilize and prevent unacceptable degradation to natural and cultural resources and minimize threats to life and property resulting from the effects of a wildfire. Funding priority under this subsection must be given to programs, activities, or projects aligned with the 20-year forest health strategic plan, the wildland fire protection 10-year strategic plan, and the Washington state forest action plan across any combination of local, state, federal, tribal, and private ownerships;

(c) Fire protection activities for homes, properties, communities, and values at risk including, but not limited to: Potential control lines or strategic fuel breaks in forests and rangelands near communities; improved warning and communications systems to prepare for wildfires; increased engagement with non-English speaking communities in their home language for community preparedness; and the national fire protection association's fire wise USA and the fire-adapted communities network programs to help communities take action before wildfires.

(4) Appropriations for forest health activities funded by the wildfire response, forest restoration, and community resilience account shall not be less than 25 percent of the biennial appropriated funding.

(5) Appropriations for community resilience activities funded by the wildfire response, forest restoration, and community resilience account shall not be less than 15 percent of the biennial appropriated funding.

(6) Funding may not be used for emergency fire costs or suppression costs as defined in RCW 76.04.005.

(7) To the maximum extent possible, workforce development investments from the wildfire response, forest restoration, and community resilience account should prioritize historically marginalized, underrepresented, rural, and low-income communities.

(8) Any expenditures from the wildfire response, forest restoration, and community resilience account for forest health treatments on federal lands must be additive to the baseline accomplishments and outputs already funded through the federal government and outlined in the annual work plans of the United States forest service, bureau of land management, the national park service, and/or the United States fish and wildlife service.

(9) The department may solicit the forest health advisory committee established in RCW 76.06.200 and wildland fire advisory committee established in RCW 76.04.179 to provide recommendations for investments under this section. In assessing investments and developing recommendations for communities that will be impacted based on ecological, public infrastructure, and life safety needs as set forth in the 20-year forest health strategic plan and the wildland fire protection 10-year strategic plan, the forest health advisory committee and wildland fire advisory committee must use environmental justice or equity focused tools, such as the Washington tracking network's environmental health disparities tool to identify highly impacted communities. This identification must be used as a factor in determining recommendations for investments under this section. "Highly impacted communities" has the same meaning as defined in RCW 19.405.020.

(10) To the maximum extent practicable and where consistent with the 20-year forest health strategic plan, the wildland fire protection 10-year strategic plan, or the Washington state forest action plan and landowner objectives, forest health treatments funded through the wildfire response, forest restoration, and community resilience account shall seek to utilize the value of any merchantable materials to help offset treatment costs.

NEW SECTION. **Sec. 3.** TRANSPARENCY AND ACCOUNTABILITY. (1) By December 1st of each even-numbered year, and in compliance with RCW 43.01.036, the department must report to the governor and legislature on the following:

(a) The type and amount of the expenditures made, by fiscal year, and for what purpose, from the wildfire response, forest restoration, and community resilience account created in section 2 of this act;

(b) The amount of unexpended and unobligated funds in the wildfire response, forest restoration, and community resilience account and recommendations for the disbursement to local districts;

(c) Progress on implementation of the wildland fire protection 10-year strategic plan including, but not limited to, how investments are reducing human-caused wildfire starts, lowering the size and scale and geography of catastrophic wildfires, reducing the communities, landscapes, and population at risk, and creating resilient landscapes and communities;

(d) Progress on implementation of the 20-year forest health strategic plan as established through the forest health assessment and treatment framework pursuant to RCW 76.06.200 including, but not limited to: Assessment of fire prone lands and communities that are in need of forest health treatments; forest health treatments prioritized and conducted by landowner type, geography, and risk level; estimated value of any merchantable materials from forest health treatments; and number of acres treated by treatment type, including the use of prescribed fire;

(e) Progress on developing markets for forest residuals and biomass generated from forest health treatments.

(2) The department must include recommendations on any adjustments that may be necessary or advisable to the mechanism of funding dispensation as created under this act.

(3) The report required in this section should support existing department assessments pursuant to RCW 79.10.530 and 76.06.200.

(4) (a) (i) Prior to the determination of the 2025-2034 sustainable harvest calculation as required by RCW 79.10.320,

the department must hire an independent third-party contractor to assist it in updating its forest inventory by increasing the intensity of forest sample plots on all forestlands over the next two biennium. The department's sustainable harvest calculation technical advisory committee must be involved in the design, development, and implementation of this forest inventory update.

(ii) For purposes of this subsection, "forest inventory" means the collection of sample data to estimate a range of forest attributes including, but not limited to, standing volume, stored carbon, habitat attributes, age classes, tree species, and other inventory attributes, including information needed to estimate rates of tree growth and associated carbon sequestration on department lands.

(iii) The department's sustainable harvest calculation technical advisory committee must bring forward recommendations for regular maintenance and updates to the forest inventory on a ten-year basis.

(b) Prior to the determination of the 2025-2034 sustainable harvest calculation as required by RCW 79.10.320, the department must hire a third-party contractor to review, analyze, and advise the department's forest growth and yield modeling, specific to all types of forested acres managed by the department. The department's sustainable harvest calculation technical advisory committee must be involved in the design, review, and analysis of the department's forest growth and yield modeling.

(c) Prior to the determination of the 2025-2034 sustainable harvest calculation as required by RCW 79.10.320 and in the absence of any litigation, pending or in progress, against the department's sustainable harvest calculation, the joint legislative audit and review committee established in chapter 44.28 RCW must oversee and conduct an independent review of the methodologies and data being utilized by the department in the development of the sustainable harvest calculation, including the associated forest inventory, forest growth, harvest and yield data, and modeling techniques that impact harvest levels. In carrying out the review, the joint legislative audit and review committee shall:

(i) Retain one or more contractors with expertise in forest inventories, forest growth and yield modeling, and operational research modeling in forest harvest scheduling to conduct the technical review;

(ii) Be a member of department's sustainable harvest calculation technical advisory committee, along with one of its contractors selected in (c) (i) of this subsection; and

(iii) Prior to the department's determination of the sustainable harvest under RCW 79.10.320, ensure that a completed independent review and report with findings and recommendations is submitted to the board of natural resources and the legislature.

(d) Upon receiving the report from the joint legislative audit and review committee required under (c) (iii) of this subsection, the board of natural resources shall determine whether modifications are necessary to the sustainable harvest calculation prior to approving harvest level under RCW 79.10.320.

Sec. 4. RCW 76.06.200 and 2019 c 305 s 1 are each amended to read as follows:

(1) The department must establish a forest health assessment and treatment framework designed to proactively and systematically address the forest health issues facing the state. Specifically, the framework must endeavor to achieve an initial goal of assessing and treating one million acres of land by 2033.

(2) The department must utilize the framework to assess and treat acreage in an incremental fashion each biennium. The framework consists of three elements: Assessment; treatment; and progress review and reporting.

(a) Assessment. Each biennium, the department must identify and assess two hundred thousand acres of fire prone lands and communities that are in need of forest health treatment, including the use of prescribed fire or mechanical treatment (~~(, such as thinning)~~).

(i) The scope of the assessment must include lands protected by the department as well as lands outside of the department's fire protection responsibilities that could pose a high risk to department protected lands during a fire.

(ii) The assessment must identify areas in need of treatment, the type or types of treatment recommended, spatial optimization of forest treatments across landscapes, data and planning needs to carry out recommended treatment, and the estimated cost of recommended treatment.

(iii) The department shall develop a mapping tool to identify small forestland owners within wildfire risk areas and use this tool to evaluate and optimize forest health work at a landscape scale to move high risk wildfire areas to lower risk and to leverage funding and the small forestland owner forest health program and landowner assistance program in section 7 of this act with the greatest impact for wildfire prevention, preparedness, and response.

(b) Treatment. Each biennium, the department must review previously completed assessments and prioritize and conduct as many identified treatments as possible using appropriations provided for that specific purpose.

(c) Progress review and reporting. By December 1st of each even-numbered year, the department must provide the appropriate committees of the legislature and the office of financial management with:

(i) A request for appropriations designed to implement the framework in the following biennium, including assessment work and conducting treatments identified in previously completed assessments;

(ii) A prioritized list and brief summary of treatments planned to be conducted under the framework with the requested appropriations, including relevant information from the assessment; and

(iii) A list and brief summary of treatments carried out under the framework in the preceding biennium, including total funding available, costs for completed treatment, and treatment outcomes. The summary must include any barriers to framework implementation and legislative or administrative recommendations to address those barriers.

(3) In developing and implementing the framework, the department must:

(a) Utilize and build on the forest health strategic planning initiated under section 308(11), chapter 36, Laws

of 2016 sp. sess., to the maximum extent practicable, to promote the efficient use of resources;

(b) Prioritize, to the maximum extent practicable consistent with this section, forest health treatments that are strategically planned to serve the dual benefits of forest health maximization while providing geographically planned tools for wildfire response; ~~(and)~~

(c) Where possible, partner with federally recognized tribes to expand use of the tribal forest protection act on federal lands managed by the United States forest service and the bureau of land management;

(d) When entering into good neighbor agreements, as that term is defined in RCW 79.02.010, prioritize, to the maximum extent practicable consistent with this section, forest health treatments adjacent to or nearby state lands so as to increase the speed, efficiency, and impact on the landscape; and

(e) Establish a forest health advisory committee to assist in developing and implementing the framework. The committee may: (i) Include representation from large and small forestland owners, wildland fire response organizations, milling and log transportation industries, forest collaboratives that may exist in the affected areas, highly affected communities and community preparedness organizations, conservation groups, and other interested parties deemed appropriate by the commissioner; and (ii) consult with relevant local, state, and federal agencies, and tribes.

(4) In implementing subsection (3)(b) of this section, the department shall attempt to locate and design forest health treatments in such a way as to provide wildfire response personnel with strategically located treated areas to assist with managing fire response. These areas must attempt to maximize the firefighting benefits of natural and artificial geographic features and be located in areas that prioritize the protection of commercially managed lands from fires originating on public land.

(5) The department must establish and implement the forest health assessment and treatment framework within the appropriations specifically provided for this purpose.

(6) The department must explore opportunities and developing markets for the utilization of woody biomass residuals from forest treatments, including biochar. When exploring opportunities and developing markets, the department must consult with the department of commerce, relevant federal agencies, representatives of the forest products sector, environmental organizations, and other stakeholders with a working knowledge of woody biomass technology.

NEW SECTION. Sec. 5. WORKFORCE DEVELOPMENT. (1) The legislature finds that satisfying the goals identified in section 1 of this act to increase the pace and scale of forest health treatments and improve wildfire prevention and response requires increasing the workforce that is needed to perform this critical work. This need creates an opportunity to develop employment and career pathways across the state, including in rural communities throughout Washington. Investments to support and further develop the forest sector workforce are recommended in both the department's 2019 "plan for climate resilience" and the department of commerce's 2020 report "Washington's green economy."

(2) The department and the department of commerce shall jointly develop and implement, as appropriate and in consultation with centers of excellence, higher education, secondary education, and workforce development centers, initiatives to develop a forest health workforce necessary to implement the goals of this section. Initiatives may include, but are not limited to:

(a) Creating a new or making an existing grant program available to nonprofits, labor organizations, state agencies, community and technical colleges, institutions of higher education, private sector employers, skills centers, or other training and education institutions that have qualifications and experience in the development of training programs, such as secondary and postsecondary courses, relevant to the workforce needs of the forest sector. Grants must be awarded on a competitive basis with priority funding for programs that meet urgent forest health and wildfire suppression skills gaps and demonstrate a lack of available workforce in underserved communities. Grants awarded may be used for activities

such as internships, Washington state registered apprenticeship programs, recognized preapprenticeships, career launch, and other relevant career connect Washington activities, and postsecondary bridge programs for forest sector or skill relevant trades that provide:

- (i) On the job training;
- (ii) Hard and soft skills development;
- (iii) Test preparation for trade apprenticeship;
- (iv) Advanced training in the forest sector relating to jobs such as: Hand crews; wildland firefighters; fire safety; equipment operators; timber operators; mill workers; mill or forestry technicians; mechanics; loggers; timber fallers; commercial truck drivers; foresters; ecologists; biologists; or other workforce needs in support of forest restoration and wildfire response;

(b) Developing education programs for elementary, secondary, and higher education students that: (i) Inform people about the role of forestry, fire, vegetation management, and ecological restoration; (ii) increase the awareness of opportunities for careers in the forest sector and exposure of students to those careers through various work-based learning opportunities inside and outside the classroom; (iii) connect students in pathways to careers in the forest sector; and (iv) incorporate opportunities for secondary students to earn industry recognized credentials and dual credit in career and technical education courses;

(c) Developing regional education, industry, and workforce development collaborations, including recruiting and building industry awareness and coordinating candidate development particularly in areas that are traditionally underrepresented in natural resource industries and specifically in forestry;

(d) Building additional statewide response. The department shall develop a recruiting and outreach program across the state to encourage people to volunteer with their local fire departments. The department shall expand existing training programs to meet increased interest and need in wildfire response and forest health work; and

(e) Developing a program to train local building and construction trade members and contractors to be deployed during periods requiring surge capacity for wildland fire suppression including:

(i) As wildland firefighters who meet the requirements of being utilized by the department; and

(ii) As heavy equipment operators who meet the requirements to be utilized by the department as required by RCW 76.04.181.

(3) The commissioner and the director of the department of commerce must direct their staff to develop a plan for tracking, maintaining, and publicly reporting on the following:

(a) A working definition of the forest sector workforce, including the job skills, certifications, and experience required;

(b) Recommendations for the training, recruitment, and retention of the current and anticipated forest sector workforce necessary to implement the goals of this act;

(c) The identification of gaps and barriers to a full forest sector workforce pool, including:

(i) Estimates of forest sector workforce jobs created and retained as well as any reductions in the forest sector workforce;

(ii) An estimate of the number of needed private contractors to implement the goals of this act, an inventory of local and regional private contractors trained to carry out wildfire response and forest health work, and a list of local private contractors utilized annually for wildfire response and forest health work; and

(iii) An inventory of existing training facilities and programs that support ongoing and anticipated forest sector, or related sectors, as identified in subsection (2) (a) (iv) of this section;

(d) Recommendations for addressing identified barriers or other needs to otherwise continue the development of a forest workforce necessary to implement the goals of this act.

(4) The department and the department of corrections shall jointly develop opportunities to expand existing programs to provide the additional wildfire, forest health, and

silvicultural capacity necessary to implement the goals of this act, including a postrelease program that helps formerly incarcerated individuals who served on state fire response crews obtain employment in wildfire suppression and forest management.

(5) The department shall utilize existing programs such as the Washington conservation corps, Washington veterans corps, Washington service corps, customized and on-the-job training, or similar programs to expand opportunities and promote family wage careers in the forest sector workforce.

(6) To the maximum extent possible, workforce development programs and policies should prioritize historically marginalized, underrepresented, rural, and low-income communities.

(7) The department and the department of commerce, working with the forest health advisory committee, must assist forestland owners and forest products companies grow existing and develop new market opportunities for the utilization of material produced as a result of forest health treatments funded through the wildfire response, forest restoration, and community resilience account to improve the economic benefit of the treatments while increasing the speed, efficiency, and impact of forest restoration on the landscape.

Sec. 6. RCW 76.06.150 and 2009 c 163 s 5 are each amended to read as follows:

(1) The commissioner (~~(of public lands)~~) is designated as the state of Washington's lead for all forest health issues.

(2) The commissioner (~~(of public lands)~~) shall strive to promote communications between the state, tribes, and the federal government regarding forestland management decisions that potentially affect the health of forests in Washington and will allow the state to have an influence on the management of federally owned land in Washington. Such government-to-government cooperation is vital if the condition of the state's public and private forestlands are to be protected. These activities may include, when deemed by the commissioner to be in the best interest of the state:

(a) Representing the state's interest before all appropriate local, state, and federal agencies and tribes;

(b) Assuming the lead state role for developing formal comments on federal forest management plans that may have an impact on the health of forests in Washington;

(c) Pursuing in an expedited manner any available and appropriate cooperative agreements, including cooperating agency status designation, with the United States forest service and the United States bureau of land management that allow for meaningful participation in any federal land management plans that could affect the department's strategic plan for healthy forests and effective fire prevention and suppression, including the pursuit of any options available for giving effect to the cooperative philosophy contained within the national environmental policy act of 1969 (42 U.S.C. Sec. 4331) (~~and~~

~~(d) Pursuing~~)).

(3) The commissioner shall regularly meet and coordinate with the regional leadership of the United States forest service, in order to:

(a) Identify strategies to improve the delivery and increase the pace and scale of forest health and resiliency, and fuels mitigation treatments, on federal lands;

(b) Document the resources needed to increase the capacity available to the United States forest service, on national forests in Washington;

(c) Identify supplemental planning and implementation support to the United States forest service, through the use of cooperative agreements and good neighbor agreements, as that term is defined in RCW 79.02.010;

(d) Maximize the utilization of available efficiencies for compliance with the national environmental policy act, as it applies to actions of the United States forest service in Washington, such as tools to increase the pace and scale of forest health treatments including, but not limited to, categorical exclusions, shared stewardship, and tribal forest protection act for forest health, fuels mitigation, and restoration activities;

(e) Accelerate national environmental policy act completion for forest health and resiliency projects, including through increased staffing and the use of partners, contractors, and department

expertise to complete national environmental policy act requirements analysis; and

(f) Pursue agreements with federal agencies in the service of forest biomass energy partnerships and cooperatives authorized under RCW 43.30.835 through 43.30.840.

~~((3) The))~~ (4) Every two years, the commissioner ((of public lands)) shall report to the ((chairs of the appropriate standing committees of the)) legislature ((every year)) on progress under this section, including ((the)):

(a) The identification, if deemed appropriate by the commissioner, of any needed state or federal statutory changes, policy issues, or funding needs; and

(b) An estimate of the acres of at-risk forests on each national forest and the number of acres treated.

NEW SECTION. Sec. 7. A new section is added to chapter 76.13 RCW to read as follows:

SMALL FORESTLAND OWNER FOREST HEALTH PROGRAM.

(1) There is established an integrated small forestland owner forest health program that promotes the coordination and delivery of services with federal, state, and local agencies, including local fire districts, conservation districts, and community wildfire resilience coalitions, forest landowner associations, colleges and universities, landowner assistance organizations, consultants, forest resource-related industries, and environmental organizations to nonindustrial forests and woodland owners, hereafter referred to as small forestland owners.

(2) Under the state forester's direction, the program must:

(a) Integrate existing landowner assistance forest health programs consistent with the recommendations of "Washington's Small Forest Landowners in 2020, Status, Trends and Recommendations after 20 years of Forests & Fish, January 2021" (the report required by chapter 457, Laws of 2019), to more efficiently and effectively reach the diversity of small forestland owner audiences to take forest health action;

(b) Identify and remove barriers to technical assistance, funding, and forest health management planning;

(c) Increase education and outreach to small forestland owners; and

(d) Distribute funding effectively to move high wildfire risk areas to lower risk.

(3) Priority areas for forest health treatment under the Washington state forest action plan, the 10-year forest health strategic plan, and the wildland fire protection 10-year strategic plan may not prohibit technical support or stewardship plan support for small forestland owner lands outside the designated emphasis areas.

NEW SECTION. Sec. 8. WILDFIRE AVIATION RESPONSE. The department must develop and implement a wildland fire aviation support plan, as recommended by the wildland fire protection 10-year strategic plan, in order to expand and improve the effectiveness and cost-efficiency of the department's wildland fire aviation program. The wildland fire aviation support plan must include:

(1) Recommendations for the addition of air assets in order for the department to increase its initial attack capability and maintain and improve on the department's ability to manage fires to meet 10-year wildland fire protection and 20-year forest health strategic plan goals;

(2) Development of a next-generation rotor wing platform strategy to ensure the availability and use of the latest firefighting aviation technology and provide a path for either the upgrade or replacement, or both, of the department's legacy aircraft;

(3) Evaluation of opportunities to increase the use of contract air assets;

(4) Evaluation of costs and benefits to increase dedicated air resources during peak fire season when there may be limited available supply due to wildfire activity in other states; and

(5) Strategies to upgrade retardant loading and processing infrastructure to improve tanker turnaround time, including support for development of infrastructure to accommodate very large air tankers, at a port with an international airport within a county east of the crest of the Cascade

mountains that does not share a border with another state.

Sec. 9. RCW 72.64.160 and 1991 c 131 s 2 are each amended to read as follows:

(1) For the purposes of RCW 72.64.150, inmate forest fire suppression crews may be considered a class I free venture industry, as defined in RCW 72.09.100, when fighting fires on federal lands.

(2) For the purposes of RCW 72.64.050, inmate forest fire suppression and support crews when fighting fires must receive a gratuity no less than the minimum wage per hour paid in the locality in which the industry is located.

NEW SECTION. Sec. 10. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2021, in the omnibus appropriations act, this act is null and void.

NEW SECTION. Sec. 11. SHORT TITLE. This act may be known and cited as the wildfire response, forest restoration, and community resilience act.

NEW SECTION. Sec. 12. Sections 1 through 3, 5, and 8 of this act are each added to chapter 76.04 RCW and codified with the subchapter heading of "wildfire response, forest restoration, and community resilience.""

On page 1, line 2 of the title, after "dangers;" strike the remainder of the title and insert "amending RCW 76.06.200, 76.06.150, and 72.64.160; adding new sections to chapter 76.04 RCW; adding a new section to chapter 76.13 RCW; and creating new sections."

and the same is herewith transmitted.

Sarah Bannister, Deputy, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SECOND SUBSTITUTE HOUSE BILL NO. 1168 and advanced the bill, as amended by the Senate, to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Springer and Dent spoke in favor of the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Second Substitute House Bill No. 1168, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Second Substitute House Bill No. 1168, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Klippert, Kloba, Kraft, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McCaslin, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Excused: Representative McEntire.

SECOND SUBSTITUTE HOUSE BILL NO. 1168, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 19, 2021

Madame Speaker:

The Senate has passed HOUSE BILL NO. 1316 with the following amendment:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 74.60.005 and 2019 c 318 s 1 are each amended to read as follows:

(1) The purpose of this chapter is to provide for a safety net assessment on certain Washington hospitals, which will be used solely to augment funding from all other sources and thereby support additional payments to hospitals for medicaid services as specified in this chapter.

(2) The legislature finds that federal health care reform will result in an expansion of medicaid enrollment in this state and an increase in federal financial participation.

(3) In adopting this chapter, it is the intent of the legislature:

(a) To impose a hospital safety net assessment to be used solely for the purposes specified in this chapter;

(b) To generate approximately one billion dollars per state fiscal biennium in new state and federal funds by disbursing all of that amount to pay for medicaid hospital services and grants to certified public expenditure and critical access hospitals, except costs of administration as specified in this chapter, in the form of additional payments to hospitals and managed care plans, which may not be a substitute for payments from other sources, but which include quality improvement incentive payments under RCW 74.09.611;

(c) To generate two hundred ninety-two million dollars per biennium during the ~~((2019-2021 and))~~ 2021-2023 and 2023-2025 biennia in new funds to be used in lieu of state general fund payments for medicaid hospital services;

(d) That the total amount assessed not exceed the amount needed, in combination with all other available funds, to support the payments authorized by this chapter;

(e) To condition the assessment on receiving federal approval for receipt of additional federal financial participation and on continuation of other funding sufficient to maintain aggregate payment levels to hospitals for inpatient and outpatient services covered by medicaid, including fee-for-service and managed care, at least at the rates the state paid for those services on July 1, 2015, as adjusted for current enrollment and utilization; and

(f) For each of the two biennia starting with fiscal year ~~((2020))~~ 2022 to generate:

(i) Four million dollars for new integrated evidence-based psychiatry residency program slots that did not receive state funding prior to 2016 at the integrated psychiatry residency program at the University of Washington; and

(ii) Eight million two hundred thousand dollars for family medicine residency program slots that did not receive state funding prior to 2016, as directed through the family medicine residency network at the University of

Washington, for slots where residents are employed by hospitals.

Sec. 2. RCW 74.60.020 and 2019 c 318 s 3 are each amended to read as follows:

(1) A dedicated fund is hereby established within the state treasury to be known as the hospital safety net assessment fund. The purpose and use of the fund shall be to receive and disburse funds, together with accrued interest, in accordance with this chapter. Moneys in the fund, including interest earned, shall not be used or disbursed for any purposes other than those specified in this chapter. Any amounts expended from the fund that are later recouped by the authority on audit or otherwise shall be returned to the fund.

(a) Any unexpended balance in the fund at the end of a fiscal year shall carry over into the following fiscal year or that fiscal year and the following fiscal year and shall be applied to reduce the amount of the assessment under RCW 74.60.050(1)(c).

(b) Any amounts remaining in the fund after July 1, (~~2023~~) 2025, shall be refunded to hospitals, pro rata according to the amount paid by the hospital since July 1, 2013, subject to the limitations of federal law.

(2) All assessments, interest, and penalties collected by the authority under RCW 74.60.030 and 74.60.050 shall be deposited into the fund.

(3) Disbursements from the fund are conditioned upon appropriation and the continued availability of other funds sufficient to maintain aggregate payment levels to hospitals for inpatient and outpatient services covered by medicaid, including fee-for-service and managed care, at least at the levels the state paid for those services on July 1, 2015, as adjusted for current enrollment and utilization.

(4) Disbursements from the fund may be made only:

(a) To make payments to hospitals and managed care plans as specified in this chapter;

(b) To refund erroneous or excessive payments made by hospitals pursuant to this chapter;

(c) For one million dollars per biennium for payment of administrative expenses incurred by the authority in

performing the activities authorized by this chapter;

(d) For two hundred ninety-two million dollars per biennium, to be used in lieu of state general fund payments for medicaid hospital services, provided that if the full amount of the payments required under RCW 74.60.120 and 74.60.130 cannot be distributed in a given fiscal year, this amount must be reduced proportionately;

(e) To repay the federal government for any excess payments made to hospitals from the fund if the assessments or payment increases set forth in this chapter are deemed out of compliance with federal statutes and regulations in a final determination by a court of competent jurisdiction with all appeals exhausted. In such a case, the authority may require hospitals receiving excess payments to refund the payments in question to the fund. The state in turn shall return funds to the federal government in the same proportion as the original financing. If a hospital is unable to refund payments, the state shall develop either a payment plan, or deduct moneys from future medicaid payments, or both;

(f) To pay an amount sufficient, when combined with the maximum available amount of federal funds necessary to provide a one percent increase in medicaid hospital inpatient rates to hospitals eligible for quality improvement incentives under RCW 74.09.611. By May 16, 2018, and by each May 16 thereafter, the authority, in cooperation with the department of health, must verify that each hospital eligible to receive quality improvement incentives under the terms of this chapter is in substantial compliance with the reporting requirements in RCW 43.70.052 and 70.01.040 for the prior period. For the purposes of this subsection, "substantial compliance" means, in the prior period, the hospital has submitted at least nine of the twelve monthly reports by the due date. The authority must distribute quality improvement incentives to hospitals that have met these requirements beginning July 1 of 2018 and each July 1 thereafter; and

(g) For each state fiscal year (~~2020~~) 2022 through (~~2023~~) 2025 to generate:

(i) Two million dollars for integrated evidence-based psychiatry residency program slots that did not receive state funding prior to 2016 at the integrated psychiatry residency program at the University of Washington; and

(ii) Four million one hundred thousand dollars for family medicine residency program slots that did not receive state funding prior to 2016, as directed through the family medicine residency network at the University of Washington, for slots where residents are employed by hospitals.

Sec. 3. RCW 74.60.090 and 2019 c 318 s 6 are each amended to read as follows:

(1) In each fiscal year commencing upon satisfaction of the applicable conditions in RCW 74.60.150(1), funds must be disbursed from the fund and the authority shall make grants to certified public expenditure hospitals, which shall not be considered payments for hospital services, as follows:

(a) University of Washington medical center: ~~((Ten million five hundred fifty-five thousand dollars in state fiscal year 2020 and up))~~ Up to twelve million fifty-five thousand dollars in state fiscal year ((2021)) 2022 through ((2023)) 2025 paid as follows, except if the full amount of the payments required under RCW 74.60.120(1) and 74.60.130 cannot be distributed in a given fiscal year, the amounts in this subsection must be reduced proportionately:

(i) ~~((Four))~~ Five million ~~((four))~~ nine hundred fifty-five thousand dollars in state fiscal years ~~((2020))~~ 2022 through ~~((2023, except that from state fiscal year 2021 through 2023, if northwest hospital is ineligible to participate in this chapter as a prospective payment hospital, the amount per state fiscal year must be five million nine hundred fifty-five thousand dollars))~~ 2025;

(ii) Two million dollars to integrated, evidence-based psychiatry residency program slots that did not receive state funding prior to 2016, at the integrated psychiatry residency program at the University of Washington; and

(iii) Four million one hundred thousand dollars to family medicine residency program slots that did not receive state funding prior to 2016, as directed through the family medicine

residency network at the University of Washington, for slots where residents are employed by hospitals;

(b) Harborview medical center: Ten million two hundred sixty thousand dollars in each state fiscal year ~~((2020))~~ 2022 through ~~((2023))~~ 2025, except if the full amount of the payments required under RCW 74.60.120(1) and 74.60.130 cannot be distributed in a given fiscal year, the amounts in this subsection must be reduced proportionately;

(c) All other certified public expenditure hospitals: Five million six hundred fifteen thousand dollars in each state fiscal year ~~((2020))~~ 2022 through ~~((2023))~~ 2025, except if the full amount of the payments required under RCW 74.60.120(1) and 74.60.130 cannot be distributed in a given fiscal year, the amounts in this subsection must be reduced proportionately. The amount of payments to individual hospitals under this subsection must be determined using a methodology that provides each hospital with a proportional allocation of the group's total amount of medicaid and state children's health insurance program payments determined from claims and encounter data using the same general methodology set forth in RCW 74.60.120 (3) and (4).

(2) Payments must be made quarterly, before the end of each quarter, taking the total disbursement amount and dividing by four to calculate the quarterly amount. The authority shall provide a quarterly report of such payments to the Washington state hospital association.

Sec. 4. RCW 74.60.901 and 2019 c 318 s 8 are each amended to read as follows:

This chapter expires July 1, ~~((2023))~~ 2025."

On page 1, line 1 of the title, after "assessment;" strike the remainder of the title and insert "amending RCW 74.60.005, 74.60.020, 74.60.090, and 74.60.901; and providing an expiration date."

and the same is herewith transmitted.

Brad Hendrickson, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to HOUSE BILL NO. 1316 and

advanced the bill, as amended by the Senate, to final passage.

**FINAL PASSAGE OF HOUSE BILL
AS SENATE AMENDED**

Representatives Cody and Schmick spoke in favor of the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of House Bill No. 1316, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of House Bill No. 1316, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 90; Nays, 7; Absent, 0; Excused, 1.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Klippert, Kloba, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, Morgan, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Voting nay: Representatives Chase, Dufault, Kraft, McCaslin, Mosbrucker, Orcutt and Sutherland.

Excused: Representative McEntire.

HOUSE BILL NO. 1316, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 5, 2021

Madame Speaker:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL NO. 1410 with the following amendment:

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 84.56.020 and 2019 c 332 s 1 are each amended to read as follows:

Treasurers' tax collection duties.

(1) The county treasurer must be the receiver and collector of all taxes extended upon the tax rolls of the county, whether levied for state, county, school, bridge, road, municipal or other

purposes, and also of all fines, forfeitures or penalties received by any person or officer for the use of his or her county. No treasurer may accept tax payments or issue receipts for the same until the treasurer has completed the tax roll for the current year's collection and provided notification of the completion of the roll. Notification may be accomplished electronically, by posting a notice in the office, or through other written communication as determined by the treasurer. All real and personal property taxes and assessments made payable by the provisions of this title are due and payable to the county treasurer on or before the thirtieth day of April and, except as provided in this section, are delinquent after that date.

Tax statements.

(2) (a) Tax statements for the current year's collection must be distributed to each taxpayer on or before March 15th provided that:

(i) All city and other taxing district budgets have been submitted to county legislative authorities by November 30th per RCW 84.52.020;

(ii) The county legislative authority in turn has certified taxes levied to the county assessor by November 30th per RCW 84.52.070; and

(iii) The county assessor has delivered the tax roll to the county treasurer by January 15th per RCW 84.52.080.

(b) Each tax statement must include a notice that checks for payment of taxes may be made payable to "Treasurer of County" or other appropriate office, but tax statements may not include any suggestion that checks may be made payable to the name of the individual holding the office of treasurer nor any other individual.

(c) Each tax statement distributed to an address must include a notice with information describing the:

(i) Property tax exemption program pursuant to RCW 84.36.379 through 84.36.389; and

(ii) Property tax deferral program pursuant to chapter 84.38 RCW.

Tax payment due dates.

On-time tax payments: First-half taxes paid by April 30th and second-half taxes paid by October 31st.

(3) When the total amount of tax or special assessments on personal property or on any lot, block or tract of real property payable by one person is fifty dollars or more, and if one-half of such tax is paid on or before the thirtieth day of April, the remainder of such tax is due and payable on or before the following thirty-first day of October and is delinquent after that date.

Delinquent tax payments for current year: First-half taxes paid after April 30th.

(4) When the total amount of tax or special assessments on any lot, block or tract of real property or on any mobile home payable by one person is fifty dollars or more, and if one-half of such tax is paid after the thirtieth day of April but before the thirty-first day of October, together with the applicable interest and penalty on the full amount of tax payable for that year, the remainder of such tax is due and payable on or before the following thirty-first day of October and is delinquent after that date.

Delinquent tax payments: Interest, penalties, and treasurer duties.

(5)(a) Except as provided in (c) of this subsection, delinquent taxes under this section are subject to interest (~~(at the rate of twelve percent per annum)~~) as provided in this subsection computed on a monthly basis on the amount of tax delinquent from the date of delinquency until paid. Interest must be calculated at the rate in effect at the time of the tax payment, regardless of when the taxes were first delinquent. (~~In addition~~)

(i) Until December 31, 2022, the interest rate is 12 percent per annum for all nonresidential real property and residential real property.

(ii) Beginning January 1, 2023, interest rates are as follows:

(A) Twelve percent per annum for all nonresidential real property and for residential real property with greater than four units per taxable parcel; or

(B) Nine percent per annum for all residential real property with four or fewer units per taxable parcel, including manufactured/mobile homes as defined in RCW 59.20.030.

(b)(i) Penalties on delinquent taxes under this section may not be assessed

beginning the effective date of this section and through December 31, 2022.

(ii) Beginning January 1, 2023, delinquent taxes under this section are subject to penalties for nonresidential real property and for residential real property with greater than four units per taxable parcel as follows:

~~((a))~~ (A) A penalty of three percent of the amount of tax delinquent is assessed on the tax delinquent on June 1st of the year in which the tax is due.

~~((b))~~ (B) An additional penalty of eight percent is assessed on the delinquent tax amount on December 1st of the year in which the tax is due.

(iii) Penalties may not be assessed on residential real property with four or fewer units per taxable parcel, including manufactured/mobile homes as defined in RCW 59.20.030.

(c)(i) If a taxpayer is successfully participating in a payment agreement under subsection (15)(b) of this section or a partial payment program pursuant to subsection (15)(c) of this section, the county treasurer may not assess additional penalties on delinquent taxes that are included within the payment agreement. Interest and penalties that have been assessed prior to the payment agreement remain due and payable as provided in the payment agreement.

(ii) The following remain due and payable as provided in any payment agreement:

(A) Interest that has been assessed prior to the payment agreement; and

(B) Penalties assessed prior to the effective date of this section that have been assessed prior to the payment agreement.

(6) A county treasurer must provide notification to each taxpayer whose taxes have become delinquent under subsections (4) and (5) of this section. The delinquency notice must specify where the taxpayer can obtain information regarding:

(a) Any current tax or special assessments due as of the date of the notice;

(b) Any delinquent tax or special assessments due, including any penalties and interest, as of the date of the notice; and

(c) Where the taxpayer can pay his or her property taxes directly and contact information, including but not limited to the phone number, for the statewide foreclosure hotline recommended by the Washington state housing finance commission.

(7) Within ninety days after the expiration of two years from the date of delinquency (when a taxpayer's taxes have become delinquent), the county treasurer must provide the name and property address of the delinquent taxpayer to a homeownership resource center or any other designated local or state entity recommended by the Washington state housing finance commission.

Collection of foreclosure costs.

(8) (a) When real property taxes become delinquent and prior to the filing of the certificate of delinquency, the treasurer is authorized to assess and collect tax foreclosure avoidance costs.

(b) When tax foreclosure avoidance costs are collected, such costs must be credited to the county treasurer service fund account, except as otherwise directed.

(c) For purposes of chapter 84.64 RCW, any taxes, interest, or penalties deemed delinquent under this section remain delinquent until such time as all taxes, interest, and penalties for the tax year in which the taxes were first due and payable have been paid in full.

Periods of armed conflict.

(9) Subsection (5) of this section notwithstanding, no interest or penalties may be assessed during any period of armed conflict regarding delinquent taxes imposed on the personal residences owned by active duty military personnel who are participating as part of one of the branches of the military involved in the conflict and assigned to a duty station outside the territorial boundaries of the United States.

State of emergency.

(10) During a state of emergency declared under RCW 43.06.010(12), the county treasurer, on his or her own motion or at the request of any taxpayer affected by the emergency, may grant extensions of the due date of any taxes payable under this section as the treasurer deems proper.

Retention of funds from interest.

(11) All collections of interest on delinquent taxes must be credited to the county current expense fund.

(12) For purposes of this chapter, "interest" means both interest and penalties.

Retention of funds from property foreclosures and sales.

(13) The direct cost of foreclosure and sale of real property, and the direct fees and costs of distraint and sale of personal property, for delinquent taxes, must, when collected, be credited to the operation and maintenance fund of the county treasurer prosecuting the foreclosure or distraint or sale; and must be used by the county treasurer as a revolving fund to defray the cost of further foreclosure, distraint, and sale because of delinquent taxes without regard to budget limitations and not subject to indirect costs of other charges.

Tax due dates and options for tax payment collections.

Electronic billings and payments.

(14) For purposes of this chapter, and in accordance with this section and RCW 36.29.190, the treasurer may collect taxes, assessments, fees, rates, interest, and charges by electronic billing and payment. Electronic billing and payment may be used as an option by the taxpayer, but the treasurer may not require the use of electronic billing and payment. Electronic bill presentment and payment may be on a monthly or other periodic basis as the treasurer deems proper for:

- (a) Delinquent tax year payments; and
- (b) Prepayments of current tax.

Tax payments.

Prepayment for current taxes.

(15) (a) The treasurer may accept prepayments for current year taxes by any means authorized. All prepayments must be paid in full by the due date specified in subsection (16) of this section.

Payment agreements for current year taxes.

(b) (i) The treasurer may provide, by electronic means or otherwise, a payment agreement that provides for payment of current year taxes, inclusive of prepayment collection charges. The

payment agreement must be signed by the taxpayer and treasurer or the treasurer's deputy prior to the sending of an electronic or alternative bill, which includes a payment plan for current year taxes.

Payment agreements for delinquent year taxes.

(ii) (A) The treasurer may provide, by electronic means or otherwise, a payment agreement for payment of past due delinquencies. The payment agreement must be signed by the taxpayer and treasurer or the treasurer's deputy prior to the sending of an electronic or alternative bill, which includes a payment plan for past due delinquent taxes and charges.

(B) Tax payments received by a treasurer for delinquent year taxes from a taxpayer participating on a payment agreement must be applied first to the oldest delinquent year unless such taxpayer requests otherwise.

Partial payments: Acceptance of partial payments for current and delinquent taxes.

(c) (i) In addition to the payment agreement program in (b) of this subsection, the treasurer may accept partial payment of any current and delinquent taxes including interest and penalties by any means authorized including electronic bill presentment and payments.

(ii) All tax payments received by a treasurer for delinquent year taxes from a taxpayer paying a partial payment must be applied first to the oldest delinquent year unless such taxpayer requests otherwise.

Payment for delinquent taxes.

(d) Payments on past due taxes must include collection of the oldest delinquent year, which includes interest, penalties, and taxes within an eighteen-month period, prior to filing a certificate of delinquency under chapter 84.64 RCW or distraint pursuant to RCW 84.56.070.

Due date for tax payments.

(16) All taxes upon real and personal property made payable by the provisions of this title are due and payable to the treasurer on or before the thirtieth day of April and are delinquent after that date. The remainder of the tax is due and

payable on or before the following thirty-first of October and is delinquent after that date. All other assessments, fees, rates, and charges are delinquent after the due date.

Electronic funds transfers.

(17) A county treasurer may authorize payment of:

(a) Any current property taxes due under this chapter by electronic funds transfers on a monthly or other periodic basis; and

(b) Any past due property taxes, penalties, and interest under this chapter by electronic funds transfers on a monthly or other periodic basis. Delinquent taxes are subject to interest and penalties, as provided in subsection (5) of this section. All tax payments received by a treasurer from a taxpayer paying delinquent year taxes must be applied first to the oldest delinquent year unless such taxpayer requests otherwise.

Payment for administering prepayment collections.

(18) The treasurer must pay any collection costs, investment earnings, or both on past due payments or prepayments to the credit of a county treasurer service fund account to be created and used only for the payment of expenses incurred by the treasurer, without limitation, in administering the system for collecting prepayments.

Waiver of interest and penalties for qualified taxpayers subject to foreclosure.

(19) No earlier than sixty days prior to the date that is three years after the date of delinquency, the treasurer must waive all outstanding interest and penalties on delinquent taxes due from a taxpayer if the property is subject to an action for foreclosure under chapter 84.64 RCW and the following requirements are met:

(a) The taxpayer is income-qualified under RCW 84.36.381(5) (a), as verified by the county assessor;

(b) The taxpayer occupies the property as their principal place of residence; and

(c) The taxpayer has not previously received a waiver on the property as provided under this subsection.

Definitions.

(20) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Electronic billing and payment" means statements, invoices, or bills that are created, delivered, and paid using the internet. The term includes an automatic electronic payment from a person's checking account, debit account, or credit card.

(b) "Internet" has the same meaning as provided in RCW 19.270.010.

(c) "Tax foreclosure avoidance costs" means those direct costs associated with the administration of properties subject to and prior to foreclosure. Tax foreclosure avoidance costs include:

(i) Compensation of employees for the time devoted to administering the avoidance of property foreclosure; and

(ii) The cost of materials, services, or equipment acquired, consumed, or expended in administering tax foreclosure avoidance prior to the filing of a certificate of delinquency.

NEW SECTION. Sec. 2. This act takes effect January 1, 2022."

On page 1, line 1 of the title, after "foreclosure;" strike the remainder of the title and insert "amending RCW 84.56.020; and providing an effective date."

and the same is herewith transmitted.

Sarah Bannister, Deputy, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SUBSTITUTE HOUSE BILL NO. 1410 and advanced the bill, as amended by the Senate, to final passage.

**FINAL PASSAGE OF HOUSE BILL
AS SENATE AMENDED**

Representatives Volz and Berg spoke in favor of the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1410, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1410, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Klippert, Kloba, Kraft, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McCaslin, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Excused: Representative McEntire.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1410, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 5, 2021

Madame Speaker:

The Senate has passed ENGROSSED HOUSE BILL NO. 1482 with the following amendment:

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 64.90.485 and 2019 c 238 s 211 are each amended to read as follows:

(1) The association has a statutory lien on each unit for any unpaid assessment against the unit from the time such assessment is due.

(2) A lien under this section has priority over all other liens and encumbrances on a unit except:

(a) Liens and encumbrances recorded before the recordation of the declaration and, in a cooperative, liens and encumbrances that the association creates, assumes, or takes subject to;

(b) Except as otherwise provided in subsection (3) of this section, a security interest on the unit recorded before the date on which the unpaid assessment became due or, in a cooperative, a security interest

encumbering only the unit owner's interest and perfected before the date on which the unpaid assessment became due; and

(c) Liens for real estate taxes and other state or local governmental assessments or charges against the unit or cooperative.

(3) (a) A lien under this section also has priority over the security interests described in subsection (2) (b) of this section to the extent of an amount equal to the following:

(i) The common expense assessments, excluding any amounts for capital improvements, based on the periodic budget adopted by the association pursuant to RCW 64.90.480(1), along with any specially allocated assessments that are properly assessable against the unit under such periodic budget, which would have become due in the absence of acceleration during the six months immediately preceding the institution of proceedings to foreclose either the association's lien or a security interest described in subsection (2) (b) of this section;

(ii) The association's actual costs and reasonable attorneys' fees incurred in foreclosing its lien but incurred after the giving of the notice described in (a) (iii) of this subsection; provided, however, that the costs and reasonable attorneys' fees that will have priority under this subsection (3) (a) (ii) shall not exceed two thousand dollars or an amount equal to the amounts described in (a) (i) of this subsection, whichever is less;

(iii) The amounts described in (a) (ii) of this subsection shall be prior only to the security interest of the holder of a security interest on the unit recorded before the date on which the unpaid assessment became due and only if the association has given that holder not less than sixty days' prior written notice that the owner of the unit is in default in payment of an assessment. The notice shall contain:

(A) Name of the borrower;

(B) Recording date of the trust deed or mortgage;

(C) Recording information;

(D) Name of condominium, unit owner, and unit designation stated in the

declaration or applicable supplemental declaration;

(E) Amount of unpaid assessment; and

(F) A statement that failure to, within sixty days of the written notice, submit the association payment of six months of assessments as described in (a) (i) of this subsection will result in the priority of the amounts described in (a) (ii) of this subsection; and

(iv) Upon payment of the amounts described in (a) (i) and (ii) of this subsection by the holder of a security interest, the association's lien described in this subsection (3) (a) shall thereafter be fully subordinated to the lien of such holder's security interest on the unit.

(b) For the purposes of this subsection:

(i) "Institution of proceedings" means either:

(A) The date of recording of a notice of trustee's sale by a deed of trust beneficiary;

(B) The date of commencement, pursuant to applicable court rules, of an action for judicial foreclosure either by the association or by the holder of a recorded security interest; or

(C) The date of recording of a notice of intention to forfeit in a real estate contract forfeiture proceeding by the vendor under a real estate contract.

(ii) "Capital improvements" does not include making, in the ordinary course of management, repairs to common elements or replacements of the common elements with substantially similar items, subject to: (A) Availability of materials and products, (B) prevailing law, or (C) sound engineering and construction standards then prevailing.

(c) The adoption of a periodic budget that purports to allocate to a unit any fines, late charges, interest, attorneys' fees and costs incurred for services unrelated to the foreclosure of the association's lien, other collection charges, or specially allocated assessments assessed under RCW 64.90.480 (6) or (7) does not cause any such items to be included in the priority amount affecting such unit.

(4) Subsections (2) and (3) of this section do not affect the priority of mechanics' or material suppliers' liens

to the extent that law of this state other than chapter 277, Laws of 2018 gives priority to such liens, or the priority of liens for other assessments made by the association.

(5) A lien under this section is not subject to chapter 6.13 RCW.

(6) If the association forecloses its lien under this section nonjudicially pursuant to chapter 61.24 RCW, as provided under subsection (13) of this section, the association is not entitled to the lien priority provided for under subsection (3) of this section, and is subject to the limitations on deficiency judgments as provided in chapter 61.24 RCW.

(7) Unless the declaration provides otherwise, if two or more associations have liens for assessments created at any time on the same property, those liens have equal priority as to each other, and any foreclosure of one such lien shall not affect the lien of the other.

(8) Recording of the declaration constitutes record notice and perfection of the statutory lien created under this section. Further notice or recordation of any claim of lien for assessment under this section is not required, but is not prohibited.

(9) A lien for unpaid assessments and the personal liability for payment of those assessments are extinguished unless proceedings to enforce the lien or collect the debt are instituted within six years after the full amount of the assessments sought to be recovered becomes due.

(10) This section does not prohibit actions against unit owners to recover sums for which subsection (1) of this section creates a lien or prohibit an association from taking a deed in lieu of foreclosure.

(11) The association upon written request must furnish to a unit owner or a mortgagee a statement signed by an officer or authorized agent of the association setting forth the amount of unpaid assessments or the priority amount against that unit, or both. The statement must be furnished within fifteen days after receipt of the request and is binding on the association, the board, and every unit owner unless, and to the extent, known by the recipient to be false. The liability of a recipient who reasonably relies upon the statement must

not exceed the amount set forth in any statement furnished pursuant to this section or RCW 64.90.640(1)(b).

(12) In a cooperative, upon nonpayment of an assessment on a unit, the unit owner may be evicted in the same manner as provided by law in the case of an unlawful holdover by a commercial tenant, and the lien may be foreclosed as provided under this section.

(13) The association's lien may be foreclosed in accordance with (a) and (b) of this subsection.

(a) In a common interest community other than a cooperative, the association's lien may be foreclosed judicially in accordance with chapter 61.12 RCW, subject to any rights of redemption under chapter 6.23 RCW.

(b) The lien may be enforced nonjudicially in the manner set forth in chapter 61.24 RCW for nonjudicial foreclosure of deeds of trust if the declaration: Contains a grant of the common interest community in trust to a trustee qualified under RCW 61.24.010 to secure the obligations of the unit owners to the association for the payment of assessments, contains a power of sale, provides in its terms that the units are not used principally for agricultural purposes, and provides that the power of sale is operative in the case of a default in the obligation to pay assessments. The association or its authorized representative may purchase the unit at the foreclosure sale and acquire, hold, lease, mortgage, or convey the unit. Upon an express waiver in the complaint of any right to a deficiency judgment in a judicial foreclosure action, the period of redemption is eight months.

(c) In a cooperative in which the unit owners' interests in the units are real estate, the association's lien must be foreclosed in like manner as a mortgage on real estate or by power of sale under (b) of this subsection.

(d) In a cooperative in which the unit owners' interests in the units are personal property, the association's lien must be foreclosed in like manner as a security interest under chapter 62A.9A RCW.

(14) If the unit owner's interest in a unit in a cooperative is real estate, the following requirements apply:

(a) The association, upon nonpayment of assessments and compliance with this subsection, may sell that unit at a public sale or by private negotiation, and at any time and place. The association must give to the unit owner and any lessee of the unit owner reasonable notice in a record of the time, date, and place of any public sale or, if a private sale is intended, of the intention of entering into a contract to sell and of the time and date after which a private conveyance may be made. Such notice must also be sent to any other person that has a recorded interest in the unit that would be cut off by the sale, but only if the recorded interest was on record seven weeks before the date specified in the notice as the date of any public sale or seven weeks before the date specified in the notice as the date after which a private sale may be made. The notices required under this subsection may be sent to any address reasonable in the circumstances. A sale may not be held until five weeks after the sending of the notice. The association may buy at any public sale and, if the sale is conducted by a fiduciary or other person not related to the association, at a private sale.

(b) Unless otherwise agreed to or as stated in this section, the unit owner is liable for any deficiency in a foreclosure sale.

(c) The proceeds of a foreclosure sale must be applied in the following order:

(i) The reasonable expenses of sale;

(ii) The reasonable expenses of securing possession before sale; the reasonable expenses of holding, maintaining, and preparing the unit for sale, including payment of taxes and other governmental charges and premiums on insurance; and, to the extent provided for by agreement between the association and the unit owner, reasonable attorneys' fees, costs, and other legal expenses incurred by the association;

(iii) Satisfaction of the association's lien;

(iv) Satisfaction in the order of priority of any subordinate claim of record; and

(v) Remittance of any excess to the unit owner.

(d) A good-faith purchaser for value acquires the unit free of the

association's debt that gave rise to the lien under which the foreclosure sale occurred and any subordinate interest, even though the association or other person conducting the sale failed to comply with this section. The person conducting the sale must execute a conveyance to the purchaser sufficient to convey the unit and stating that it is executed by the person after a foreclosure of the association's lien by power of sale and that the person was empowered to make the sale. Signature and title or authority of the person signing the conveyance as grantor and a recital of the facts of nonpayment of the assessment and of the giving of the notices required under this subsection are sufficient proof of the facts recited and of the authority to sign. Further proof of authority is not required even though the association is named as grantee in the conveyance.

(e) At any time before the association has conveyed a unit in a cooperative or entered into a contract for its conveyance under the power of sale, the unit owners or the holder of any subordinate security interest may cure the unit owner's default and prevent sale or other conveyance by tendering the performance due under the security agreement, including any amounts due because of exercise of a right to accelerate, plus the reasonable expenses of proceeding to foreclosure incurred to the time of tender, including reasonable attorneys' fees and costs of the creditor.

(15) In an action by an association to collect assessments or to foreclose a lien on a unit under this section, the court may appoint a receiver to collect all sums alleged to be due and owing to a unit owner before commencement or during pendency of the action. The receivership is governed under chapter 7.60 RCW. During pendency of the action, the court may order the receiver to pay sums held by the receiver to the association for any assessments against the unit. The exercise of rights under this subsection by the association does not affect the priority of preexisting liens on the unit.

(16) Except as provided in subsection (3) of this section, the holder of a mortgage or other purchaser of a unit who obtains the right of possession of the unit through foreclosure is not liable for assessments or installments of

assessments that became due prior to such right of possession. Such unpaid assessments are deemed to be common expenses collectible from all the unit owners, including such mortgagee or other purchaser of the unit. Foreclosure of a mortgage does not relieve the prior unit owner of personal liability for assessments accruing against the unit prior to the date of such sale as provided in this subsection.

(17) In addition to constituting a lien on the unit, each assessment is the joint and several obligation of the unit owner of the unit to which the same are assessed as of the time the assessment is due. A unit owner may not exempt himself or herself from liability for assessments. In a voluntary conveyance other than by foreclosure, the grantee of a unit is jointly and severally liable with the grantor for all unpaid assessments against the grantor up to the time of the grantor's conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee. Suit to recover a personal judgment for any delinquent assessment is maintainable in any court of competent jurisdiction without foreclosing or waiving the lien securing such sums.

(18) The association may from time to time establish reasonable late charges and a rate of interest to be charged, not to exceed the maximum rate calculated under RCW 19.52.020, on all subsequent delinquent assessments or installments of assessments. If the association does not establish such a rate, delinquent assessments bear interest from the date of delinquency at the maximum rate calculated under RCW 19.52.020 on the date on which the assessments became delinquent.

(19) The association is entitled to recover any costs and reasonable attorneys' fees incurred in connection with the collection of delinquent assessments, whether or not such collection activities result in a suit being commenced or prosecuted to judgment. The prevailing party is also entitled to recover costs and reasonable attorneys' fees in such suits, including any appeals, if it prevails on appeal and in the enforcement of a judgment.

(20) To the extent not inconsistent with this section, the declaration may provide for such additional remedies for

collection of assessments as may be permitted by law.

(21) An association may not commence an action to foreclose a lien on a unit under this section unless:

(a) The unit owner, at the time the action is commenced, owes at least a sum equal to ((at least three months of common expense assessments)) the greater of:

(i) Three months or more of assessments, not including fines, late charges, interest, attorneys' fees, or costs incurred by the association in connection with the collection of a delinquent owner's account; or

(ii) \$200 of assessments, not including fines, late charges, interest, attorneys' fees, or costs incurred by the association in connection with the collection of a delinquent owner's account;

(b) At or after the date that assessments have become past due for at least 90 days, the association has mailed, by first-class mail, to the owner, at the unit address and to any other address which the owner has provided to the association, a notice of delinquency, which shall state as follows:

THIS IS A NOTICE OF DELINQUENCY FOR PAST DUE ASSESSMENTS

FROM THE UNIT OWNERS' ASSOCIATION TO WHICH YOUR HOME BELONGS.

THIS NOTICE IS ONE STEP IN A PROCESS THAT COULD RESULT IN YOUR LOSING YOUR HOME.

CONTACT A HOUSING COUNSELOR OR AN ATTORNEY LICENSED IN WASHINGTON NOW to assess your situation and refer you to mediation if you might benefit. DO NOT DELAY.

BE CAREFUL of people who claim they can help you. There are many individuals and businesses that prey upon borrowers in distress.

REFER TO THE CONTACTS BELOW for sources of assistance.

SEEKING ASSISTANCE

Housing counselors and legal assistance may be available at little or no cost to you. If you would like assistance in determining your rights and

opportunities to keep your house, you may contact the following:

The statewide foreclosure hotline for assistance and referral to housing counselors recommended by the Housing Finance Commission

Telephone: Website:

The United States Department of Housing and Urban Development

Telephone: Website:

The statewide civil legal aid hotline for assistance and referrals to other housing counselors and attorneys

Telephone: Website:

The association shall obtain the toll-free numbers and website information from the department of commerce for inclusion in the notice;

(c) At least 180 days have elapsed from the date the minimum amount required in (a) of this subsection has accrued; and

~~((b))~~ (d) The board approves commencement of a foreclosure action specifically against that unit.

(22) Every aspect of a collection, foreclosure, sale, or other conveyance under this section, including the method, advertising, time, date, place, and terms, must be commercially reasonable.

Sec. 2. RCW 64.90.485 and 2021 c . . . s 1 (section 1 of this act) are each amended to read as follows:

(1) The association has a statutory lien on each unit for any unpaid assessment against the unit from the time such assessment is due.

(2) A lien under this section has priority over all other liens and encumbrances on a unit except:

(a) Liens and encumbrances recorded before the recordation of the declaration and, in a cooperative, liens and encumbrances that the association creates, assumes, or takes subject to;

(b) Except as otherwise provided in subsection (3) of this section, a security interest on the unit recorded before the date on which the unpaid assessment became due or, in a cooperative, a security interest encumbering only the unit owner's

interest and perfected before the date on which the unpaid assessment became due; and

(c) Liens for real estate taxes and other state or local governmental assessments or charges against the unit or cooperative.

(3) (a) A lien under this section also has priority over the security interests described in subsection (2)(b) of this section to the extent of an amount equal to the following:

(i) The common expense assessments, excluding any amounts for capital improvements, based on the periodic budget adopted by the association pursuant to RCW 64.90.480(1), along with any specially allocated assessments that are properly assessable against the unit under such periodic budget, which would have become due in the absence of acceleration during the six months immediately preceding the institution of proceedings to foreclose either the association's lien or a security interest described in subsection (2)(b) of this section;

(ii) The association's actual costs and reasonable attorneys' fees incurred in foreclosing its lien but incurred after the giving of the notice described in (a)(iii) of this subsection; provided, however, that the costs and reasonable attorneys' fees that will have priority under this subsection (3)(a)(ii) shall not exceed two thousand dollars or an amount equal to the amounts described in (a)(i) of this subsection, whichever is less;

(iii) The amounts described in (a)(ii) of this subsection shall be prior only to the security interest of the holder of a security interest on the unit recorded before the date on which the unpaid assessment became due and only if the association has given that holder not less than sixty days' prior written notice that the owner of the unit is in default in payment of an assessment. The notice shall contain:

(A) Name of the borrower;

(B) Recording date of the trust deed or mortgage;

(C) Recording information;

(D) Name of condominium, unit owner, and unit designation stated in the declaration or applicable supplemental declaration;

(E) Amount of unpaid assessment; and

(F) A statement that failure to, within sixty days of the written notice, submit the association payment of six months of assessments as described in (a)(i) of this subsection will result in the priority of the amounts described in (a)(ii) of this subsection; and

(iv) Upon payment of the amounts described in (a)(i) and (ii) of this subsection by the holder of a security interest, the association's lien described in this subsection (3)(a) shall thereafter be fully subordinated to the lien of such holder's security interest on the unit.

(b) For the purposes of this subsection:

(i) "Institution of proceedings" means either:

(A) The date of recording of a notice of trustee's sale by a deed of trust beneficiary;

(B) The date of commencement, pursuant to applicable court rules, of an action for judicial foreclosure either by the association or by the holder of a recorded security interest; or

(C) The date of recording of a notice of intention to forfeit in a real estate contract forfeiture proceeding by the vendor under a real estate contract.

(ii) "Capital improvements" does not include making, in the ordinary course of management, repairs to common elements or replacements of the common elements with substantially similar items, subject to: (A) Availability of materials and products, (B) prevailing law, or (C) sound engineering and construction standards then prevailing.

(c) The adoption of a periodic budget that purports to allocate to a unit any fines, late charges, interest, attorneys' fees and costs incurred for services unrelated to the foreclosure of the association's lien, other collection charges, or specially allocated assessments assessed under RCW 64.90.480 (6) or (7) does not cause any such items to be included in the priority amount affecting such unit.

(4) Subsections (2) and (3) of this section do not affect the priority of mechanics' or material suppliers' liens to the extent that law of this state other than chapter 277, Laws of 2018

gives priority to such liens, or the priority of liens for other assessments made by the association.

(5) A lien under this section is not subject to chapter 6.13 RCW.

(6) If the association forecloses its lien under this section nonjudicially pursuant to chapter 61.24 RCW, as provided under subsection (13) of this section, the association is not entitled to the lien priority provided for under subsection (3) of this section, and is subject to the limitations on deficiency judgments as provided in chapter 61.24 RCW.

(7) Unless the declaration provides otherwise, if two or more associations have liens for assessments created at any time on the same property, those liens have equal priority as to each other, and any foreclosure of one such lien shall not affect the lien of the other.

(8) Recording of the declaration constitutes record notice and perfection of the statutory lien created under this section. Further notice or recordation of any claim of lien for assessment under this section is not required, but is not prohibited.

(9) A lien for unpaid assessments and the personal liability for payment of those assessments are extinguished unless proceedings to enforce the lien or collect the debt are instituted within six years after the full amount of the assessments sought to be recovered becomes due.

(10) This section does not prohibit actions against unit owners to recover sums for which subsection (1) of this section creates a lien or prohibit an association from taking a deed in lieu of foreclosure.

(11) The association upon written request must furnish to a unit owner or a mortgagee a statement signed by an officer or authorized agent of the association setting forth the amount of unpaid assessments or the priority amount against that unit, or both. The statement must be furnished within fifteen days after receipt of the request and is binding on the association, the board, and every unit owner unless, and to the extent, known by the recipient to be false. The liability of a recipient who reasonably relies upon the statement must not exceed the amount set forth in any

statement furnished pursuant to this section or RCW 64.90.640(1)(b).

(12) In a cooperative, upon nonpayment of an assessment on a unit, the unit owner may be evicted in the same manner as provided by law in the case of an unlawful holdover by a commercial tenant, and the lien may be foreclosed as provided under this section.

(13) The association's lien may be foreclosed in accordance with (a) and (b) of this subsection.

(a) In a common interest community other than a cooperative, the association's lien may be foreclosed judicially in accordance with chapter 61.12 RCW, subject to any rights of redemption under chapter 6.23 RCW.

(b) The lien may be enforced nonjudicially in the manner set forth in chapter 61.24 RCW for nonjudicial foreclosure of deeds of trust if the declaration: Contains a grant of the common interest community in trust to a trustee qualified under RCW 61.24.010 to secure the obligations of the unit owners to the association for the payment of assessments, contains a power of sale, provides in its terms that the units are not used principally for agricultural purposes, and provides that the power of sale is operative in the case of a default in the obligation to pay assessments. The association or its authorized representative may purchase the unit at the foreclosure sale and acquire, hold, lease, mortgage, or convey the unit. Upon an express waiver in the complaint of any right to a deficiency judgment in a judicial foreclosure action, the period of redemption is eight months.

(c) In a cooperative in which the unit owners' interests in the units are real estate, the association's lien must be foreclosed in like manner as a mortgage on real estate or by power of sale under (b) of this subsection.

(d) In a cooperative in which the unit owners' interests in the units are personal property, the association's lien must be foreclosed in like manner as a security interest under chapter 62A.9A RCW.

(14) If the unit owner's interest in a unit in a cooperative is real estate, the following requirements apply:

(a) The association, upon nonpayment of assessments and compliance with this subsection, may sell that unit at a public sale or by private negotiation, and at any time and place. The association must give to the unit owner and any lessee of the unit owner reasonable notice in a record of the time, date, and place of any public sale or, if a private sale is intended, of the intention of entering into a contract to sell and of the time and date after which a private conveyance may be made. Such notice must also be sent to any other person that has a recorded interest in the unit that would be cut off by the sale, but only if the recorded interest was on record seven weeks before the date specified in the notice as the date of any public sale or seven weeks before the date specified in the notice as the date after which a private sale may be made. The notices required under this subsection may be sent to any address reasonable in the circumstances. A sale may not be held until five weeks after the sending of the notice. The association may buy at any public sale and, if the sale is conducted by a fiduciary or other person not related to the association, at a private sale.

(b) Unless otherwise agreed to or as stated in this section, the unit owner is liable for any deficiency in a foreclosure sale.

(c) The proceeds of a foreclosure sale must be applied in the following order:

(i) The reasonable expenses of sale;

(ii) The reasonable expenses of securing possession before sale; the reasonable expenses of holding, maintaining, and preparing the unit for sale, including payment of taxes and other governmental charges and premiums on insurance; and, to the extent provided for by agreement between the association and the unit owner, reasonable attorneys' fees, costs, and other legal expenses incurred by the association;

(iii) Satisfaction of the association's lien;

(iv) Satisfaction in the order of priority of any subordinate claim of record; and

(v) Remittance of any excess to the unit owner.

(d) A good-faith purchaser for value acquires the unit free of the

association's debt that gave rise to the lien under which the foreclosure sale occurred and any subordinate interest, even though the association or other person conducting the sale failed to comply with this section. The person conducting the sale must execute a conveyance to the purchaser sufficient to convey the unit and stating that it is executed by the person after a foreclosure of the association's lien by power of sale and that the person was empowered to make the sale. Signature and title or authority of the person signing the conveyance as grantor and a recital of the facts of nonpayment of the assessment and of the giving of the notices required under this subsection are sufficient proof of the facts recited and of the authority to sign. Further proof of authority is not required even though the association is named as grantee in the conveyance.

(e) At any time before the association has conveyed a unit in a cooperative or entered into a contract for its conveyance under the power of sale, the unit owners or the holder of any subordinate security interest may cure the unit owner's default and prevent sale or other conveyance by tendering the performance due under the security agreement, including any amounts due because of exercise of a right to accelerate, plus the reasonable expenses of proceeding to foreclosure incurred to the time of tender, including reasonable attorneys' fees and costs of the creditor.

(15) In an action by an association to collect assessments or to foreclose a lien on a unit under this section, the court may appoint a receiver to collect all sums alleged to be due and owing to a unit owner before commencement or during pendency of the action. The receivership is governed under chapter 7.60 RCW. During pendency of the action, the court may order the receiver to pay sums held by the receiver to the association for any assessments against the unit. The exercise of rights under this subsection by the association does not affect the priority of preexisting liens on the unit.

(16) Except as provided in subsection (3) of this section, the holder of a mortgage or other purchaser of a unit who obtains the right of possession of the unit through foreclosure is not liable for assessments or installments of

assessments that became due prior to such right of possession. Such unpaid assessments are deemed to be common expenses collectible from all the unit owners, including such mortgagee or other purchaser of the unit. Foreclosure of a mortgage does not relieve the prior unit owner of personal liability for assessments accruing against the unit prior to the date of such sale as provided in this subsection.

(17) In addition to constituting a lien on the unit, each assessment is the joint and several obligation of the unit owner of the unit to which the same are assessed as of the time the assessment is due. A unit owner may not exempt himself or herself from liability for assessments. In a voluntary conveyance other than by foreclosure, the grantee of a unit is jointly and severally liable with the grantor for all unpaid assessments against the grantor up to the time of the grantor's conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee. Suit to recover a personal judgment for any delinquent assessment is maintainable in any court of competent jurisdiction without foreclosing or waiving the lien securing such sums.

(18) The association may from time to time establish reasonable late charges and a rate of interest to be charged, not to exceed the maximum rate calculated under RCW 19.52.020, on all subsequent delinquent assessments or installments of assessments. If the association does not establish such a rate, delinquent assessments bear interest from the date of delinquency at the maximum rate calculated under RCW 19.52.020 on the date on which the assessments became delinquent.

(19) The association is entitled to recover any costs and reasonable attorneys' fees incurred in connection with the collection of delinquent assessments, whether or not such collection activities result in a suit being commenced or prosecuted to judgment. The prevailing party is also entitled to recover costs and reasonable attorneys' fees in such suits, including any appeals, if it prevails on appeal and in the enforcement of a judgment.

(20) To the extent not inconsistent with this section, the declaration may provide for such additional remedies for

collection of assessments as may be permitted by law.

(21) An association may not commence an action to foreclose a lien on a unit under this section unless:

(a) The unit owner, at the time the action is commenced, owes at least a sum equal to the greater of:

(i) Three months or more of assessments, not including fines, late charges, interest, attorneys' fees, or costs incurred by the association in connection with the collection of a delinquent owner's account; or

(ii) \$200 of assessments, not including fines, late charges, interest, attorneys' fees, or costs incurred by the association in connection with the collection of a delinquent owner's account;

(b) At or after the date that assessments have become past due for at least 90 days, the association has mailed, by first-class mail, to the owner, at the unit address and to any other address which the owner has provided to the association, a notice of delinquency, which shall state as follows:

THIS IS A NOTICE OF DELINQUENCY FOR PAST DUE ASSESSMENTS

FROM THE UNIT OWNERS' ASSOCIATION TO WHICH YOUR HOME BELONGS.

THIS NOTICE IS ONE STEP IN A PROCESS THAT COULD RESULT IN YOUR LOSING YOUR HOME.

CONTACT A HOUSING COUNSELOR OR AN ATTORNEY LICENSED IN WASHINGTON NOW to assess your situation and refer you to mediation if you might benefit. **DO NOT DELAY.**

BE CAREFUL of people who claim they can help you. There are many individuals and businesses that prey upon borrowers in distress.

REFER TO THE CONTACTS BELOW for sources of assistance.

SEEKING ASSISTANCE

Housing counselors and legal assistance may be available at little or no cost to you. If you would like assistance in determining your rights and opportunities to keep your house, you may contact the following:

The statewide foreclosure hotline for assistance and referral to housing counselors recommended by the Housing Finance Commission

Telephone: Website:

The United States Department of Housing and Urban Development

Telephone: Website:

The statewide civil legal aid hotline for assistance and referrals to other housing counselors and attorneys

Telephone: Website:

The association shall obtain the toll-free numbers and website information from the department of commerce for inclusion in the notice;

(c) At least (~~180~~) 90 days have elapsed from the date the minimum amount required in (a) of this subsection has accrued; and

(d) The board approves commencement of a foreclosure action specifically against that unit.

(22) Every aspect of a collection, foreclosure, sale, or other conveyance under this section, including the method, advertising, time, date, place, and terms, must be commercially reasonable.

Sec. 3. RCW 64.32.200 and 2012 c 117 s 201 are each amended to read as follows:

(1) The declaration may provide for the collection of all sums assessed by the association of apartment owners for the share of the common expenses chargeable to any apartment and the collection may be enforced in any manner provided in the declaration including, but not limited to, (a) ten days notice shall be given the delinquent apartment owner to the effect that unless such assessment is paid within ten days any or all utility services will be forthwith severed and shall remain severed until such assessment is paid, or (b) collection of such assessment may be made by such lawful method of enforcement, judicial or extra-judicial, as may be provided in the declaration and/or bylaws.

(2) All sums assessed by the association of apartment owners but unpaid for the share of the common

expenses chargeable to any apartment shall constitute a lien on such apartment prior to all other liens except only (a) tax liens on the apartment in favor of any assessing unit and/or special district, and (b) all sums unpaid on all mortgages of record. Such lien is not subject to the ban against execution or forced sales of homesteads under RCW 6.13.080 and, subject to the provisions in subsection (4) of this section, may be foreclosed by suit by the manager or board of directors, acting on behalf of the apartment owners, in like manner as a mortgage of real property. In any such foreclosure the apartment owner shall be required to pay a reasonable rental for the apartment, if so provided in the bylaws, and the plaintiff in such foreclosures shall be entitled to the appointment of a receiver to collect the same. The manager or board of directors, acting on behalf of the apartment owners, shall have power, unless prohibited by the declaration, to bid on the apartment at foreclosure sale, and to acquire and hold, lease, mortgage, and convey the same. Upon an express waiver in the complaint of any right to a deficiency judgment, the period of redemption shall be eight months after the sale. Suit to recover any judgment for any unpaid common expenses shall be maintainable without foreclosing or waiving the liens securing the same.

(3) Where the mortgagee of a mortgage of record or other purchaser of an apartment obtains possession of the apartment as a result of foreclosure of the mortgage, such possessor, his or her successors and assigns shall not be liable for the share of the common expenses or assessments by the association of apartment owners chargeable to such apartment which became due prior to such possession. Such unpaid share of common expenses of assessments shall be deemed to be common expenses collectible from all of the apartment owners including such possessor, his or her successors and assigns.

(4) An association, or the manager or board of directors on its behalf, may not commence an action to foreclose a lien on an apartment under this section unless:

(a) The apartment owner, at the time the action is commenced, owes at least a sum equal to the greater of:

(i) Three months or more of assessments, not including fines, late charges, interest, attorneys' fees, or

costs incurred by the association in connection with the collection of a delinquent owner's account; or

(ii) \$200 of assessments, not including fines, late charges, interest, attorneys' fees, or costs incurred by the association in connection with the collection of a delinquent owner's account;

(b) At or after the date that assessments have become past due for at least 90 days, the association has mailed, by first-class mail, to the owner, at the apartment address and to any other address which the owner has provided to the association, a notice of delinquency, which shall state as follows:

THIS IS A NOTICE OF DELINQUENCY FOR PAST DUE ASSESSMENTS

FROM THE APARTMENT OWNERS' ASSOCIATION TO WHICH YOUR HOME BELONGS.

THIS NOTICE IS ONE STEP IN A PROCESS THAT COULD RESULT IN YOUR LOSING YOUR HOME.

CONTACT A HOUSING COUNSELOR OR AN ATTORNEY LICENSED IN WASHINGTON NOW to assess your situation and refer you to mediation if you might benefit. DO NOT DELAY.

BE CAREFUL of people who claim they can help you. There are many individuals and businesses that prey upon borrowers in distress.

REFER TO THE CONTACTS BELOW for sources of assistance.

SEEKING ASSISTANCE

Housing counselors and legal assistance may be available at little or no cost to you. If you would like assistance in determining your rights and opportunities to keep your house, you may contact the following:

The statewide foreclosure hotline for assistance and referral to housing counselors recommended by the Housing Finance Commission

Telephone: Website:

The United States Department of Housing and Urban Development

Telephone: Website:

The statewide civil legal aid hotline for assistance and referrals to other housing counselors and attorneys

Telephone: Website:

The association shall obtain the toll-free numbers and website information from the department of commerce for inclusion in the notice;

(c) At least 180 days have elapsed from the date the minimum amount required in (a) of this subsection has accrued; and

(d) The board approves commencement of a foreclosure action specifically against that apartment.

(5) Every aspect of a collection, foreclosure, sale, or other conveyance under this section, including the method, advertising, time, date, place, and terms, must be commercially reasonable.

Sec. 4. RCW 64.32.200 and 2021 c . . . s 3 (section 3 of this act) are each amended to read as follows:

(1) The declaration may provide for the collection of all sums assessed by the association of apartment owners for the share of the common expenses chargeable to any apartment and the collection may be enforced in any manner provided in the declaration including, but not limited to, (a) ten days notice shall be given the delinquent apartment owner to the effect that unless such assessment is paid within ten days any or all utility services will be forthwith severed and shall remain severed until such assessment is paid, or (b) collection of such assessment may be made by such lawful method of enforcement, judicial or extra-judicial, as may be provided in the declaration and/or bylaws.

(2) All sums assessed by the association of apartment owners but unpaid for the share of the common expenses chargeable to any apartment shall constitute a lien on such apartment prior to all other liens except only (a) tax liens on the apartment in favor of any assessing unit and/or special district, and (b) all sums unpaid on all mortgages of record. Such lien is not subject to the ban against execution or forced sales of homesteads under RCW 6.13.080 and, subject to the provisions in subsection (4) of this section, may be foreclosed by suit by the manager or board of directors, acting on behalf of

the apartment owners, in like manner as a mortgage of real property. In any such foreclosure the apartment owner shall be required to pay a reasonable rental for the apartment, if so provided in the bylaws, and the plaintiff in such foreclosures shall be entitled to the appointment of a receiver to collect the same. The manager or board of directors, acting on behalf of the apartment owners, shall have power, unless prohibited by the declaration, to bid on the apartment at foreclosure sale, and to acquire and hold, lease, mortgage, and convey the same. Upon an express waiver in the complaint of any right to a deficiency judgment, the period of redemption shall be eight months after the sale. Suit to recover any judgment for any unpaid common expenses shall be maintainable without foreclosing or waiving the liens securing the same.

(3) Where the mortgagee of a mortgage of record or other purchaser of an apartment obtains possession of the apartment as a result of foreclosure of the mortgage, such possessor, his or her successors and assigns shall not be liable for the share of the common expenses or assessments by the association of apartment owners chargeable to such apartment which became due prior to such possession. Such unpaid share of common expenses of assessments shall be deemed to be common expenses collectible from all of the apartment owners including such possessor, his or her successors and assigns.

(4) An association, or the manager or board of directors on its behalf, may not commence an action to foreclose a lien on an apartment under this section unless:

(a) The apartment owner, at the time the action is commenced, owes at least a sum equal to the greater of:

(i) Three months or more of assessments, not including fines, late charges, interest, attorneys' fees, or costs incurred by the association in connection with the collection of a delinquent owner's account; or

(ii) \$200 of assessments, not including fines, late charges, interest, attorneys' fees, or costs incurred by the association in connection with the collection of a delinquent owner's account;

(b) At or after the date that assessments have become past due for at least 90 days, the association has

mailed, by first-class mail, to the owner, at the apartment address and to any other address which the owner has provided to the association, a notice of delinquency, which shall state as follows:

THIS IS A NOTICE OF DELINQUENCY FOR PAST DUE ASSESSMENTS

FROM THE APARTMENT OWNERS' ASSOCIATION TO WHICH YOUR HOME BELONGS.

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Telephone: Website:

The statewide civil legal aid hotline for assistance and referrals to other housing counselors and attorneys

Telephone: Website:

The association shall obtain the toll-free numbers and website information from the department of commerce for inclusion in the notice;

(c) At least (~~180~~) 90 days have elapsed from the date the minimum amount required in (a) of this subsection has accrued; and

(d) The board approves commencement of a foreclosure action specifically against that apartment.

(5) Every aspect of a collection, foreclosure, sale, or other conveyance under this section, including the method, advertising, time, date, place, and terms, must be commercially reasonable.

Sec. 5. RCW 64.34.364 and 2013 c 23 s 175 are each amended to read as follows:

(1) The association has a lien on a unit for any unpaid assessments levied against a unit from the time the assessment is due.

(2) A lien under this section shall be prior to all other liens and encumbrances on a unit except: (a) Liens and encumbrances recorded before the recording of the declaration; (b) a mortgage on the unit recorded before the date on which the assessment sought to be enforced became delinquent; and (c) liens for real property taxes and other governmental assessments or charges against the unit. A lien under this section is not subject to the provisions of chapter 6.13 RCW.

(3) Except as provided in subsections (4) and (5) of this section, the lien shall also be prior to the mortgages described in subsection (2)(b) of this section to the extent of assessments for common expenses, excluding any amounts for capital improvements, based on the periodic budget adopted by the association pursuant to RCW 64.34.360(1) which would have become due during the six months immediately preceding the date of a sheriff's sale in an action for judicial foreclosure by either the association or a mortgagee, the date of a trustee's sale in a nonjudicial foreclosure by a mortgagee, or the date of recording of the declaration of forfeiture in a proceeding by the vendor under a real estate contract.

(4) The priority of the association's lien against units encumbered by a mortgage held by an eligible mortgagee or by a mortgagee which has given the association a written request for a notice of delinquent assessments shall be reduced by up to three months if and to the extent that the lien priority under subsection (3) of this section includes delinquencies which relate to a period after such holder becomes an eligible mortgagee or has given such notice and before the association gives the holder a written notice of the delinquency. This

subsection does not affect the priority of mechanics' or material suppliers' liens, or the priority of liens for other assessments made by the association.

(5) If the association forecloses its lien under this section nonjudicially pursuant to chapter 61.24 RCW, as provided by subsection (9) of this section, the association shall not be entitled to the lien priority provided for under subsection (3) of this section.

(6) Unless the declaration otherwise provides, if two or more associations have liens for assessments created at any time on the same real estate, those liens have equal priority.

(7) Recording of the declaration constitutes record notice and perfection of the lien for assessments. While no further recording of any claim of lien for assessment under this section shall be required to perfect the association's lien, the association may record a notice of claim of lien for assessments under this section in the real property records of any county in which the condominium is located. Such recording shall not constitute the written notice of delinquency to a mortgagee referred to in subsection (2) of this section.

(8) A lien for unpaid assessments and the personal liability for payment of assessments is extinguished unless proceedings to enforce the lien or collect the debt are instituted within three years after the amount of the assessments sought to be recovered becomes due.

(9) The lien arising under this section may be enforced judicially by the association or its authorized representative in the manner set forth in chapter 61.12 RCW. The lien arising under this section may be enforced nonjudicially in the manner set forth in chapter 61.24 RCW for nonjudicial foreclosure of deeds of trust if the declaration (a) contains a grant of the condominium in trust to a trustee qualified under RCW 61.24.010 to secure the obligations of the unit owners to the association for the payment of assessments, (b) contains a power of sale, (c) provides in its terms that the units are not used principally for agricultural or farming purposes, and (d) provides that the power of sale is operative in the case of a default in the obligation to pay assessments. The association or its authorized

representative shall have the power, unless prohibited by the declaration, to purchase the unit at the foreclosure sale and to acquire, hold, lease, mortgage, or convey the same. Upon an express waiver in the complaint of any right to a deficiency judgment in a judicial foreclosure action, the period of redemption shall be eight months. Nothing in this section shall prohibit an association from taking a deed in lieu of foreclosure.

(10) From the time of commencement of an action by the association to foreclose a lien for nonpayment of delinquent assessments against a unit that is not occupied by the owner thereof, the association shall be entitled to the appointment of a receiver to collect from the lessee thereof the rent for the unit as and when due. If the rental is not paid, the receiver may obtain possession of the unit, refurbish it for rental up to a reasonable standard for rental units in this type of condominium, rent the unit or permit its rental to others, and apply the rents first to the cost of the receivership and attorneys' fees thereof, then to the cost of refurbishing the unit, then to applicable charges, then to costs, fees, and charges of the foreclosure action, and then to the payment of the delinquent assessments. Only a receiver may take possession and collect rents under this subsection, and a receiver shall not be appointed less than ninety days after the delinquency. The exercise by the association of the foregoing rights shall not affect the priority of preexisting liens on the unit.

(11) Except as provided in subsection (3) of this section, the holder of a mortgage or other purchaser of a unit who obtains the right of possession of the unit through foreclosure shall not be liable for assessments or installments thereof that became due prior to such right of possession. Such unpaid assessments shall be deemed to be common expenses collectible from all the unit owners, including such mortgagee or other purchaser of the unit. Foreclosure of a mortgage does not relieve the prior owner of personal liability for assessments accruing against the unit prior to the date of such sale as provided in this subsection.

(12) In addition to constituting a lien on the unit, each assessment shall be the joint and several obligation of

the owner or owners of the unit to which the same are assessed as of the time the assessment is due. In a voluntary conveyance, the grantee of a unit shall be jointly and severally liable with the grantor for all unpaid assessments against the grantor up to the time of the grantor's conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor. Suit to recover a personal judgment for any delinquent assessment shall be maintainable in any court of competent jurisdiction without foreclosing or waiving the lien securing such sums.

(13) The association may from time to time establish reasonable late charges and a rate of interest to be charged on all subsequent delinquent assessments or installments thereof. In the absence of another established nonusurious rate, delinquent assessments shall bear interest from the date of delinquency at the maximum rate permitted under RCW 19.52.020 on the date on which the assessments became delinquent.

(14) The association shall be entitled to recover any costs and reasonable attorneys' fees incurred in connection with the collection of delinquent assessments, whether or not such collection activities result in suit being commenced or prosecuted to judgment. In addition, the association shall be entitled to recover costs and reasonable attorneys' fees if it prevails on appeal and in the enforcement of a judgment.

(15) The association upon written request shall furnish to a unit owner or a mortgagee a statement signed by an officer or authorized agent of the association setting forth the amount of unpaid assessments against that unit. The statement shall be furnished within fifteen days after receipt of the request and is binding on the association, the board of directors, and every unit owner, unless and to the extent known by the recipient to be false.

(16) To the extent not inconsistent with this section, the declaration may provide for such additional remedies for collection of assessments as may be permitted by law.

(17) An association may not commence an action to foreclose a lien on a unit under this section unless:

(a) The unit owner, at the time the action is commenced, owes at least a sum equal to the greater of:

(i) Three months or more of assessments, not including fines, late charges, interest, attorneys' fees, or costs incurred by the association in connection with the collection of a delinquent owner's account; or

(ii) \$200 of assessments, not including fines, late charges, interest, attorneys' fees, or costs incurred by the association in connection with the collection of a delinquent owner's account;

(b) At or after the date that assessments have become past due for at least 90 days, the association has mailed, by first-class mail, to the owner, at the unit address and to any other address which the owner has provided to the association, a notice of delinquency, which shall state as follows:

THIS IS A NOTICE OF DELINQUENCY FOR PAST DUE ASSESSMENTS

FROM THE UNIT OWNERS' ASSOCIATION TO WHICH YOUR HOME BELONGS.

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Telephone: Website:

The statewide civil legal aid hotline for assistance and referrals to other housing counselors and attorneys

Telephone: Website:

The association shall obtain the toll-free numbers and website information from the department of commerce for inclusion in the notice;

(c) At least 180 days have elapsed from the date the minimum amount required in (a) of this subsection has accrued; and

(d) The board approves commencement of a foreclosure action specifically against that unit.

(18) Every aspect of a collection, foreclosure, sale, or other conveyance under this section, including the method, advertising, time, date, place, and terms, must be commercially reasonable.

Sec. 6. RCW 64.34.364 and 2021 c . . . s 5 (section 5 of this act) are each amended to read as follows:

(1) The association has a lien on a unit for any unpaid assessments levied against a unit from the time the assessment is due.

(2) A lien under this section shall be prior to all other liens and encumbrances on a unit except: (a) Liens and encumbrances recorded before the recording of the declaration; (b) a mortgage on the unit recorded before the date on which the assessment sought to be enforced became delinquent; and (c) liens for real property taxes and other governmental assessments or charges against the unit. A lien under this section is not subject to the provisions of chapter 6.13 RCW.

(3) Except as provided in subsections (4) and (5) of this section, the lien shall also be prior to the mortgages described in subsection (2)(b) of this section to the extent of assessments for common expenses, excluding any amounts for capital improvements, based on the periodic budget adopted by the association pursuant to RCW 64.34.360(1) which would have become due during the six months immediately preceding the date of a sheriff's sale in an action for judicial foreclosure by either the

association or a mortgagee, the date of a trustee's sale in a nonjudicial foreclosure by a mortgagee, or the date of recording of the declaration of forfeiture in a proceeding by the vendor under a real estate contract.

(4) The priority of the association's lien against units encumbered by a mortgage held by an eligible mortgagee or by a mortgagee which has given the association a written request for a notice of delinquent assessments shall be reduced by up to three months if and to the extent that the lien priority under subsection (3) of this section includes delinquencies which relate to a period after such holder becomes an eligible mortgagee or has given such notice and before the association gives the holder a written notice of the delinquency. This subsection does not affect the priority of mechanics' or material suppliers' liens, or the priority of liens for other assessments made by the association.

(5) If the association forecloses its lien under this section nonjudicially pursuant to chapter 61.24 RCW, as provided by subsection (9) of this section, the association shall not be entitled to the lien priority provided for under subsection (3) of this section.

(6) Unless the declaration otherwise provides, if two or more associations have liens for assessments created at any time on the same real estate, those liens have equal priority.

(7) Recording of the declaration constitutes record notice and perfection of the lien for assessments. While no further recording of any claim of lien for assessment under this section shall be required to perfect the association's lien, the association may record a notice of claim of lien for assessments under this section in the real property records of any county in which the condominium is located. Such recording shall not constitute the written notice of delinquency to a mortgagee referred to in subsection (2) of this section.

(8) A lien for unpaid assessments and the personal liability for payment of assessments is extinguished unless proceedings to enforce the lien or collect the debt are instituted within three years after the amount of the assessments sought to be recovered becomes due.

(9) The lien arising under this section may be enforced judicially by the

association or its authorized representative in the manner set forth in chapter 61.12 RCW. The lien arising under this section may be enforced nonjudicially in the manner set forth in chapter 61.24 RCW for nonjudicial foreclosure of deeds of trust if the declaration (a) contains a grant of the condominium in trust to a trustee qualified under RCW 61.24.010 to secure the obligations of the unit owners to the association for the payment of assessments, (b) contains a power of sale, (c) provides in its terms that the units are not used principally for agricultural or farming purposes, and (d) provides that the power of sale is operative in the case of a default in the obligation to pay assessments. The association or its authorized representative shall have the power, unless prohibited by the declaration, to purchase the unit at the foreclosure sale and to acquire, hold, lease, mortgage, or convey the same. Upon an express waiver in the complaint of any right to a deficiency judgment in a judicial foreclosure action, the period of redemption shall be eight months. Nothing in this section shall prohibit an association from taking a deed in lieu of foreclosure.

(10) From the time of commencement of an action by the association to foreclose a lien for nonpayment of delinquent assessments against a unit that is not occupied by the owner thereof, the association shall be entitled to the appointment of a receiver to collect from the lessee thereof the rent for the unit as and when due. If the rental is not paid, the receiver may obtain possession of the unit, refurbish it for rental up to a reasonable standard for rental units in this type of condominium, rent the unit or permit its rental to others, and apply the rents first to the cost of the receivership and attorneys' fees thereof, then to the cost of refurbishing the unit, then to applicable charges, then to costs, fees, and charges of the foreclosure action, and then to the payment of the delinquent assessments. Only a receiver may take possession and collect rents under this subsection, and a receiver shall not be appointed less than ninety days after the delinquency. The exercise by the association of the foregoing rights shall not affect the priority of preexisting liens on the unit.

(11) Except as provided in subsection (3) of this section, the holder of a mortgage or other purchaser of a unit who obtains the right of possession of the unit through foreclosure shall not be liable for assessments or installments thereof that became due prior to such right of possession. Such unpaid assessments shall be deemed to be common expenses collectible from all the unit owners, including such mortgagee or other purchaser of the unit. Foreclosure of a mortgage does not relieve the prior owner of personal liability for assessments accruing against the unit prior to the date of such sale as provided in this subsection.

(12) In addition to constituting a lien on the unit, each assessment shall be the joint and several obligation of the owner or owners of the unit to which the same are assessed as of the time the assessment is due. In a voluntary conveyance, the grantee of a unit shall be jointly and severally liable with the grantor for all unpaid assessments against the grantor up to the time of the grantor's conveyance, without prejudice to the grantee's right to recover from the grantor the amounts paid by the grantee therefor. Suit to recover a personal judgment for any delinquent assessment shall be maintainable in any court of competent jurisdiction without foreclosing or waiving the lien securing such sums.

(13) The association may from time to time establish reasonable late charges and a rate of interest to be charged on all subsequent delinquent assessments or installments thereof. In the absence of another established nonusurious rate, delinquent assessments shall bear interest from the date of delinquency at the maximum rate permitted under RCW 19.52.020 on the date on which the assessments became delinquent.

(14) The association shall be entitled to recover any costs and reasonable attorneys' fees incurred in connection with the collection of delinquent assessments, whether or not such collection activities result in suit being commenced or prosecuted to judgment. In addition, the association shall be entitled to recover costs and reasonable attorneys' fees if it prevails on appeal and in the enforcement of a judgment.

(15) The association upon written request shall furnish to a unit owner or

a mortgagee a statement signed by an officer or authorized agent of the association setting forth the amount of unpaid assessments against that unit. The statement shall be furnished within fifteen days after receipt of the request and is binding on the association, the board of directors, and every unit owner, unless and to the extent known by the recipient to be false.

(16) To the extent not inconsistent with this section, the declaration may provide for such additional remedies for collection of assessments as may be permitted by law.

(17) An association may not commence an action to foreclose a lien on a unit under this section unless:

(a) The unit owner, at the time the action is commenced, owes at least a sum equal to the greater of:

(i) Three months or more of assessments, not including fines, late charges, interest, attorneys' fees, or costs incurred by the association in connection with the collection of a delinquent owner's account; or

(ii) \$200 of assessments, not including fines, late charges, interest, attorneys' fees, or costs incurred by the association in connection with the collection of a delinquent owner's account;

(b) At or after the date that assessments have become past due for at least 90 days, the association has mailed, by first-class mail, to the owner, at the unit address and to any other address which the owner has provided to the association, a notice of delinquency, which shall state as follows:

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FROM THE UNIT OWNERS' ASSOCIATION TO WHICH YOUR HOME BELONGS.

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Telephone: Website:

The association shall obtain the toll-free numbers and website information from the department of commerce for inclusion in the notice;

(c) At least (~~180~~) 90 days have elapsed from the date the minimum amount required in (a) of this subsection has accrued; and

(d) The board approves commencement of a foreclosure action specifically against that unit.

(18) Every aspect of a collection, foreclosure, sale, or other conveyance under this section, including the method, advertising, time, date, place, and terms, must be commercially reasonable.

NEW SECTION. **Sec. 7.** A new section is added to chapter 64.38 RCW to read as follows:

(1) If the governing documents of an association provide for a lien on the lot of any owner for unpaid assessments, the association may not commence an action to foreclose the lien unless:

(a) The lot owner, at the time the action is commenced, owes at least a sum equal to the greater of:

(i) Three months or more of assessments, not including fines, late charges, interest, attorneys' fees, or costs incurred by the association in connection with the collection of a delinquent owner's account; or

(ii) \$200 of assessments, not including fines, late charges, interest, attorneys' fees, or costs incurred by the association in connection with the collection of a delinquent owner's account;

(b) At or after the date that assessments have become past due for at least 90 days, the association has mailed, by first-class mail, to the owner, at the lot address and to any other address which the owner has provided to the association, a notice of delinquency, which shall state as follows:

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Telephone: Website:

The statewide civil legal aid hotline for assistance and referrals to other housing counselors and attorneys

Telephone: Website:

The association shall obtain the toll-free numbers and website information from the department of commerce for inclusion in the notice;

(c) At least 180 days have elapsed from the date the minimum amount required in (a) of this subsection has accrued; and

(d) The board approves commencement of a foreclosure action specifically against that lot.

(2) Every aspect of a collection, foreclosure, sale, or other conveyance under this section, including the method, advertising, time, date, place, and terms, must be commercially reasonable.

Sec. 8. RCW 64.38.--- and 2021 c . . . s 7 (section 7 of this act) are each amended to read as follows:

(1) If the governing documents of an association provide for a lien on the lot of any owner for unpaid assessments, the association may not commence an action to foreclose the lien unless:

(a) The lot owner, at the time the action is commenced, owes at least a sum equal to the greater of:

(i) Three months or more of assessments, not including fines, late charges, interest, attorneys' fees, or costs incurred by the association in connection with the collection of a delinquent owner's account; or

(ii) \$200 of assessments, not including fines, late charges, interest, attorneys' fees, or costs incurred by the association in connection with the collection of a delinquent owner's account;

(b) At or after the date that assessments have become past due for at least 90 days, the association has mailed, by first-class mail, to the owner, at the lot address and to any other address which the owner has provided to the association, a notice of delinquency, which shall state as follows:

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Telephone: Website:

The statewide civil legal aid hotline for assistance and referrals to other housing counselors and attorneys

Telephone: Website:

The association shall obtain the toll-free numbers and website information from the department of commerce for inclusion in the notice;

(c) At least ((180)) 90 days have elapsed from the date the minimum amount required in (a) of this subsection has accrued; and

(d) The board approves commencement of a foreclosure action specifically against that lot.

(2) Every aspect of a collection, foreclosure, sale, or other conveyance

under this section, including the method, advertising, time, date, place, and terms, must be commercially reasonable.

NEW SECTION. **Sec. 9.** Sections 1, 3, 5, and 7 of this act expire January 1, 2024.

NEW SECTION. **Sec. 10.** Sections 2, 4, 6, and 8 of this act take effect January 1, 2024.

NEW SECTION. **Sec. 11.** Sections 1, 3, 5, and 7 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 immediately."

On page 1, line 2 of the title, after "communities;" strike the remainder of the title and insert "amending RCW 64.90.485, 64.90.485, 64.32.200, 64.32.200, 64.34.364, 64.34.364, and 64.38.---; adding a new section to chapter 64.38 RCW; providing an effective date; providing an expiration date; and declaring an emergency."

and the same is herewith transmitted.

Sarah Bannister, Deputy, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED HOUSE BILL NO. 1482 and advanced the bill, as amended by the Senate, to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Walsh and Hansen spoke in favor of the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Engrossed House Bill No. 1482, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed House Bill No. 1482, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 97; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker,

Klippert, Kloba, Kraft, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McCaslin, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Excused: Representative McEntire.

ENGROSSED HOUSE BILL NO. 1482, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 20, 2021

Madame Speaker:

The Senate refuses to concur in the House amendment to ENGROSSED SUBSTITUTE SENATE BILL NO. 5321 and asks the House to recede therefrom.

and the same is herewith transmitted.

Sarah Bannister, Deputy Secretary

HOUSE AMENDMENT TO SENATE BILL

There being no objection, the House receded from its amendment to ENGROSSED SUBSTITUTE SENATE BILL NO. 5321, and advanced the bill to final passage.

Representatives Bergquist and Morgan spoke in favor of the passage of the bill.

Representative Chambers spoke against the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Engrossed Substitute Senate Bill No. 5321.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 5321 and the bill passed the House by the following vote: Yeas: 60; Nays: 37; Absent: 0; Excused: 1

Voting yea: Representatives Abbarno, Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chandler, Chapman, Chopp, Cody, Davis, Dolan, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, Jinkins, Johnson, J., Kirby, Kloba, Leavitt, Lekanoff, Lovick, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Rule, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, and Wylie

Voting nay: Representatives Barkis, Boehnke, Caldier, Chambers, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, MacEwen, Maycumber, McCaslin, Mosbrucker, Orcutt, Robertson, Rude, Schmick, Steele, Stokesbary, Vick, Volz, Walsh, Wilcox, Ybarra, and Young

Excused: Representative McEntire

ENGROSSED SUBSTITUTE SENATE BILL NO. 5321 having received the necessary constitutional majority, was declared passed.

With the consent of the House, ENGROSSED SUBSTITUTE SENATE BILL NO. 5321 was immediately transmitted to the Senate.

RECONSIDERATION

There being no objection, the House immediately reconsidered the vote by which ENGROSSED SUBSTITUTE SENATE BILL NO. 5478 passed the House.

HOUSE AMENDMENT TO SENATE BILL

The rules were suspended and ENGROSSED SUBSTITUTE SENATE BILL NO. 5478 was returned to second reading for the purpose of amendment.

There being no objection, the House reverted to the sixth order of business.

SECOND READING

ENGROSSED SUBSTITUTE SENATE BILL NO. 5478, by Senate Committee on Ways & Means (originally sponsored by Keiser, Mullet, Billig, Cleveland, Conway, Das, Hunt, King, Kuderer, Liias, Lovelett, Nguyen, Randall, Rolfes, Saldaña, Stanford, Van De Wege and C. Wilson)

Concerning unemployment insurance relief for certain employers.

There being no objection, the committee striking amendment by the Committee on Appropriations was before the House for purpose of amendment. (For Committee amendment, see Journal, Day 101, April 21, 2021).

With the consent of the House, amendment (748) to the committee striking amendment was not adopted.

Amendment (750) to the committee striking amendment was before the House:

On page 2, line 11 of the striking amendment, after "5," strike "and 6" and insert "6, 7, 8, and 9"

On page 2, line 25 of the striking amendment, after "Total" strike "approved" and insert "forgiven"

On page 3, line 31 of the striking amendment, after "Total" strike "approved" and insert "forgiven"

On page 4, line 23 of the striking amendment, after "the total" strike "approved" and insert "forgiven"

On page 5, line 4 of the striking amendment, after "Total" strike "approved" and insert "forgiven"

On page 5, line 17 of the striking amendment, after "than a" strike "four" and insert "three"

On page 5, line 24 of the striking amendment, after "increased by" strike "six" and insert "four"

On page 5, line 33 of the striking amendment, after "the total" strike "approved" and insert "forgiven"

On page 6, line 14 of the striking amendment, after "Total" strike "approved" and insert "forgiven"

On page 6, line 27 of the striking amendment, after "than a" strike "four" and insert "three"

On page 6, line 34 of the striking amendment, after "increased by" strike "six" and insert "four"

On page 7, line 7 of the striking amendment, after "the total" strike "approved" and insert "forgiven"

On page 7, after line 21 of the striking amendment, insert the following:

"NEW SECTION. Sec. 7. A new section is added to chapter 50.29 RCW to read as follows:

(1) If moneys remain in the unemployment insurance relief account after the department determines the forgiven benefits for all approved employers pursuant to sections 3 through 6 of this act, then by December 21, 2021, the department must again determine any forgiven benefits for approved category 1 employers to be reimbursed by the unemployment insurance relief account instead of charged to the employer's experience rating account. Total forgiven benefits for all approved category 1 employers may not exceed the available benefits for category 1.

(2) The department will not charge the forgiven benefits to the employer's experience rating account. The commissioner must instead transfer from

the unemployment insurance relief account to the unemployment compensation fund created in RCW 50.16.010 an amount equal to the forgiven benefits.

(3) For the purposes of this section, the following definitions apply:

(a) "Approved benefits" means any remaining benefits paid to employees of an approved category 1 employer during the fiscal year ending June 30, 2021, that were not previously forgiven under section 3 of this act, not to exceed an amount that would reduce the employer's rate class increase to no more than a two rate class increase. Approved benefits must not include benefits that were not charged to the employer's experience rating account or benefits otherwise relieved under RCW 50.29.021.

(b) "Approved category 1 employer" has the same meaning as defined in section 3 of this act.

(c) "Available benefits for category 1" means the total amount of money remaining in the unemployment insurance relief account after benefits are forgiven according to sections 3 through 6 of this act.

(d) "Forgiven benefits" means the approved benefits for an individual employer multiplied by the forgiveness ratio.

(e) "Forgiveness ratio" is computed by dividing the available benefits for category 1 by the total approved benefits. The forgiveness ratio cannot be more than one.

(f) "Total approved benefits" means the sum total of all approved benefits.

(4) The department must adopt such rules as are necessary to carry out the purposes of this section.

(5) This section expires July 30, 2022.

NEW SECTION. Sec. 8. A new section is added to chapter 50.29 RCW to read as follows:

(1) If moneys remain in the unemployment insurance relief account after the department determines the forgiven benefits for approved category 1 employers pursuant to section 7 of this act, the department must again determine any forgiven benefits for approved category 2 employers to be reimbursed by the unemployment insurance relief account instead of charged to the

employer's experience rating account. Total forgiven benefits for all approved category 2 employers may not exceed the available benefits for category 2.

(2) The department will not charge the forgiven benefits to the employer's experience rating account. The commissioner must instead transfer from the unemployment insurance relief account to the unemployment compensation fund created in RCW 50.16.010 an amount equal to the forgiven benefits.

(3) For the purposes of this section, the following definitions apply:

(a) "Approved benefits" means any remaining benefits paid to employees of an approved category 2 employer during the fiscal year ending June 30, 2021, that were not previously forgiven under section 4 of this act, not to exceed an amount that would reduce the employer's rate class increase to no more than a two rate class increase. Approved benefits must not include benefits that were not charged to the employer's experience rating account or benefits otherwise relieved under RCW 50.29.021.

(b) "Approved category 2 employer" has the same meaning as defined in section 4 of this act.

(c) "Available benefits for category 2" means the difference between the available benefits for category 1, as defined in section 7 of this act, and the total forgiven benefits for approved category 1 employers, as defined in section 7 of this act.

(d) "Forgiven benefits" means the approved benefits for an individual employer multiplied by the forgiveness ratio.

(e) "Forgiveness ratio" is computed by dividing the available benefits for category 2 by the total approved benefits. The forgiveness ratio cannot be more than one.

(f) "Total approved benefits" means the sum total of all approved benefits.

(4) The department must adopt such rules as are necessary to carry out the purposes of this section.

(5) This section expires July 30, 2022.

NEW SECTION. Sec. 9. A new section is added to chapter 50.29 RCW to read as follows:

(1) If moneys remain in the unemployment insurance relief account after the department determines the forgiven benefits for approved category 2 employers pursuant to section 8 of this act, the department must again determine any forgiven benefits for approved category 3 employers to be reimbursed by the unemployment insurance relief account instead of charged to the employer's experience rating account. Total forgiven benefits for all approved category 3 employers may not exceed the available benefits for category 3.

(2) The department will not charge the forgiven benefits to the employer's experience rating account. The commissioner must instead transfer from the unemployment insurance relief account to the unemployment compensation fund created in RCW 50.16.010 an amount equal to the forgiven benefits.

(3) For the purposes of this section, the following definitions apply:

(a) "Approved benefits" means any remaining benefits paid to employees of an approved category 3 employer during the fiscal year ending June 30, 2021, that were not previously forgiven under section 5 of this act, not to exceed an amount that would reduce the employer's rate class increase to no more than a three rate class increase. Approved benefits must not include benefits that were not charged to the employer's experience rating account or benefits otherwise relieved under RCW 50.29.021.

(b) "Approved category 3 employer" has the same meaning as defined in section 5 of this act.

(c) "Available benefits for category 3" means the difference between the available benefits for category 2, as defined under section 8 of this act, and the total forgiven benefits for approved category 2 employers, as defined under section 8 of this act.

(d) "Forgiven benefits" means the approved benefits for an individual employer multiplied by the forgiveness ratio.

(e) "Forgiveness ratio" is computed by dividing the available benefits for category 3 by the total approved benefits. The forgiveness ratio cannot be more than one.

(f) "Total approved benefits" means the sum total of all approved benefits.

(4) The department must adopt such rules as are necessary to carry out the purposes of this section.

(5) This section expires July 30, 2022."

Renumber the remaining sections consecutively and correct any internal references accordingly.

On page 7, line 24 of the striking amendment, after "(1) By" strike "July 30th" and insert "September 1st"

With the consent of the House, amendment (750) to the committee striking amendment was adopted.

The committee striking amendment, as amended, was adopted.

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House, on reconsideration, was placed on final passage.

Representatives Bergquist, Hoff and Walsh spoke in favor of the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Engrossed Substitute Senate Bill No. 5478, as amended by the House, on reconsideration.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 5478, as amended by the House, on reconsideration, and the bill passed the House by the following vote: Yeas, 95; Nays, 2; Absent, 0; Excused, 1.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Klippert, Kloba, Kraft, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Voting nay: Representatives Chase and McCaslin.

Excused: Representative McEntire.

ENGROSSED SUBSTITUTE SENATE BILL NO. 5478, as amended by the House, on reconsideration, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 14, 2021

Madame Speaker:

The Senate refuses to concur in the House amendment to ENGROSSED SUBSTITUTE SENATE BILL NO. 5092 and asks the House for a Conference thereon. The President has appointed the following members as Conferees: Senators Robinson, Rolfes and Wilson L.,

and the same is herewith transmitted.

Sarah Bannister, Deputy Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House granted the Senate's request for a Conference on ENGROSSED SUBSTITUTE SENATE BILL NO. 5092. The Speaker (Representative Orwall presiding) appointed the following members as Conferees: Representatives Ormsby, Gregerson and Stokesbary.

There being no objection, the House reverted to the third order of business.

MESSAGE FROM THE SENATE

April 21, 2021

Mme. SPEAKER:

The Senate refuses to concur in the House amendment(s) to ENGROSSED SUBSTITUTE SENATE BILL NO. 5191 and asks the House to recede therefrom.

and the same is herewith transmitted.

Sarah Bannister, Deputy Secretary

There being no objection, the House adjourned until 10:00 a.m., April 23, 2021, the 103rd Legislative Day of the Regular Session.

LAURIE JINKINS, Speaker

BERNARD DEAN, Chief Clerk

SIXTY SEVENTH LEGISLATURE - REGULAR SESSION

ONE HUNDRED THIRD DAY

House Chamber, Olympia, Friday, April 23, 2021

The House was called to order at 10:00 a.m. by the Speaker (Representative Orwall presiding).

April 22, 2021

There being no objection, the House advanced to the third order of business.

Mme. SPEAKER:

The Senate has adopted the report of the Conference Committee on ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5237 and has passed the bill as recommended by the Conference Committee.

MESSAGES FROM THE SENATE

April 22, 2021

Mme. SPEAKER:

Brad Hendrickson, Secretary

The President has signed:

April 22, 2021

ENGROSSED SUBSTITUTE SENATE BILL NO. 5121,
ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5163,
SECOND SUBSTITUTE SENATE BILL NO. 5183,
SECOND SUBSTITUTE SENATE BILL NO. 5195,
SECOND SUBSTITUTE SENATE BILL NO. 5214,
SECOND SUBSTITUTE SENATE BILL NO. 5368,
ENGROSSED SUBSTITUTE SENATE BILL NO. 5408,

Mme. SPEAKER:

The Senate has granted the request of the House for a Conference on ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1477. The President has appointed the following members as Conferees: Dhingra, Robinson, Wagoner

and the same are herewith transmitted.

Brad Hendrickson, Secretary

Brad Hendrickson, Secretary

April 22, 2021

There being no objection, the House advanced to the eighth order of business.

MOTION

Mme. SPEAKER:

There being no objection, the Committee on Appropriations was relieved of ENGROSSED SENATE BILL NO. 5330 and the bill was placed on the second reading calendar.

The President has signed:

SECOND SUBSTITUTE HOUSE BILL NO. 1028,

and the same is herewith transmitted.

The Speaker assumed the chair.

Brad Hendrickson, Secretary

SIGNED BY THE SPEAKER

April 22, 2021

The Speaker signed the following bills:

Mme. SPEAKER:

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1189
SUBSTITUTE HOUSE BILL NO. 1218
SUBSTITUTE HOUSE BILL NO. 1348
ENGROSSED HOUSE BILL NO. 1386
SUBSTITUTE HOUSE BILL NO. 1411
SUBSTITUTE HOUSE BILL NO. 1438
SUBSTITUTE SENATE BILL NO. 5009
SUBSTITUTE SENATE BILL NO. 5013
ENGROSSED SECOND SUBSTITUTE SENATE
BILL NO. 5022
ENGROSSED SUBSTITUTE SENATE BILL NO.
5024
SUBSTITUTE SENATE BILL NO. 5025

The Senate concurred in the House amendment(s) to the following bills and passed the bills as amended by the House:

SECOND SUBSTITUTE SENATE BILL NO. 5192,
SUBSTITUTE SENATE BILL NO. 5317,
SUBSTITUTE SENATE BILL NO. 5318,

and the same are herewith transmitted.

Brad Hendrickson, Secretary

SENATE BILL NO. 5040
 ENGROSSED SECOND SUBSTITUTE SENATE
 BILL NO. 5071
 SUBSTITUTE SENATE BILL NO. 5073
 SENATE BILL NO. 5101
 ENGROSSED SUBSTITUTE SENATE BILL NO.
 5115
 ENGROSSED SUBSTITUTE SENATE BILL NO.
 5118
 SENATE BILL NO. 5133
 SUBSTITUTE SENATE BILL NO. 5157
 ENGROSSED SUBSTITUTE SENATE BILL NO.
 5172
 ENGROSSED SUBSTITUTE SENATE BILL NO.
 5178
 ENGROSSED SUBSTITUTE SENATE BILL NO.
 5180
 ENGROSSED SUBSTITUTE SENATE BILL NO.
 5190
 ENGROSSED SUBSTITUTE SENATE BILL NO.
 5193
 ENGROSSED SECOND SUBSTITUTE SENATE
 BILL NO. 5194
 ENGROSSED SUBSTITUTE SENATE BILL NO.
 5226
 ENGROSSED SECOND SUBSTITUTE SENATE
 BILL NO. 5227
 ENGROSSED SUBSTITUTE SENATE BILL NO.
 5235
 SUBSTITUTE SENATE BILL NO. 5236
 SECOND SUBSTITUTE SENATE BILL NO. 5253
 ENGROSSED SUBSTITUTE SENATE BILL NO.
 5295
 SENATE BILL NO. 5299
 SECOND SUBSTITUTE SENATE BILL NO. 5313
 ENGROSSED SUBSTITUTE SENATE BILL NO.
 5353
 ENGROSSED SUBSTITUTE SENATE BILL NO.
 5370
 ENGROSSED SECOND SUBSTITUTE SENATE
 BILL NO. 5377
 SUBSTITUTE SENATE BILL NO. 5378
 SUBSTITUTE SENATE BILL NO. 5381
 ENGROSSED SECOND SUBSTITUTE SENATE
 BILL NO. 5399
 SUBSTITUTE SENATE BILL NO. 5423
 SENATE BILL NO. 5430
 ENGROSSED SUBSTITUTE SENATE BILL NO.
 5432

The Speaker called upon Representative Lovick to
 preside.

There being no objection, the House reverted to the first
 order of business.

The Clerk called the roll and a quorum was present.

The Speaker (Representative Lovick presiding) led the
 Chamber in the Pledge of Allegiance. The prayer was
 offered by Representative Alicia Rule, 42nd Legislative
 District.

The Speaker (Representative Lovick presiding) called
 upon Representative Orwall to preside.

Reading of the Journal of the previous day was
 dispensed with and it was ordered to stand approved.

There being no objection, the House advanced to the
 third order of business.

MESSAGE FROM THE SENATE

April 23, 2021

Mme. SPEAKER:

The President has signed:

SENATE BILL NO. 5008,
 SUBSTITUTE SENATE BILL NO. 5185,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5203,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5229,
 SUBSTITUTE SENATE BILL NO. 5273,
 ENGROSSED SECOND SUBSTITUTE SENATE BILL NO.
 5304,
 ENGROSSED SUBSTITUTE SENATE BILL NO. 5321,
 SECOND SUBSTITUTE SENATE BILL NO. 5331,
 SUBSTITUTE SENATE BILL NO. 5361,
 SECOND SUBSTITUTE SENATE BILL NO. 5362,

and the same are herewith transmitted.

Brad Hendrickson, Secretary

There being no objection, the House advanced to the
 fourth order of business.

INTRODUCTION & FIRST READING

HB 1584 by Representatives Graham, Jacobsen, Caldier,
 Walen and Sutherland

AN ACT Relating to establishing the crime victims and
 families scholarship; amending RCW 43.88C.010; and
 adding a new chapter to Title 28B RCW.

Referred to Committee on College & Workforce
 Development.

There being no objection, the bill listed on the day's
 introduction sheet under the fourth order of business was
 referred to the committee so designated.

There being no objection, the House advanced to the
 seventh order of business.

THIRD READING

MESSAGE FROM THE SENATE

April 23, 2021

Madame Speaker:

The Senate insists on its position on ENGROSSED THIRD SUBSTITUTE HOUSE BILL NO. 1091 and asks the House for a Conference thereon. The President has appointed the following members as Conferees: Senators Carlyle, King and Mullet.

and the same is herewith transmitted.

Sarah Bannister, Deputy Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House granted the Senate's request for a Conference on ENGROSSED THIRD SUBSTITUTE HOUSE BILL NO. 1091. The Speaker appointed the following members as Conferees: Representatives Fitzgibbon, Slatter and Dye.

MESSAGE FROM THE SENATE

April 22, 2021

Madame Speaker:

The Senate refuses to concur in the House amendment to ENGROSSED SUBSTITUTE SENATE BILL NO. 5096 and asks the House for a Conference thereon. The President has appointed the following members as Conferees: Senators Pedersen, Wilson L. and Robinson.

and the same is herewith transmitted.

Brad Hendrickson, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House granted the Senate's request for a Conference on ENGROSSED SUBSTITUTE SENATE BILL NO. 5096. The Speaker appointed the following members as Conferees: Representatives Frame, Sullivan and Orcutt.

There being no objection, the House reverted to the sixth order of business.

SECOND READING

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5126, by Senate Committee on Ways & Means (originally sponsored by Carlyle, Saldaña, Conway, Das, Frockt, Hunt, Liias, Nguyen, Pedersen, Salomon, Stanford, Wilson and C.)

Concerning the Washington climate commitment act.

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Appropriations was before the House for purpose of amendment. (For Committee amendment, see Journal, Day 99, April 19, 2021).

Representative Abbarno moved the adoption of amendment (751) to the committee amendment:

On page 14, beginning on line 40 of the striking amendment, after "act" strike all material through "act," on page 15, line 2 and insert "or the union solidarity account created in section 28 of this act"

On page 15, line 26 of the striking amendment, after "the" strike "climate investment" and insert "union solidarity"

On page 30, line 25 of the striking amendment, after "(i)" strike "\$127,341,000" and insert "up to \$500,000,000"

On page 30, beginning on line 27 of the striking amendment, after "to the" strike all material through "31" on line 30 and insert "union solidarity account created in section 28"

On page 30, line 34 of the striking amendment, after "(i)" strike "\$356,697,000" and insert "up to \$500,000,000"

On page 30, beginning on line 36 of the striking amendment, after "to the" strike all material through "31" on line 39 and insert "union solidarity account created in section 28"

On page 31, line 4 of the striking amendment, after "(i)" strike "\$366,558,000" and insert "up to \$500,000,000"

On page 31, beginning on line 6 of the striking amendment, after "to the" strike all material through "31" on line 9 and insert "union solidarity account created in section 28"

On page 31, at the beginning of line 14 of the striking amendment, strike "\$359,117,000" and insert "up to \$500,000,000"

On page 31, beginning on line 16 of the striking amendment, after "to the" strike all material through "31" on line 18 and insert "union solidarity account created in section 28"

On page 31, at the beginning of line 21 of the striking amendment, strike "\$5,200,000,000" and insert "\$7,000,000,000"

On page 31, beginning on line 22 of the striking amendment, after "into the" strike all material through "31" on line

24 and insert "union solidarity account created in section 28"

On page 31, beginning on line 34 of the striking amendment, after "to the" strike all material through "31" on line 36 and insert "union solidarity account created in section 28"

On page 31, beginning on line 37 of the striking amendment, strike all of subsection (g)

On page 55, beginning on line 13 of the striking amendment, after "ACCOUNT." strike all material through "practices" on line 32 and insert "The carbon emissions reduction account is created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account are intended to be used for transportation purposes, including but not limited to highway purposes authorized under the 18th Amendment of the Washington state Constitution"

On page 55, after line 32 of the striking amendment, insert the following:

"NEW SECTION. Sec. 28. UNION SOLIDARITY ACCOUNT. The union solidarity account is created in the state treasury. Except as otherwise provided in this act, all receipts from the auction of allowances authorized in this chapter must be deposited into the account. Moneys may be spent only after appropriation. Moneys in the account may be used for the following:

(1) Paycheck replacement for displaced workers;

(2) Job training, education, and other programs directed to workers in economic sectors negatively affected by the program created in this chapter; and

(3) Increases in capacity for workforce education and community and technical colleges and for apprenticeship programs."

Re-number the remaining sections consecutively and correct any internal references accordingly.

On page 55, beginning on line 33 of the striking amendment, strike all of sections 28, 29, 30, and 31

Re-number the remaining sections consecutively and correct any internal references accordingly.

Representatives Abbarno, Boehnke, Goehner, Griffey, Kraft, Sutherland, Kraft (again), Maycumber, Dye and Boehnke (again) spoke in favor of the adoption of the amendment to the committee amendment.

Representatives Berry, Slatter and Stonier spoke against the adoption of the amendment to the committee amendment.

Amendment (751) to the committee amendment was not adopted.

Representative Abbarno moved the adoption of amendment (752) to the committee amendment:

On page 14, beginning on line 40 of the striking amendment, after "act" strike all material through "act," on page 15, line 2 and insert "or the taxpayer fairness account created in section 28 of this act"

On page 15, line 26 of the striking amendment, after "the" strike "climate investment" and insert "taxpayer fairness"

On page 30, line 25 of the striking amendment, after "(i)" strike "\$127,341,000" and insert "up to \$500,000,000"

On page 30, beginning on line 27 of the striking amendment, after "to the" strike all material through "31" on line 30 and insert "taxpayer fairness account created in section 28"

On page 30, line 34 of the striking amendment, after "(i)" strike "\$356,697,000" and insert "up to \$500,000,000"

On page 30, beginning on line 36 of the striking amendment, after "to the" strike all material through "31" on line 39 and insert "taxpayer fairness account created in section 28"

On page 31, line 4 of the striking amendment, after "(i)" strike "\$366,558,000" and insert "up to \$500,000,000"

On page 31, beginning on line 6 of the striking amendment, after "to the" strike all material through "31" on line 9 and insert "taxpayer fairness account created in section 28"

On page 31, at the beginning of line 14 of the striking amendment, strike "\$359,117,000" and insert "up to \$500,000,000"

On page 31, beginning on line 16 of the striking amendment, after "to the" strike all material through "31" on line 18 and insert "taxpayer fairness account created in section 28"

On page 31, at the beginning of line 21 of the striking amendment, strike "\$5,200,000,000" and insert "\$7,000,000,000"

On page 31, beginning on line 22 of the striking amendment, after "into the" strike all material through "31" on line 24 and insert "taxpayer fairness account created in section 28"

On page 31, beginning on line 34 of the striking amendment, after "to the" strike all material through "31" on line 36 and insert "taxpayer fairness account created in section 28"

On page 31, beginning on line 37 of the striking amendment, strike all of subsection (g)

On page 55, beginning on line 13 of the striking amendment, after "ACCOUNT." strike all material through "practices" on line 32 and insert "The carbon emissions reduction account is created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account are intended to be used for transportation purposes, including but not limited to highway purposes authorized under the 18th Amendment of the Washington state Constitution"

On page 55, after line 32 of the striking amendment, insert the following:

"NEW SECTION. Sec. 28. TAXPAYER FAIRNESS ACCOUNT. The taxpayer fairness account is created in the state treasury. Except as otherwise provided in this act, all receipts from the auction of allowances authorized in this chapter must be deposited into the account. Moneys may be spent only after appropriation. Moneys in the account may be used only to fund increases in the working families' tax exemption, as established in RCW 82.08.0206, over and above the amounts authorized in chapter... (House Bill No. 1297), Laws of 2021."

Re-number the remaining sections consecutively and correct any internal references accordingly.

On page 55, beginning on line 33 of the striking amendment, strike all of sections 28, 29, 30, and 31

Re-number the remaining sections consecutively and correct any internal references accordingly.

Representatives Abbarno, Boehnke, Dye, Sutherland, Klicker and Walsh spoke in favor of the adoption of the amendment to the committee amendment.

Representatives Thai, Ramel and Senn spoke against the adoption of the amendment to the committee amendment.

Amendment (752) to the committee amendment was not adopted.

Representative Schmick moved the adoption of amendment (749) to the committee amendment:

On page 69, line 14 of the striking amendment, after "31" strike "and 36" and insert ", 36, and 43"

On page 73, after line 33 of the striking amendment, insert the following:

"NEW SECTION. Sec. 43. RESIDENTIAL HEATING ASSISTANCE PROGRAM.

(1) The legislature intends by this section to establish policies to mitigate the cost burden of the program established by this act on consumers who use home heating fuels that are not electricity or natural gas.

(2) The department, in collaboration with interested stakeholders, shall develop a proposal for assisting households that, for residential home heating, use fuels that are not electricity or natural gas. The proposal must give priority to assisting low-income households through weatherization, conservation and efficiency services, and bill assistance.

(3) In the event the department, in collaboration with interested stakeholders, determines that the proposal developed pursuant to subsection (2) of this section requires legislative action, the department shall submit its recommendations for proposed legislation to the appropriate committees of the legislature no later than September 15, 2022."

Representatives Schmick and Fitzgibbon spoke in favor of the adoption of the amendment to the committee amendment.

Amendment (749) to the committee amendment was adopted.

Representative Dye moved the adoption of amendment (757) to the committee amendment:

On page 69, line 14 of the striking amendment, after "31" strike "and 36" and insert ", 36, and 43"

On page 73, after line 33 of the striking amendment, insert the following:

"NEW SECTION. Sec. 43. (1) The department shall prepare, post on the department website, and submit to the appropriate committees of the legislature a quarterly report that identifies all distributions of moneys from the accounts created in sections 27 through 31 of this act.

(2) The report must identify, at a minimum, the recipient of the funding, the amount of the funding, the purpose of the funding, the actual end result or use of the funding, whether the project that received the funding produced any verifiable reduction in greenhouse gas emissions or other long-term impact to emissions, and if so, the quantity of reduced greenhouse gas emissions, the cost per carbon dioxide equivalent metric ton of reduced greenhouse gas emissions, and a comparison to other greenhouse gas emissions reduction projects in order to facilitate the development of cost-benefit ratios for greenhouse gas emissions reduction projects.

(3) The department shall require by rule that recipients of funds from the accounts created in sections 27 through 31 of this act report to the department, in a form and manner prescribed by the department, the information required for the department to carry out the department's duties established in this section.

(4) The department shall update its website with the information described in subsection (2) of this section as appropriate but no less frequently than quarterly per calendar year.

(5) The department shall submit its report to the appropriate committees of the legislature with the information described in subsection (2) of this

section no less frequently than quarterly per calendar year."

Representatives Dye, Hoff, Corry, Orcutt, Boehnke, Goehner, Klicker and Maycumber spoke in favor of the adoption of the amendment to the committee amendment.

Representatives Senn and Duerr spoke against the adoption of the amendment to the committee amendment.

Amendment (757) to the committee amendment was not adopted.

Representative Dye moved the adoption of amendment (758) to the committee amendment:

On page 69, line 14 of the striking amendment, after "31" strike "and 36" and insert ", 36, and 43"

On page 73, after line 33 of the striking amendment, insert the following:

"NEW SECTION. Sec. 43. (1) The department shall prepare, post on the department website, and submit to the appropriate committees of the legislature an annual report that identifies all distributions of moneys from the accounts created in sections 27 through 31 of this act.

(2) The report must identify, at a minimum, the recipient of the funding, the amount of the funding, the purpose of the funding, the actual end result or use of the funding, whether the project that received the funding produced any verifiable reduction in greenhouse gas emissions or other long-term impact to emissions, and if so, the quantity of reduced greenhouse gas emissions, the cost per carbon dioxide equivalent metric ton of reduced greenhouse gas emissions, and a comparison to other greenhouse gas emissions reduction projects in order to facilitate the development of cost-benefit ratios for greenhouse gas emissions reduction projects.

(3) The department shall require by rule that recipients of funds from the accounts created in sections 27 through 31 of this act report to the department, in a form and manner prescribed by the department, the information required for the department to carry out the department's duties established in this section.

(4) The department shall update its website with the information described in subsection (2) of this section as

appropriate but no less frequently than once per calendar year.

(5) The department shall submit its report to the appropriate committees of the legislature with the information described in subsection (2) of this section no later than September 30 of each year."

Representatives Dye and Fitzgibbon spoke in favor of the adoption of the amendment to the committee amendment.

Amendment (758) to the committee amendment was adopted.

Representative Fitzgibbon moved the adoption of amendment (754) to the committee amendment:

Beginning on page 1, after line 2, strike all material through "affected." on page 73, line 33, and insert the following:

"NEW SECTION. Sec. 1. FINDINGS AND INTENT. (1) The legislature finds that climate change is one of the greatest challenges facing our state and the world today, an existential crisis with major negative impacts on environmental and human health. Washington is experiencing environmental and community impacts due to climate change through increasingly devastating wildfires, flooding, droughts, rising temperatures and sea levels, and ocean acidification. Greenhouse gas emissions already in the atmosphere will increase impacts for some period of time. Actions to increase resilience of our communities, natural resource lands, and ecosystems can prevent and reduce impacts to communities and our environment and improve their ability to recover.

(2) In 2020, the legislature updated the state's greenhouse gas emissions limits that are to be achieved by 2030, 2040, and 2050, based on current science and emissions trends, to support local and global efforts to avoid the most significant impacts from climate change. Meeting these limits will require coordinated, comprehensive, and multisectoral implementation of policies, programs, and laws, as other enacted policies are insufficient to meet the limits.

(3) The legislature further finds that while climate change is a global problem, there are communities that have historically borne the disproportionate

impacts of environmental burdens and that now bear the disproportionate negative impacts of climate change. Although the state has done significant work in the past to highlight these environmental health disparities, beginning with senator Rosa Franklin's environmental equity study, and continuing through the work of the governor's interagency council on health disparities, the creation of the Washington environmental health disparities map, and recommendations of the environmental justice task force, the state can do much more to ensure that state programs address environmental equity.

(4) The legislature further finds that while enacted carbon policies can be well-intended to reduce greenhouse gas emissions and provide environmental benefits to communities, the policies may not do enough to ensure environmental health disparities are reduced and environmental benefits are provided to those communities most impacted by environmental harms from greenhouse gas and air pollutant emissions.

(5) The legislature further finds that wildfires have become one of the largest sources of black carbon in the last five years. From 2014 through 2018, wildfires in Washington state generated 39,200,000 metric tons of carbon, the equivalent of more than 8,500,000 cars on the road a year. In 2015, when 1,130,000 acres burned in Washington, wildfires were the second largest source of greenhouse gas emissions releasing 17,975,112 metric tons of carbon dioxide into the atmosphere. Wildfire pollution affects all Washingtonians, but has disproportionate health effects on low-income communities, communities of color, and the most vulnerable of our population. Restoring the health of our forests and investing in wildfire prevention and preparedness will therefore contribute to improved air quality and improved public health outcomes.

(6) The legislature further finds that by exercising a leadership role in addressing climate change, Washington will position its economy, technology centers, financial institutions, and manufacturers to benefit from national and international efforts that must occur to reduce greenhouse gases. The legislature intends to create climate policy that recognizes the special nature of emissions-intensive, trade-exposed

industries by minimizing leakage and increased life-cycle emissions associated with product imports. The legislature further finds that climate policies must be appropriately designed, in order to avoid leakage that results in net increases in global greenhouse gas emissions and increased negative impacts to those communities most impacted by environmental harms from climate change. The legislature further intends to encourage these industries to continue to innovate, find new ways to be more energy efficient, use lower carbon products, and be positioned to be global leaders in a low carbon economy.

(7) Under the program, the legislature intends to identify overburdened communities where the highest concentrations of criteria pollutants occur, determine the sources of those emissions and pollutants, and pursue significant reductions of emissions and pollutants in those communities. The legislature further intends for the department of ecology to conduct environmental justice assessments to ensure that funds and programs created under this chapter provide direct and meaningful benefits to vulnerable populations and overburdened communities. Additionally, the legislature intends to prevent job loss and provide protective measures if workers are adversely impacted by the transition to a clean energy economy through transition and assistance programs, worker-support projects, and workforce development and other activities designed to grow and expand the clean manufacturing sector in communities across Washington state. The legislature further intends to empower the environmental justice council established under RCW 70A.---.--- (section 20, chapter . . . , Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141)) to provide recommendations for the development and implementation of the program, the distribution of funds, and the establishment of programs, activities, and projects to achieve environmental justice and environmental health goals. The legislature further intends for the department of ecology to create and adopt community engagement plans and tribal consultation frameworks in the administration of the program to ensure equitable practices for meaningful community and federally recognized tribal involvement. Finally, the legislature intends to establish this

program to contribute to a healthy environment for all of Washington's communities.

NEW SECTION. **Sec. 2.** DEFINITIONS. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Allowance" means an authorization to emit up to one metric ton of carbon dioxide equivalent.

(2) "Allowance price containment reserve" means an account maintained by the department with allowances available for sale through separate reserve auctions at predefined prices to assist in containing compliance costs for covered and opt-in entities in the event of unanticipated high costs for compliance instruments.

(3) "Annual allowance budget" means the total number of greenhouse gas allowances allocated for auction and distribution for one calendar year by the department.

(4) "Asset controlling supplier" means any entity that owns or operates interconnected electricity generating facilities or serves as an exclusive marketer for these facilities even though it does not own them, and has been designated by the department and received a department-published emissions factor for the wholesale electricity procured from its system. The department shall use a methodology consistent with the methodology used by an external greenhouse gas emissions trading program that shares the regional electricity transmission system. Electricity from an asset controlling supplier is considered a specified source of electricity.

(5) "Auction" means the process of selling greenhouse gas allowances by offering them up for bid, taking bids, and then distributing the allowances to winning bidders.

(6) "Auction floor price" means a price for allowances below which bids at auction are not eligible to be accepted.

(7) "Auction purchase limit" means the limit on the number of allowances one registered entity or a group of affiliated registered entities may purchase from the share of allowances sold at an auction.

(8) "Balancing authority" means the responsible entity that integrates resource plans ahead of time, maintains

load-interchange-generation balance within a balancing authority area, and supports interconnection frequency in real time.

(9) "Balancing authority area" means the collection of generation, transmission, and load within the metered boundaries of a balancing authority. A balancing authority maintains load-resource balance within this area.

(10) "Best available technology" means a technology or technologies that will achieve the greatest reduction in greenhouse gas emissions, taking into account the fuels, processes, and equipment used by facilities to produce goods of comparable type, quantity, and quality. Best available technology must be technically feasible, commercially available, economically viable, not create excessive environmental impacts, and be compliant with all applicable laws while not changing the characteristics of the good being manufactured.

(11) "Biomass" means nonfossilized and biodegradable organic material originating from plants, animals, and microorganisms, including products, by-products, residues, and waste from agriculture, forestry, and related industries as well as the nonfossilized and biodegradable organic fractions of industrial waste, including gases and liquids recovered from the decomposition of nonfossilized and biodegradable organic material.

(12) "Biomass-derived fuels," "biomass fuels," or "biofuels" means fuels derived from biomass that have at least 40 percent lower greenhouse gas emissions based on a full life-cycle analysis when compared to petroleum fuels for which biofuels are capable as serving as a substitute.

(13) "Carbon dioxide equivalents" means a measure used to compare the emissions from various greenhouse gases based on their global warming potential.

(14) "Carbon dioxide removal" means deliberate human activities removing carbon dioxide from the atmosphere and durably storing it in geological, terrestrial, or ocean reservoirs, or in products. "Carbon dioxide removal" includes existing and potential anthropogenic enhancement of biological or geochemical sinks and including, but not limited to, carbon mineralization and direct air capture and storage.

(15) "Climate commitment" means the process and mechanisms to ensure a coordinated and strategic approach to advancing climate resilience and environmental justice and achieving an equitable and inclusive transition to a carbon neutral economy.

(16) "Climate resilience" is the ongoing process of anticipating, preparing for, and adapting to changes in climate and minimizing negative impacts to our natural systems, infrastructure, and communities. For natural systems, increasing climate resilience involves restoring and increasing the health, function, and integrity of our ecosystems and improving their ability to absorb and recover from climate-affected disturbances. For communities, increasing climate resilience means enhancing their ability to understand, prevent, adapt, and recover from climate impacts to people and infrastructure.

(17) "Closed facility" means a facility at which the current owner or operator has elected to permanently stop production and will no longer be an emissions source.

(18) "Compliance instrument" means an allowance or offset credit issued by the department or by an external greenhouse gas emissions trading program to which Washington has linked its greenhouse gas emissions cap and invest program. One compliance instrument is equal to one metric ton of carbon dioxide equivalent.

(19) "Compliance obligation" means the requirement to submit to the department the number of compliance instruments equivalent to a covered or opt-in entity's covered emissions during the compliance period.

(20) "Compliance period" means the four-year period for which the compliance obligation is calculated for covered entities.

(21) "Cost burden" means the impact on rates or charges to customers of electric utilities in Washington state for the incremental cost of electricity service to serve load due to the compliance cost for greenhouse gas emissions caused by the program. Cost burden includes administrative costs from the utility's participation in the program.

(22) "Covered emissions" means the emissions for which a covered entity has a compliance obligation under section 10 of this act.

(23) "Covered entity" means a person that is designated by the department as subject to sections 8 through 24 of this act.

(24) "Cumulative environmental health impact" has the same meaning as provided in RCW 70A.---.--- (section 2, chapter . . ., Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141)).

(25) "Curtailed facility" means a facility at which the owner or operator has temporarily suspended production but for which the owner or operator maintains operating permits and retains the option to resume production if conditions become amenable.

(26) "Department" means the department of ecology.

(27) "Electricity importer" means:

(a) For electricity that is scheduled with a NERC e-tag to a final point of delivery into a balancing authority area located entirely within the state of Washington, the electricity importer is identified on the NERC e-tag as the purchasing-selling entity on the last segment of the tag's physical path with the point of receipt located outside the state of Washington and the point of delivery located inside the state of Washington;

(b) For facilities physically located outside the state of Washington with the first point of interconnection to a balancing authority area located entirely within the state of Washington when the electricity is not scheduled on a NERC e-tag, the electricity importer is the facility operator or owner;

(c) For electricity imported through a centralized market, the electricity importer will be defined by rule consistent with the rules required under section 10(1)(c) of this act;

(d) For electricity from facilities allocated to serve retail electricity customers of a multijurisdictional electric company, the electricity importer is the multijurisdictional electric company;

(e) If the importer identified under (a) of this subsection is a federal power marketing administration over which the state of Washington does not have jurisdiction, and the federal power marketing administration has not voluntarily elected to comply with the program, then the electricity importer is

the next purchasing-selling entity in the physical path on the NERC e-tag, or if no additional purchasing-selling entity over which the state of Washington has jurisdiction, then the electricity importer is the electric utility that operates the Washington transmission or distribution system, or the generation balancing authority;

(f) For electricity that is imported into the state by a federal power marketing administration and sold to a public body or cooperative customer or direct service industrial customer located in Washington pursuant to section 5(b) or (d) of the Pacific Northwest electric power planning and conservation act of 1980, P.L. 96-501, the electricity importer is the federal marketing administration;

(g) If the importer identified under (f) of this subsection has not voluntarily elected to comply with the program, then the electricity importer is the public body or cooperative customer or direct service industrial customer; or

(h) For electricity from facilities allocated to a consumer-owned utility inside the state of Washington from a multijurisdictional consumer-owned utility, the electricity importer is the consumer-owned utility inside the state of Washington.

(28) "Emissions containment reserve allowance" means a conditional allowance that is withheld from sale at an auction by the department or its agent to secure additional emissions reductions in the event prices fall below the emissions containment reserve trigger price.

(29) "Emissions containment reserve trigger price" means the price below which allowances will be withheld from sale by the department or its agent at an auction, as determined by the department by rule.

(30) "Emissions threshold" means the greenhouse gas emission level at or above which a person has a compliance obligation.

(31) "Environmental benefits" has the same meaning as defined in RCW 70A.---.-- (section 2, chapter . . ., Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141)).

(32) "Environmental harm" has the same meaning as defined in RCW 70A.---.--- (section 2, chapter . . ., Laws of 2021

(Engrossed Second Substitute Senate Bill No. 5141)).

(33) "Environmental impacts" has the same meaning as defined in RCW 70A.---.-- (section 2, chapter . . ., Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141)).

(34) "Environmental justice" has the same meaning as defined in RCW 70A.---.-- (section 2, chapter . . ., Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141)).

(35) "Environmental justice assessment" has the same meaning as identified in RCW 70A.---.--- (section 14, chapter . . ., Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141)).

(36) "External greenhouse gas emissions trading program" means a government program, other than Washington's program created in this chapter, that restricts greenhouse gas emissions from sources outside of Washington and that allows emissions trading.

(37) "Facility" means any physical property, plant, building, structure, source, or stationary equipment located on one or more contiguous or adjacent properties in actual physical contact or separated solely by a public roadway or other public right-of-way and under common ownership or common control, that emits or may emit any greenhouse gas.

(38) "First jurisdictional deliverer" means the owner or operator of an electric generating facility in Washington or an electricity importer.

(39) "General market participant" means a registered entity that is not identified as a covered entity or an opt-in entity that is registered in the program registry and intends to purchase, hold, sell, or voluntarily retire compliance instruments.

(40) "Greenhouse gas" has the same meaning as in RCW 70A.45.010.

(41) "Holding limit" means the maximum number of allowances that may be held for use or trade by a registered entity at any one time.

(42) "Imported electricity" means electricity generated outside the state of Washington with a final point of delivery within the state.

(a) "Imported electricity" includes electricity from an organized market, such as the energy imbalance market.

(b) "Imported electricity" includes imports from linked jurisdictions, but such imports shall be construed as having no emissions.

(c) Electricity from a system that is marketed by a federal power marketing administration shall be construed as "imported electricity," not electricity generated in the state of Washington.

(d) "Imported electricity" does not include electricity imports of unspecified electricity that are netted by exports of unspecified electricity to any jurisdiction not covered by a linked program by the same entity within the same hour.

(e) For a multijurisdictional electric company, "imported electricity" means electricity, other than from in-state facilities, that contributes to a common system power pool. Where a multijurisdictional electric company has a cost allocation methodology approved by the utilities and transportation commission, the allocation of specific facilities to Washington's retail load will be in accordance with that methodology.

(f) For a multijurisdictional consumer-owned utility, "imported electricity" includes electricity from facilities that contribute to a common system power pool that are allocated to a consumer-owned utility inside the state of Washington pursuant to a methodology approved by the governing board of the consumer-owned utility.

(43) "Leakage" means a reduction in emissions of greenhouse gases within the state that is offset by a directly attributable increase in greenhouse gas emissions outside the state and outside the geography of another jurisdiction with a linkage agreement with Washington.

(44) "Limits" means the greenhouse gas emissions reductions required by RCW 70A.45.020.

(45) "Linkage" means a bilateral or multilateral decision under a linkage agreement between greenhouse gas market programs to accept compliance instruments issued by a participating jurisdiction to meet the obligations of regulated entities in a partner jurisdiction and to otherwise coordinate

activities to facilitate operation of a joint market.

(46) "Linkage agreement" means a nonbinding agreement that connects two or more greenhouse gas market programs and articulates a mutual understanding of how the participating jurisdictions will work together to facilitate a connected greenhouse gas market.

(47) "Linked jurisdiction" means a jurisdiction with which Washington has entered into a linkage agreement.

(48) "Multijurisdictional consumer-owned utility" means a consumer-owned utility that provides electricity to member owners in Washington and in one or more other states in a contiguous service territory or from a common power system.

(49) "Multijurisdictional electric company" means an investor-owned utility that provides electricity to customers in Washington and in one or more other states in a contiguous service territory or from a common power system.

(50) "NERC e-tag" means North American electric reliability corporation (NERC) energy tag representing transactions on the North American bulk electricity market scheduled to flow between or across balancing authority areas.

(51) "Offset credit" means a tradable compliance instrument that represents an emissions reduction or emissions removal of one metric ton of carbon dioxide equivalent.

(52) "Offset project" means a project that reduces or removes greenhouse gases that are not covered emissions under this chapter.

(53) "Offset protocols" means a set of procedures and standards to quantify greenhouse gas reductions or greenhouse gas removals achieved by an offset project.

(54) "Overburdened community" means a geographic area where vulnerable populations face combined, multiple environmental harms and health impacts or risks due to exposure to environmental pollutants or contaminants through multiple pathways, which may result in significant disparate adverse health outcomes or effects.

(a) "Overburdened community" includes, but is not limited to:

(i) Highly impacted communities as defined in RCW 19.405.020;

(ii) Communities located in census tracts that are fully or partially on "Indian country" as defined in 18 U.S.C. Sec. 1151; and

(iii) Populations, including Native Americans or immigrant populations, who may be exposed to environmental contaminants and pollutants outside of the geographic area in which they reside based on the populations' use of traditional or cultural foods and practices, such as the use of resources, access to which is protected under treaty rights in ceded areas, when those exposures in conjunction with other exposures may result in disproportionately greater risks, including risks of certain cancers or other adverse health effects and outcomes.

(b) Overburdened communities identified by the department may include the same communities as those identified by the department through its process for identifying overburdened communities under RCW 70A.---.--- (section 2, chapter . . ., Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141)).

(55) "Person" has the same meaning as defined in RCW 70A.15.2200(5)(h)(iii).

(56) "Point of delivery" means a point on the electricity transmission or distribution system where a deliverer makes electricity available to a receiver, or available to serve load. This point may be an interconnection with another system or a substation where the transmission provider's transmission and distribution systems are connected to another system, or a distribution substation where electricity is imported into the state over a multijurisdictional retail provider's distribution system.

(57) "Price ceiling unit" means the units issued at a fixed price by the department for the purpose of limiting price increases and funding further investments in greenhouse gas reductions.

(58) "Program" means the greenhouse gas emissions cap and invest program created by and implemented pursuant to this chapter.

(59) "Program registry" means the data system in which covered entities, opt-in entities, and general market participants are registered and in which compliance instruments are recorded and tracked.

(60) "Registered entity" means a covered entity, opt-in entity, or general market participant that has completed the process for registration in the program registry.

(61) "Resilience" means the ability to prepare, mitigate and plan for, withstand, recover from, and more successfully adapt to adverse events and changing conditions, and reorganize in an equitable manner that results in a new and better condition.

(62) "Retire" means to permanently remove a compliance instrument such that the compliance instrument may never be sold, traded, or otherwise used again.

(63) "Specified source of electricity" or "specified source" means a facility, unit, or asset controlling supplier that is permitted to be claimed as the source of electricity delivered. The reporting entity must have either full or partial ownership in the facility or a written power contract to procure electricity generated by that facility or unit or from an asset controlling supplier at the time of entry into the transaction to procure electricity.

(64) "Supplier" means a supplier of fuel in Washington state as defined in RCW 70A.15.2200(5)(h)(ii).

(65) "Tribal lands" has the same meaning as defined in RCW 70A.---.--- (section 2, chapter . . ., Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141)).

(66) "Unspecified source of electricity" or "unspecified source" means a source of electricity that is not a specified source at the time of entry into the transaction to procure electricity.

(67) "Voluntary renewable reserve account" means a holding account maintained by the department from which allowances may be retired for voluntary renewable electricity generation, which is directly delivered to the state and has not and will not be sold or used to meet any other mandatory requirements in the state or any other jurisdiction, on behalf of voluntary renewable energy purchasers or end users.

(68) "Vulnerable populations" has the same meaning as defined in RCW 70A.---.-- (section 2, chapter . . ., Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141)).

NEW SECTION. **Sec. 3.** ENVIRONMENTAL JUSTICE REVIEW. (1) To ensure that the program created in sections 8 through 24 of this act achieves reductions in criteria pollutants as well as greenhouse gas emissions in overburdened communities highly impacted by air pollution, the department must:

(a) Identify overburdened communities, which may be accomplished through the department's process to identify overburdened communities under chapter . . ., Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141);

(b) Deploy an air monitoring network in overburdened communities to collect sufficient air quality data for the 2023 review and subsequent reviews of criteria pollutant reductions conducted under subsection (2) of this section; and

(c)(i) Within the identified overburdened communities, analyze and determine which sources are the greatest contributors of criteria pollutants and develop a high priority list of significant emitters.

(ii) Prior to listing any entity as a high priority emitter, the department must notify that entity and share the data used to rank that entity as a high priority emitter, and provide a period of not less than 60 days for the covered entity to submit more recent data or other information relevant to the designation of that entity as a high priority emitter.

(2)(a) Beginning in 2023, and every two years thereafter, the department must conduct a review to determine levels of criteria pollutants, as well as greenhouse gas emissions, in the overburdened communities identified under subsection (1) of this section. This review must also include an evaluation of initial and subsequent health impacts related to criteria pollution in overburdened communities. The department may conduct this evaluation jointly with the department of health.

(b) Once this review determines the levels of criteria pollutants in an identified overburdened community, then the department, in consultation with local air pollution control authorities, must:

(i) Establish air quality targets to achieve air quality consistent with

whichever is more protective for human health:

(A) National ambient air quality standards established by the United States environmental protection agency; or

(B) The air quality experienced in neighboring communities that are not identified as overburdened;

(ii) Identify the stationary and mobile sources that are the greatest contributors of those emissions that are either increasing or not decreasing;

(iii) Achieve the reduction targets through adoption of emission control strategies or other methods;

(iv) Adopt, along with local air pollution control authorities, stricter air quality standards, emission standards, or emissions limitations on criteria pollutants, consistent with the authority of the department provided under RCW 70A.15.3000, and may consider alternative mitigation actions that would reduce criteria pollution by similar amounts; and

(v) After adoption of the stricter air quality standards, emission standards, or emissions limitations on criteria pollutants under (b)(iv) of this subsection, issue an enforceable order or the local air authority must issue an enforceable order, as authorized under section 35 of this act, as necessary to comply with the stricter standards or limitations and the requirements of this section. The department or local air authority must initiate the process, including provision of notice to all relevant affected permittees or registered sources and to the public, to adopt and implement an enforceable order required under this subsection within six months of the adoption of standards or limitations under (b)(iv) of this subsection.

(c) Actions imposed under this section may not impose requirements on a permitted stationary source that are disproportionate to the permitted stationary source's contribution to air pollution compared to other permitted stationary sources and other sources of criteria pollutants in the overburdened community.

(3) An eligible facility sited after the effective date of this section that receives allowances under section 13 of

this act must mitigate increases in its emissions of particulate matter in overburdened communities.

(4)(a) The department must create and adopt a supplement to the department's community engagement plan developed pursuant to chapter . . . , Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141). The supplement must describe how the department will engage with overburdened communities and vulnerable populations in:

(i) Identifying emitters in overburdened communities; and

(ii) Monitoring and evaluating criteria pollutant emissions in those areas.

(b) The community engagement plan must include methods for outreach and communication with those who face barriers, language or otherwise, to participation.

NEW SECTION. Sec. 4. ENVIRONMENTAL JUSTICE ASSESSMENT. (1) Each year or biennium, as appropriate, when allocating funds from the carbon emissions reduction account created in section 27 of this act, the climate investment account created in section 28 of this act, or the air quality and health disparities improvement account created in section 31 of this act, or administering grants or programs funded by the accounts, agencies shall conduct an environmental justice assessment consistent with the requirements of RCW 70A.---.--- (section 14, chapter . . . , Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141)) and establish a minimum of not less than 35 percent and a goal of 40 percent of total investments that provide direct and meaningful benefits to vulnerable populations within the boundaries of overburdened communities through: (a) The direct reduction of environmental burdens in overburdened communities; (b) the reduction of disproportionate, cumulative risk from environmental burdens, including those associated with climate change; (c) the support of community led project development, planning, and participation costs; or (d) meeting a community need identified by the community that is consistent with the intent of this chapter or RCW 70A.---.-- (section 2, chapter . . . , Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141)).

(2) The allocation of funding under subsection (1) of this section must adhere to the following principles, additional to the requirements of RCW 70A.---.--- (section 16, chapter . . . , Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141)): (a) Benefits and programs should be directed to areas and targeted to vulnerable populations and overburdened communities to reduce statewide disparities; (b) investments and benefits should be made roughly proportional to the health disparities that a specific community experiences, with a goal of eliminating the disparities; (c) investments and programs should focus on creating environmental benefits, including eliminating health burdens, creating community and population resilience, and raising the quality of life of those in the community; and (d) efforts should be made to balance investments and benefits across the state and within counties, local jurisdictions, and unincorporated areas as appropriate to reduce disparities by location and to ensure efforts contribute to a reduction in disparities that exist based on race or ethnicity, socioeconomic status, or other factors.

(3) State agencies allocating funds or administering grants or programs from the carbon emissions reduction account created in section 27 of this act, the climate investment account created in section 28 of this act, or the air quality and health disparities improvement account created in section 31 of this act, must:

(a) Report annually to the environmental justice council created in RCW 70A.---.--- (section 20, chapter . . . , Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141)) regarding progress toward meeting environmental justice and environmental health goals;

(b) Consider recommendations by the environmental justice council; and

(c) (i) If the agency is not a covered agency subject to the requirements of chapter . . . , Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141), create and adopt a community engagement plan to describe how it will engage with overburdened communities and vulnerable populations in allocating funds or administering grants or programs from the climate investment account.

(ii) The plan must include methods for outreach and communication with those who face barriers, language or otherwise, to participation.

NEW SECTION. Sec. 5. ENVIRONMENTAL JUSTICE COUNCIL. (1) The environmental justice council created in RCW 70A.---.-- (section 20, chapter . . . , Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141)) must provide recommendations to the legislature, agencies, and the governor in the development and implementation of the program established in sections 8 through 24 of this act, and the programs funded from the carbon emissions reduction account created in section 27 of this act and from the climate investment account created in section 28 of this act.

(2) In addition to the duties and authorities granted in chapter 70A.---RCW (the new chapter created in section 22, chapter . . . , Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141)) to the environmental justice council, the environmental justice council must:

(a) Provide recommendations to the legislature, agencies, and the governor in the development of:

(i) The program established in sections 8 through 24 of this act including, but not limited to, linkage with other jurisdictions, protocols for establishing offset projects and securing offset credits, designation of emissions-intensive and trade-exposed industries under section 13 of this act, and administration of allowances under the program; and

(ii) Investment plans and funding proposals for the programs funded from the climate investment account created in section 28 of this act for the purpose of providing environmental benefits and reducing environmental health disparities within overburdened communities;

(b) Provide a forum to analyze policies adopted under this chapter to determine if the policies lead to improvements within overburdened communities;

(c) Recommend procedures and criteria for evaluating programs, activities, or projects;

(d) Recommend copollutant emissions reduction goals in overburdened communities;

(e) Evaluate the level of funding provided to assist vulnerable populations, low-income individuals, and impacted workers and the funding of projects and activities located within or benefiting overburdened communities;

(f) Recommend environmental justice and environmental health goals for programs, activities, and projects funded from the climate investment account, and review agency annual reports on outcomes and progress toward meeting these goals;

(g) Provide recommendations to implementing agencies for meaningful consultation with vulnerable populations, including community engagement plans under sections 3 and 4 of this act; and

(h) Recommend how to support public participation through capacity grants for participation.

(3) For the purpose of performing the duties under subsection (2) of this section, two additional tribal members are added to the council.

NEW SECTION. Sec. 6. TRIBAL CONSULTATION. (1) Agencies that allocate funding or administer grant programs appropriated from the climate investment account created in section 28 of this act must develop a consultation framework in coordination with tribal governments that includes best practices, protocols for communication, and collaboration with federally recognized tribes. Under this consultation framework, before allocating funding or administering grant programs appropriated from the climate investment account, agencies must offer consultation with federally recognized tribes on all funding decisions and programs that may impact, infringe upon, or impair the governmental efforts of federally recognized tribes to adopt or enforce their own standards governing or protecting the tribe's resources or other rights and interests in their tribal lands and lands within which a tribe or tribes possess rights reserved by treaty. The consultation is independent of any public participation process required by state law, or by a state agency, and regardless of whether the agency receives a request for consultation from a federally recognized tribe.

(2) (a) If any funding decision, program, project, or activity that impacts lands within which a tribe or tribes possess rights reserved by federal treaty, statute, or executive order is undertaken or funded under this chapter without such consultation with a federally recognized tribe, an affected tribe may request that all further action on the decision, program, project, or activity cease until meaningful consultation with any directly impacted federally recognized tribe is completed.

(b) A project or activity funded in whole or in part from the account created in section 28 of this act must be paused or ceased in the event that an affected federally recognized Indian tribe or the department of archaeology and historic preservation provides timely notice of a determination to the department and any other agency responsible for the project or activity that the project will adversely impact cultural resources, archaeological sites, or sacred sites. A project or activity paused at the direction of the department under this subsection may not be resumed or completed unless the potentially impacted tribe provides consent to the department and the proponent of the project or activity.

NEW SECTION. Sec. 7. GOVERNANCE STRUCTURE. (1) The governor shall establish a governance structure to implement the state's climate commitment under the authority provided under this chapter and other statutory authority to provide accountability for achieving the state's greenhouse gas limits in RCW 70A.45.020, to establish a coordinated and strategic statewide approach to climate resilience, to build an equitable and inclusive clean energy economy, and to ensure that the government provides clear policy and requirements, financial tools, and other mechanisms to support achieving those limits.

(2) The governance structure for implementing the state's climate commitment must:

(a) Be holistic and address the needs, challenges, and opportunities to meet the climate commitment;

(b) Address emission reductions from all relevant sectors and sources by ensuring that emitters are responsible for meeting targeted greenhouse gas reductions and that the government provides clear policy and requirements,

financial tools, and other mechanisms to support achieving those reductions;

(c) Support an equitable transition for vulnerable populations and overburdened communities, including through early and meaningful engagement of overburdened communities and workers to ensure the program achieves equitable and just outcomes;

(d) Build increasing climate resilience for at-risk communities and ecosystems through cross-sectoral coordination, strategic planning, and cohesive policies; and

(e) Apply the most current, accurate, and complete scientific and technical information available to guide the state's climate actions and strategies.

(3) The governance structure for implementing the state's climate commitment must include, but not be limited to, the following elements:

(a) A strategic plan for aligning existing law, rules, policies, programs, and plans with the state's greenhouse gas limits, to the full extent allowed under existing authority;

(b) Common state policies, standards, and procedures for addressing greenhouse gas emissions and climate resilience, including grant and funding programs, infrastructure investments, and planning and siting decisions;

(c) A process for prioritizing and coordinating funding consistent with strategic needs for greenhouse gas reductions, equity and environmental justice, and climate resilience actions;

(d) An updated statewide strategy for addressing climate risks and improving resilience of communities and ecosystems;

(e) A comprehensive community engagement plan that addresses and mitigates barriers to engagement from vulnerable populations, overburdened communities, and other historically or currently marginalized groups; and

(f) An analysis of gaps and conflicts in state law and programs, with recommendations for improvements to state law.

(4) The governor's office shall develop policy and budget recommendations to the legislature necessary to implement the state's climate commitment by December 31, 2021,

in accordance with the purpose, principles, and elements in subsections (1) through (3) of this section.

(5) Nothing in this section establishes or creates legal authority for the department or any other state agency to enact, adopt, issue an order, or in any way implement additional regulatory programs beyond what is provided for under this chapter and other statutes.

NEW SECTION. **Sec. 8.** CAP ON GREENHOUSE GAS EMISSIONS. (1) In order to ensure that greenhouse gas emissions are reduced by covered entities consistent with the limits established in RCW 70A.45.020, the department must implement a cap on greenhouse gas emissions from covered entities and a program to track, verify, and enforce compliance through the use of compliance instruments.

(2) The program must consist of:

(a) Annual allowance budgets that limit emissions from covered entities, as provided in this section and sections 9 and 10 of this act;

(b) Defining those entities covered by the program, and those entities that may voluntarily opt into coverage under the program, as provided in this section and sections 9 and 10 of this act;

(c) Distribution of emission allowances, as provided in section 12 of this act, and through the allowance price containment provisions under sections 16 and 17 of this act;

(d) Providing for offset credits as a method for meeting a compliance obligation, pursuant to section 19 of this act;

(e) Defining the compliance obligations of covered entities, as provided in section 22 of this act;

(f) Establishing the authority of the department to enforce the program requirements, as provided in section 23 of this act;

(g) Creating a climate investment account for the deposit of receipts from the distribution of emission allowances, as provided in section 28 of this act;

(h) Providing for the transfer of allowances and recognition of compliance instruments, including those issued by jurisdictions with which Washington has linkage agreements;

(i) Providing monitoring and oversight of the sale and transfer of allowances by the department;

(j) Creating a price ceiling and associated mechanisms as provided in section 18 of this act; and

(k) Providing for the allocation of allowances to emissions-intensive, trade-exposed industries pursuant to section 13 of this act.

(3) The department shall consider opportunities to implement the program in a manner that allows linking the state's program with those of other jurisdictions. The department must evaluate whether such linkage will provide for a more cost-effective means for covered entities to meet their compliance obligations in Washington while recognizing the special characteristics of the state's economy, communities, and industries. The department is authorized to enter into a linkage agreement with another jurisdiction after conducting an environmental justice assessment and after formal notice and opportunity for a public hearing, and when consistent with the requirements of section 24 of this act.

(4) During the 2022 regular legislative session, the department must bring forth agency request legislation developed in consultation with emissions-intensive, trade-exposed businesses, covered entities, environmental advocates, and overburdened communities that outlines a compliance pathway specific to emissions-intensive, trade-exposed businesses for achieving their proportionate share of the state's emissions reduction limits through 2050.

(5) By December 1, 2027, and at least every four years thereafter and in compliance with RCW 43.01.036, the department must submit a report to the legislature that includes a comprehensive review of the implementation of the program to date, including but not limited to outcomes relative to the state's emissions reduction limits, overburdened communities, covered entities, and emissions-intensive, trade-exposed businesses. The department must transmit the report to the environmental justice council at the same time it is submitted to the legislature.

(6) The department must bring forth agency request legislation if the department finds that any provision of this chapter prevents linking Washington's cap and invest program with that of any other jurisdiction.

NEW SECTION. Sec. 9. ANNUAL ALLOWANCE BUDGET AND TIMELINES. (1)(a) The department shall commence the program by January 1, 2023, by determining an emissions baseline establishing the proportionate share that the total greenhouse gas emissions of covered entities for the first compliance period bears to the total anthropogenic greenhouse gas emissions in the state during 2015 through 2019, based on data reported to the department under RCW 70A.15.2200 or provided as required by this chapter, as well as other relevant data. By October 1, 2022, the department shall adopt annual allowance budgets for the first compliance period of the program, calendar years 2023 through 2026, to be distributed from January 1, 2023, through December 31, 2026. If the first compliance period is delayed pursuant to section 22(7) of this act, the department shall adjust the annual allowance budgets to reflect a shorter first compliance period.

(b) By October 1, 2026, the department shall add to its emissions baseline by incorporating the proportionate share that the total greenhouse gas emissions of new covered entities in the second compliance period bear to the total anthropogenic greenhouse gas emissions in the state during 2023 through 2025. In determining the addition to the baseline, the department may exclude a year from the determination if the department identifies that year to have been an outlier due to a state of emergency. The department shall adopt annual allowance budgets for the second compliance period of the program, calendar years 2027 through 2030, that will be distributed from January 1, 2027, through December 31, 2030.

(c) By October 1, 2028, the department shall adopt by rule the annual allowance budgets for calendar years 2031 through 2040.

(2) The annual allowance budgets must be set to achieve the share of reductions by covered entities necessary to achieve the 2030, 2040, and 2050 statewide emissions limits established in RCW 70A.45.020, based on data reported to the department under chapter 70A.15 RCW or

provided as required by this chapter. Annual allowance budgets must be set such that the use of offsets as compliance instruments, consistent with section 19 of this act, does not prevent the achievement of the emissions limits established in RCW 70A.45.020. In so setting annual allowance budgets, the department must reduce the annual allowance budget relative to the limits in an amount equivalent to offset use, or in accordance with a similar methodology adopted by the department. The department must adopt annual allowance budgets for the program on a calendar year basis that provide for progressively equivalent reductions year over year. An allowance distributed under the program, either directly by the department under sections 13 through 15 of this act or through auctions under section 12 of this act, does not expire and may be held or banked consistent with sections 12(6) and 17(1) of this act.

(3) The department must complete an evaluation by December 31, 2027, and by December 31, 2035, of the performance of the program, including its performance in reducing greenhouse gases. If the evaluation shows that adjustments to the annual allowance budgets are necessary for covered entities to achieve their proportionate share of the 2030 and 2040 emission reduction limits identified in RCW 70A.45.020, as applicable, the department shall adjust the annual allowance budgets accordingly. The department must complete additional evaluations of the performance of the program by December 31, 2040, and by December 31, 2045, and make any necessary adjustments in the annual allowance budgets to ensure that covered entities achieve their proportionate share of the 2050 emission reduction limit identified in RCW 70A.45.020. Nothing in this subsection precludes the department from making additional adjustments to annual allowance budgets as necessary to ensure successful achievement of the proportionate emission reduction limits by covered entities. The department shall determine and make public the circumstances, metrics, and processes that would initiate the public consideration of additional allowance budget adjustments to ensure successful achievement of the proportionate emission reduction limits.

(4) Data reported to the department under RCW 70A.15.2200 or provided as required by this chapter for 2015 through

2019 is deemed sufficient for the purpose of adopting annual allowance budgets and serving as the baseline by which covered entities demonstrate compliance under the first compliance period of the program. Data reported to the department under RCW 70A.15.2200 or provided as required by this chapter for 2023 through 2025 is deemed sufficient for adopting annual allowance budgets and serving as the baseline by which covered entities demonstrate compliance under the second compliance period of the program.

(5) The legislature intends to promote a growing and sustainable economy and to avoid leakage of emissions from manufacturing to other jurisdictions. Therefore, the legislature finds that implementation of this section is contingent upon the enactment of section 13 of this act.

NEW SECTION. Sec. 10. PROGRAM COVERAGE. (1) A person is a covered entity as of the beginning of the first compliance period and all subsequent compliance periods if the person reported emissions under RCW 70A.15.2200 for any calendar year from 2015 through 2019, or if additional data provided as required by this chapter indicates that emissions for any calendar year from 2015 through 2019 equaled or exceeded any of the following thresholds, or if the person is a first jurisdictional deliverer and imports electricity into the state during the compliance period:

(a) Where the person owns or operates a facility and the facility's emissions equal or exceed 25,000 metric tons of carbon dioxide equivalent;

(b) Where the person is a first jurisdictional deliverer and generates electricity in the state and emissions associated with this generation equals or exceeds 25,000 metric tons of carbon dioxide equivalent;

(c) Where the person is a first jurisdictional deliverer importing electricity into the state and the cumulative annual total of emissions associated with the imported electricity, whether from specified or unspecified sources, exceeds 25,000 metric tons of carbon dioxide equivalent. In consultation with any linked jurisdiction to the program created by this chapter, by October 1, 2026, the department, in consultation with the department of commerce and the utilities and transportation commission, shall

adopt by rule a methodology for addressing imported electricity associated with a centralized electricity market;

(d) Where the person is a supplier of fossil fuel other than natural gas and from that fuel 25,000 metric tons or more of carbon dioxide equivalent emissions would result from the full combustion or oxidation, excluding the amounts for fuel products that are produced or imported with a documented final point of delivery outside of Washington and combusted outside of Washington; and

(e)(i) Where the person supplies natural gas in amounts that would result in exceeding 25,000 metric tons of carbon dioxide equivalent emissions if fully combusted or oxidized, excluding the amounts for fuel products that are produced or imported with a documented final point of delivery outside of Washington and combusted outside of Washington, and excluding the amounts: (A) Supplied to covered entities under (a) through (d) of this subsection; and (B) delivered to opt-in entities;

(ii) Where the person who is not a natural gas company and has a tariff with a natural gas company to deliver to an end-use customer in the state in amounts that would result in exceeding 25,000 metric tons of carbon dioxide equivalent emissions if fully combusted or oxidized, excluding the amounts: (A) Supplied to covered entities under (a) through (d) of this subsection; and (B) the amounts delivered to opt-in entities;

(iii) Where the person is an end-use customer in the state who directly purchases natural gas from a person that is not a natural gas company and has the natural gas delivered through an interstate pipeline to a distribution system owned by the purchaser in amounts that would result in exceeding 25,000 metric tons of carbon dioxide equivalent emissions if fully combusted or oxidized, excluding the amounts: (A) Supplied to covered entities under (a) through (d) of this subsection; and (B) delivered to opt-in entities.

(2) A person is a covered entity as of the beginning of the second compliance period and all subsequent compliance periods if the person reported emissions under RCW 70A.15.2200 or provided emissions data as required by this chapter for any calendar year from 2023 through 2025, where the person owns or

operates a waste to energy facility utilized by a county and city solid waste management program and the facility's emissions equal or exceed 25,000 metric tons of carbon dioxide equivalent.

(3)(a) A person is a covered entity beginning January 1, 2031, and all subsequent compliance periods if the person reported emissions under RCW 70A.15.2200 or provided emissions data as required by this chapter for any calendar year from 2027 through 2029, where the person owns or operates a:

(i) Landfill utilized by a county and city solid waste management program and the facility's emissions equal or exceed 25,000 metric tons of carbon dioxide equivalent; or

(ii) Railroad company, as that term is defined in RCW 81.04.010, and the railroad company's emissions equal or exceed 25,000 metric tons of carbon dioxide equivalent.

(b) Subsection (a) of this subsection does not apply to owners or operators of landfills that:

(i) Capture at least 75 percent of the landfill gas generated by the decomposition of waste using methods under 40 C.F.R. Part 98, Subpart HH - Municipal Solid Waste landfills, and subsequent updates; and

(ii) Operate a program, individually or through partnership with another entity, that results in the production of renewable natural gas or electricity from landfill gas generated by the facility.

(c) It is the intent of the legislature to adopt a greenhouse gas reduction policy specific to landfills. If such a policy is not enacted by January 1, 2030, the requirements of this subsection (3) take full effect.

(4) When a covered entity reports, during a compliance period, emissions from a facility under RCW 70A.15.2200 that are below the thresholds specified in subsection (1) or (2) of this section, the covered entity continues to have a compliance obligation through the current compliance period. When a covered entity reports emissions below the threshold for each year during an entire compliance period, or has ceased all processes at the facility requiring reporting under RCW 70A.15.2200, the entity is no longer a covered entity as of the beginning of the subsequent

compliance period unless the department provides notice at least 12 months before the end of the compliance period that the facility's emissions were within 10 percent of the threshold and that the person will continue to be designated as a covered entity in order to ensure equity among all covered entities. Whenever a covered entity ceases to be a covered entity, the department shall notify the appropriate policy and fiscal committees of the legislature of the name of the entity and the reason the entity is no longer a covered entity.

(5) For types of emission sources described in subsection (1) of this section that begin or modify operation after January 1, 2023, and types of emission sources described in subsection (2) of this section that begin or modify operation after 2027, coverage under the program starts in the calendar year in which emissions from the source exceed the applicable thresholds in subsection (1) or (2) of this section, or upon formal notice from the department that the source is expected to exceed the applicable emissions threshold, whichever happens first. Sources meeting these conditions are required to transfer their first allowances on the first transfer deadline of the year following the year in which their emissions were equal to or exceeded the emissions threshold.

(6) For emission sources described in subsection (1) of this section that are in operation or otherwise active between 2015 and 2019 but were not required to report emissions for those years under RCW 70A.15.2200 for the reporting periods between 2015 and 2019, coverage under the program starts in the calendar year following the year in which emissions from the source exceed the applicable thresholds in subsection (1) of this section as reported pursuant to RCW 70A.15.2200 or provided as required by this chapter, or upon formal notice from the department that the source is expected to exceed the applicable emissions threshold for the first year that source is required to report emissions, whichever happens first. Sources meeting these criteria are required to transfer their first allowances on the first transfer deadline of the year following the year in which their emissions, as reported under RCW 70A.15.2200 or provided as required by this chapter, were equal to or exceeded the emissions threshold.

(7) The following emissions are exempt from coverage in the program, regardless of the emissions reported under RCW 70A.15.2200 or provided as required by this chapter:

(a) Emissions from the combustion of aviation fuels;

(b) Emissions from watercraft fuels supplied in Washington that are combusted outside of Washington;

(c) Emissions from a coal-fired electric generation facility exempted from additional greenhouse gas limitations, requirements, or performance standards under RCW 80.80.110;

(d) Carbon dioxide emissions from the combustion of biomass or biofuels;

(e) (i) Motor vehicle fuel or special fuel that is used exclusively for agricultural purposes by a farm fuel user. This exemption is available only if a buyer of motor vehicle fuel or special fuel provides the seller with an exemption certificate in a form and manner prescribed by the department. For the purposes of this subsection, "agricultural purposes" and "farm fuel user" have the same meanings as provided in RCW 82.08.865.

(ii) The department must determine a method for expanding the exemption provided under (e) (i) of this subsection to include fuels used for the purpose of transporting agricultural products on public highways. The department must maintain this expanded exemption for a period of five years, in order to provide the agricultural sector with a feasible transition period; and

(f) Emissions from facilities with North American industry classification system code 92811 (national security).

(8) The department shall not require multiple covered entities to have a compliance obligation for the same emissions. The department may by rule authorize refineries, fuel suppliers, facilities using natural gas, and natural gas utilities to provide by agreement for the assumption of the compliance obligation for fuel or natural gas supplied and combusted in the state. The department must be notified of such an agreement at least 12 months prior to the compliance obligation period for which the agreement is applicable.

(9)(a) The legislature intends to promote a growing and sustainable economy and to avoid leakage of emissions from manufacturing to other locations. The legislature further intends to see innovative new businesses locate and grow in Washington that contribute to Washington's prosperity and environmental objectives.

(b) Consistent with the intent of the legislature to avoid the leakage of emissions to other jurisdictions, in achieving the state's greenhouse gas limits in RCW 70A.45.020, the state, including lead agencies under chapter 43.21C RCW, shall pursue the limits in a manner that recognizes that the siting and placement of new or expanded best-in-class facilities with lower carbon emitting processes is in the economic and environmental interests of the state of Washington.

(c) In conducting a life-cycle analysis, if required, for new or expanded facilities that require review under chapter 43.21C RCW, a lead agency must evaluate and attribute any potential net cumulative greenhouse gas emissions resulting from the project as compared to other existing facilities or best available technology including best-in-class facilities and emerging lower carbon processes that supply the same product or end use. The department may adopt rules to determine the appropriate threshold for applying this analysis.

(d) Covered emissions from an entity that is or will be a covered entity under this chapter may not be the basis for denial of a permit for a new or expanded facility. Covered emissions must be included in the analysis undertaken pursuant to (c) of this subsection. Nothing in this subsection requires a lead agency or a permitting agency to approve or issue a permit to a permit applicant, including to a new or expanded fossil fuel project.

(e) A lead agency under chapter 43.21C RCW or a permitting agency shall allow a new or expanded facility that is a covered entity or opt-in entity to satisfy a mitigation requirement for its covered emissions under this act and under any greenhouse gas emission mitigation requirements for covered emissions under chapter 43.21C RCW by submitting to the department the number of compliance instruments equivalent to its covered emissions during a compliance period.

NEW SECTION. **Sec. 11.** REQUIREMENTS.

(1) All covered entities must register to participate in the program, following procedures adopted by the department by rule.

(2) Entities registering to participate in the program must describe any direct or indirect affiliation with other registered entities.

(3) A person responsible for greenhouse gas emissions that is not a covered entity may voluntarily participate in the program by registering as an opt-in entity. An opt-in entity must satisfy the same registration requirements as covered entities. Once registered, an opt-in entity is allowed to participate as a covered entity in auctions and must assume the same compliance obligation to transfer compliance instruments equal to their emissions at the appointed transfer dates. An opt-in entity may opt out of the program at the end of any compliance period by providing written notice to the department at least six months prior to the end of the compliance period. The opt-in entity continues to have a compliance obligation through the current compliance period. An opt-in entity is not eligible to receive allowances directly distributed under section 13, 14, or 15 of this act.

(4) A person that is not covered by the program and is not a covered entity or opt-in entity may voluntarily participate in the program as a general market participant. General market participants must meet all applicable registration requirements specified by rule.

(5) Federally recognized tribes and federal agencies may elect to participate in the program as opt-in entities or general market participants.

(6) The department shall use a secure, online electronic tracking system to: Register entities in the state program; issue compliance instruments; track ownership of compliance instruments; enable and record compliance instrument transfers; facilitate program compliance; and support market oversight.

(7) The department must use an electronic tracking system that allows two accounts to each covered or opt-in entity:

(a) A compliance account where the compliance instruments are transferred to the department for retirement. Compliance instruments in compliance accounts may not be sold, traded, or otherwise provided to another account or person.

(b) A holding account that is used when a registered entity is interested in trading allowances. Allowances in holding accounts may be bought, sold, transferred to another registered entity, or traded. The amount of allowances a registered entity may have in its holding account is constrained by the holding limit as determined by the department by rule. Information about the contents of each holding account, including but not limited to the number of allowances in the account, must be displayed on a regularly maintained and searchable public website established and updated by the department.

(8) Registered general market participants are each allowed an account, to hold, trade, sell, or transfer allowances.

(9) The department shall maintain an account for the purpose of retiring allowances transferred by registered entities and from the voluntary renewable reserve account.

(10) The department shall maintain a public roster of all covered entities, opt-in entities, and general market participants on the department's public website.

(11) The department shall include a voluntary renewable reserve account.

NEW SECTION. Sec. 12. AUCTIONS OF ALLOWANCES. (1) Except as provided in sections 13, 14, and 15 of this act, the department shall distribute allowances through auctions as provided in this section and in rules adopted by the department to implement these sections. An allowance is not a property right.

(2)(a) The department shall hold a maximum of four auctions annually, plus any necessary reserve auctions. An auction may include allowances from the annual allowance budget of the current year and allowances from the annual allowance budgets from prior years that remain to be distributed. The department must transmit to the environmental justice council an auction notice at least 60 days prior to each auction, as well as a summary results report and a

postauction public proceeds report within 60 days after each auction. The department must communicate the results of the previous calendar year's auctions to the environmental justice council on an annual basis beginning in 2024.

(b) The department must make future vintage allowances available through parallel auctions at least twice annually in addition to the auctions through which current vintage allowances are exclusively offered under (a) of this subsection.

(3) The department shall engage a qualified, independent contractor to run the auctions. The department shall also engage a qualified financial services administrator to hold the bid guarantees, evaluate bid guarantees, and inform the department of the value of bid guarantees once the bids are accepted.

(4) Auctions are open to covered entities, opt-in entities, and general market participants that are registered entities in good standing. The department shall adopt by rule the requirements for a registered entity to register and participate in a given auction.

(a) Registered entities intending to participate in an auction must submit an application to participate at least 30 days prior to the auction. The application must include the documentation required for review and approval by the department. A registered entity is eligible to participate only after receiving a notice of approval by the department.

(b) Each registered entity that elects to participate in the auction must have a different representative. Only a representative with an approved auction account is authorized to access the auction platform to submit an application or confirm the intent to bid for the registered entity, submit bids on behalf of the registered entity during the bidding window, or to download reports specific to the auction.

(5) The department may require a bid guarantee, payable to the financial services administrator, in an amount greater than or equal to the sum of the maximum value of the bids to be submitted by the registered entity.

(6) To protect the integrity of the auctions, a registered entity or group of registered entities with a direct corporate association are subject to

auction purchase and holding limits. The department may impose additional limits if it deems necessary to protect the integrity and functioning of the auctions:

(a) A covered entity or an opt-in entity may not buy more than 10 percent of the allowances offered during a single auction;

(b) A general market participant may not buy more than four percent of the allowances offered during a single auction and may not in aggregate own more than 10 percent of total allowances to be issued in a calendar year;

(c) No registered entity may buy more than the entity's bid guarantee; and

(d) No registered entity may buy allowances that would exceed the entity's holding limit at the time of the auction.

(7)(a) For fiscal year 2023, upon completion and verification of the auction results, the financial services administrator shall notify winning bidders and transfer the auction proceeds to the state treasurer for deposit as follows: (i) \$127,341,000 must first be deposited into the carbon emissions reduction account created in section 27 of this act; and (ii) the remaining auction proceeds to the climate investment account created in section 28 of this act and the air quality and health disparities improvement account created in section 31 of this act.

(b) For fiscal year 2024, upon completion and verification of the auction results, the financial services administrator shall notify winning bidders and transfer the auction proceeds to the state treasurer for deposit as follows: (i) \$356,697,000 must first be deposited into the carbon emissions reduction account created in section 27 of this act; and (ii) the remaining auction proceeds to the climate investment account created in section 28 of this act and the air quality and health disparities improvement account created in section 31 of this act.

(c) For fiscal year 2025, upon completion and verification of the auction results, the financial services administrator shall notify winning bidders and transfer the auction proceeds to the state treasurer for deposit as follows: (i) \$366,558,000 must first be deposited into the carbon emissions reduction account created in section 27

of this act; and (ii) the remaining auction proceeds to the climate investment account created in section 28 of this act and the air quality and health disparities improvement account created in section 31 of this act.

(d) For fiscal years 2026 through 2037, upon completion and verification of the auction results, the financial services administrator shall notify winning bidders and transfer the auction proceeds to the state treasurer for deposit as follows: (i) \$359,117,000 per year must first be deposited into the carbon emissions reduction account created in section 27 of this act; and (ii) the remaining auction proceeds to the climate investment account created in section 28 of this act and the air quality and health disparities improvement account created in section 31 of this act.

(e) The deposits into the carbon emissions reduction account pursuant to (a) through (d) of this subsection must not exceed \$5,200,000,000 over the first 16 years and any remaining auction proceeds must be deposited into the climate investment account created in section 28 of this act and the air quality and health disparities improvement account created in section 31 of this act.

(f) For fiscal year 2038 and each year thereafter, upon completion and verification of the auction results, the financial services administrator shall notify winning bidders and transfer the auction proceeds to the state treasurer for deposit as follows: (i) 50 percent of the auction proceeds to the carbon emissions reduction account created in section 27 of this act; and (ii) the remaining auction proceeds to the climate investment account created in section 28 of this act and the air quality and health disparities improvement account created in section 31 of this act.

(8) The department shall adopt by rule provisions to guard against bidder collusion and minimize the potential for market manipulation. A registered entity may not release or disclose any bidding information including: Intent to participate or refrain from participation; auction approval status; intent to bid; bidding strategy; bid price or bid quantity; or information on the bid guarantee provided to the financial services administrator. The department may cancel or restrict a

previously approved auction participation application or reject a new application if the department determines that a registered entity has:

(a) Provided false or misleading facts;

(b) Withheld material information that could influence a decision by the department;

(c) Violated any part of the auction rules;

(d) Violated registration requirements; or

(e) Violated any of the rules regarding the conduct of the auction.

(9) Any cancellation or restriction approved by the department under subsection (8) of this section may be permanent or for a specified number of auctions and the cancellation or restriction imposed is not exclusive and is in addition to the remedies that may be available pursuant to chapter 19.86 RCW or other state or federal laws, if applicable.

(10) The department shall design allowance auctions so as to allow, to the maximum extent practicable, linking with external greenhouse gas emissions trading programs in other jurisdictions and to facilitate the transfer of allowances when the state's program has entered into a linkage agreement with other external greenhouse gas emissions trading programs. The department may conduct auctions jointly with linked jurisdictions.

(11) In setting the number of allowances offered at each auction, the department shall consider the allowances in the marketplace due to the marketing of allowances issued as required under sections 13, 14, and 15 of this act in the department's determination of the number of allowances to be offered at auction. The department shall offer only such number of allowances at each auction as will enhance the likelihood of achieving the goals of RCW 70A.45.020.

NEW SECTION. Sec. 13. ALLOCATION OF ALLOWANCES TO EMISSIONS-INTENSIVE, TRADE-EXPOSED INDUSTRIES. (1)

Facilities owned or operated by a covered entity must receive an allocation of allowances for the covered emissions at those facilities under this subsection at no cost if the operations of the facility are classified as emissions-intensive

and trade-exposed, as determined by being engaged in one or more of the processes described by the following industry descriptions and codes in the North American industry classification system:

(a) Metals manufacturing, including iron and steel making, ferroalloy and primary metals manufacturing, secondary aluminum smelting and alloying, aluminum sheet, plate, and foil manufacturing, and smelting, refining, and alloying of other nonferrous metals, North American industry classification system codes beginning with 331;

(b) Paper manufacturing, including pulp mills, paper mills, and paperboard milling, North American industry classification system codes beginning with 322;

(c) Aerospace product and parts manufacturing, North American industry classification system codes beginning with 3364;

(d) Wood products manufacturing, North American industry classification system codes beginning with 321;

(e) Nonmetallic mineral manufacturing, including glass container manufacturing, North American industry classification system codes beginning with 327;

(f) Chemical manufacturing, North American industry classification system codes beginning with 325;

(g) Computer and electronic product manufacturing, including semiconductor and related device manufacturing, North American industry classification system codes beginning with 334;

(h) Food manufacturing, North American industry classification system codes beginning with 311;

(i) Cement manufacturing, North American industry classification system code 327310;

(j) Petroleum refining, North American industry classification system code 324110;

(k) Asphalt paving mixtures and block manufacturing from refined petroleum, North American industry classification system code 324121;

(l) Asphalt shingle and coating manufacturing from refined petroleum, North American industry classification system code 324122; and

(m) All other petroleum and coal products manufacturing from refined petroleum, North American industry classification system code 324199.

(2) By July 1, 2022, the department must adopt by rule objective criteria for both emissions' intensity and trade exposure for the purpose of identifying emissions-intensive, trade-exposed manufacturing businesses during the second compliance period of the program and subsequent compliance periods. A facility covered by subsection (1)(a) through (m) of this section is considered an emissions-intensive, trade-exposed facility and is eligible for allocation of no cost allowances as described in this section. In addition, any covered party that is a manufacturing business that can demonstrate to the department that it meets the objective criteria adopted by rule is also eligible for treatment as emissions-intensive, trade-exposed and is eligible for allocation of no cost allowances as described in this section. In developing the objective criteria under this subsection, the department must consider the locations of facilities potentially identified as emissions-intensive, trade-exposed manufacturing businesses relative to overburdened communities.

(3) (a) For the first compliance period beginning in January 1, 2023, the annual allocation of no cost allowances for direct distribution to a facility identified as emissions-intensive and trade-exposed must be equal to the facility's baseline carbon intensity established using data from 2015 through 2019, or other data as allowed under this section, multiplied by the facility's actual production for each calendar year during the compliance period. For facilities using the mass-based approach, the allocation of no cost allowances shall be equal to the facility's mass-based baseline using data from 2015 through 2019, or other data as allowed under this section.

(b) For the second compliance period, beginning in January, 2027, and in each subsequent compliance period, the annual allocation of no cost allowances established in (a) of this subsection shall be adjusted according to the benchmark reduction schedules established in (b)(ii) and (iii) and (e) of this subsection multiplied by the facility's actual production during the period. The department shall adjust the

no cost allocation of allowances and credits to an emissions-intensive and trade-exposed facility to avoid duplication with any no cost allowances transferred pursuant to sections 14 and 15 of this act, if applicable.

(i) For the purpose of this section, "carbon intensity" means the amount of carbon dioxide equivalent emissions from a facility in metric tons divided by the facility specific measure of production including, but not limited to, units of product manufactured or sold, over the same time interval.

(ii) If an emissions-intensive and trade-exposed facility is not able to feasibly determine a carbon intensity benchmark based on its unique circumstances, the entity may elect to use a mass-based baseline that does not vary based on changes in production volumes. The mass-based baseline must be based upon data from 2015 through 2019, unless the emissions-intensive, trade-exposed facility can demonstrate that there have been abnormal periods of operation that materially impacted the facility and the baseline period should be expanded to include years prior to 2015. For each year during the first four-year compliance period that begins January 1, 2023, these facilities must be awarded no cost allowances equal to 100 percent of the facility's mass-based baseline. For each year during the second four-year compliance period that begins January 1, 2027, these facilities must be awarded no cost allowances equal to 97 percent of the facility's mass-based baseline. For each year during the third compliance period that begins January 1, 2031, these facilities must be awarded no cost allowances equal to 94 percent of the facility's mass-based baseline. Except as provided in (b)(iii) of this subsection, if a facility elects to use a mass-based baseline, it may not later convert to a carbon intensity benchmark during the first three compliance periods.

(iii) A facility with a North American industry classification system code beginning with 3364 that is utilizing a mass-based baseline in (b)(ii) of this subsection must receive an additional no cost allowance allocation under this section in order to accommodate an increase in production that increases its emissions above the baseline on a basis equivalent in principle to those awarded to entities utilizing a carbon intensity

benchmark pursuant to this subsection (3)(b). The department shall establish methods to award, for any annual period, additional no cost allowance allocations under this section and, if appropriate based on projected production, to achieve a similar ongoing result through the adjustment of the facility's mass-based baseline. An eligible facility under this subsection that has elected to use a mass-based baseline may not convert to a carbon intensity benchmark until the next compliance period.

(c)(i) By September 15, 2022, each emissions-intensive, trade-exposed facility shall submit its carbon intensity baseline for the first compliance period to the department. The carbon intensity baseline for the first compliance period must use data from 2015-2019, unless the emissions-intensive, trade-exposed facility can demonstrate that there have been abnormal periods of operation that materially impacted the facility and the baseline period should be expanded to include years prior to 2015.

(ii) By November 15, 2022, the department shall review and approve each emissions-intensive, trade-exposed facility's baseline carbon intensity for the first compliance period.

(d) During the first four-year compliance period that begins January 1, 2023, each emissions-intensive, trade-exposed facility must record its facility-specific carbon intensity baseline based on its actual production.

(e)(i) For the second four-year compliance period that begins January 1, 2027, the second period benchmark for each emissions-intensive, trade-exposed facility is three percent below the first period baseline specified in (a), (b), and (c) of this subsection.

(ii) For the third four-year compliance period that begins January 1, 2031, the third period benchmark for each emissions-intensive, trade-exposed facility is three percent lower than the second period benchmark.

(f) Prior to the beginning of either the second, third, or subsequent compliance periods, the department may make an upward adjustment in the next compliance period's benchmark for an emissions-intensive, trade-exposed facility based on the facility's demonstration to the department that additional reductions in carbon

intensity or mass emissions are not technically or economically feasible. The department may base the upward adjustment applicable to an emissions-intensive, trade-exposed facility in the next compliance period on the facility's best available technology analysis. The department shall by rule provide for emissions-intensive, trade-exposed facilities to apply to the department for an adjustment to the allocation for direct distribution of no cost allowances based on its facility-specific carbon intensity benchmark or mass emissions baseline. The department shall make adjustments based on:

(i) A significant change in the emissions use or emissions attributable to the manufacture of an individual good or goods in this state by an emissions-intensive, trade-exposed facility based on a finding by the department that an adjustment is necessary to accommodate for changes in the manufacturing process that have a material impact on emissions;

(ii) Significant changes to an emissions-intensive, trade-exposed facility's external competitive environment that result in a significant increase in leakage risk; or

(iii) Abnormal operating periods when an emissions-intensive, trade-exposed facility's carbon intensity has been materially affected so that these abnormal operating periods are either excluded or otherwise considered in the establishment of the compliance period carbon intensity benchmarks.

(4)(a) By December 1, 2026, the department shall provide a report to the appropriate committees of the senate and house of representatives that describes alternative methods for determining the amount and a schedule of allowances to be provided to facilities owned or operated by each covered entity designated as an emissions-intensive, trade-exposed facility from January 1, 2035, through January 1, 2050. The report must include a review of global best practices in ensuring against emissions leakage and economic harm to businesses in carbon pricing programs and describe alternative methods of emissions performance benchmarking and mass-based allocation of no cost allowances. At a minimum, the department must evaluate benchmarks based on both carbon intensity and mass, as well as the use of best available technology as a method for compliance. In developing the report, the

department shall form an advisory group that includes representatives of the manufacturers listed in subsection (1) of this section.

(b) If the legislature does not adopt a compliance obligation for emissions-intensive, trade-exposed facilities by December 1, 2027, those facilities must continue to receive allowances as provided in the third four-year compliance period that begins January 1, 2031.

(5) If the actual emissions of an emissions-intensive, trade-exposed facility exceed the facility's no cost allowances assigned for that compliance period, it must acquire additional compliance instruments such that the total compliance instruments transferred to its compliance account consistent with section 22 of this act equals emissions during the compliance period. An emissions-intensive, trade-exposed facility must be allowed to bank unused allowances, including for future sale and investment in best available technology when economically feasible. The department shall limit the use of offset credits for compliance by an emissions-intensive, trade-exposed facility, such that the quantity of no cost allowances plus the provision of offset credits does not exceed 100 percent of the facility's total compliance obligation over a compliance period.

(6) The department must withhold or withdraw the relevant share of allowances allocated to a covered entity under this section in the event that the covered entity ceases production in the state and becomes a closed facility. In the event an entity curtails all production and becomes a curtailed facility, the allowances are retained but cannot be traded, sold, or transferred and are still subject to the emission reduction requirements specified in this section. An owner or operator of a curtailed facility may transfer the allowances to a new operator of the facility that will be operated under the same North American industry classification system codes. If the curtailed facility becomes a closed facility, then all unused allowances will be transferred to the emissions containment reserve. A curtailed facility is not eligible to receive free allowances during a period of curtailment. Any allowances withheld or withdrawn under this subsection must be

transferred to the emissions containment reserve.

(7) An owner or operator of more than one facility receiving no cost allowances under this section may transfer allowances among the eligible facilities.

(8) Rules adopted by the department under this section must include protocols for allocating allowances at no cost to an eligible facility built after the effective date of this section. The protocols must include consideration of the products and criteria pollutants being produced by the facility, as well as the local environmental and health impacts associated with the facility. For a facility that is built on tribal lands or is determined by the department to impact tribal lands and resources, the protocols must be developed in consultation with the affected tribal nations.

NEW SECTION. Sec. 14. ALLOCATION OF ALLOWANCES TO ELECTRIC UTILITIES. (1) The legislature intends by this section to allow all consumer-owned electric utilities and investor-owned electric utilities subject to the requirements of chapter 19.405 RCW, the Washington clean energy transformation act, to be eligible for allowance allocation as provided in this section in order to mitigate the cost burden of the program on electricity customers.

(2)(a) By October 1, 2022, the department shall adopt rules, in consultation with the department of commerce and the utilities and transportation commission, establishing the methods and procedures for allocating allowances for consumer-owned and investor-owned electric utilities. The rules must take into account the cost burden of the program on electricity customers.

(b) By October 1, 2022, the department shall adopt an allocation schedule by rule, in consultation with the department of commerce and the utilities and transportation commission, for the first compliance period for the provision of allowances at no cost to consumer-owned and investor-owned electric utilities. This allocation must be consistent with a forecast, that is approved by the appropriate governing board or the utilities and transportation commission, of each utility's supply and demand, and the cost burden resulting from the

inclusion of the covered entities in the first compliance period.

(c) By October 1, 2026, the department shall adopt an allocation schedule by rule, in consultation with the department of commerce and the utilities and transportation commission, for the provision of allowances for the second compliance period at no cost to consumer-owned and investor-owned electric utilities. This allocation must be consistent with a forecast, that is approved by the appropriate governing board or the utilities and transportation commission, of each utility's supply and demand, and the cost burden resulting from the inclusion of covered entities in the second compliance period. The allowances included in this schedule must reflect the increased scope of coverage in the electricity sector relative to the program budget of allowances established in 2022.

(d) By October 1, 2028, the department shall adopt an allocation schedule by rule, in consultation with the department of commerce and the utilities and transportation commission, for the provision of allowances at no cost to consumer-owned and investor-owned electric utilities for the compliance periods contained within calendar years 2031 through 2045. This allocation must be consistent with a forecast, that is approved by the appropriate governing board or the utilities and transportation commission, of each utility's supply and demand, and the cost burden resulting from the inclusion of the covered entities in the compliance periods. The rule developed under this subsection (2)(d) may prescribe an amount of allowances allocated at no cost that must be consigned to auction by consumer-owned and investor-owned electric utilities. However, utilities may use allowances for compliance equal to their covered emissions in any calendar year they were not subject to potential penalty under RCW 19.405.090. Under no circumstances may utilities receive any free allowances after 2045.

(3)(a) During the first compliance period, allowances allocated at no cost to consumer-owned and investor-owned electric utilities may be consigned to auction for the benefit of ratepayers, deposited for compliance, or a combination of both. The rules adopted by the department under subsection (2) of this section must include provisions for

directing revenues generated under this subsection to the applicable utilities.

(b) By October 1, 2026, the department, in consultation with the department of commerce and the utilities and transportation commission, must adopt rules governing the amount of allowances allocated at no cost under subsection (2)(c) of this section that must be consigned to auction. For calendar year 2030, electric utilities may use allowances for compliance equal to their covered emissions if not subject to potential penalty under RCW 19.405.090.

(4) The benefits of all allowances consigned to auction under this section must be used by consumer-owned and investor-owned electric utilities for the benefit of ratepayers, with the first priority the mitigation of any rate impacts to low-income customers.

(5) If an entity is identified by the department as an emissions-intensive, trade-exposed industry under section 13 of this act, unless allowances have been otherwise allocated for electricity-related emissions to the entity under section 13 of this act or to a consumer-owned utility under this section, the department shall allocate allowances at no cost to the electric utility or power marketing administration that is providing electricity to the entity in an amount equal to the forecasted emissions for electricity consumption for the entity for the compliance period.

(6) The department shall allow for allowances to be transferred between a power marketing administration and electric utilities and used for direct compliance.

(7) Rules establishing the allocation of allowances to consumer-owned utilities and investor-owned utilities must consider the impact of electrification of buildings, transportation, and industry on the electricity sector.

(8) Nothing in this section affects the requirements of chapter 19.405 RCW.

(9) A consumer-owned utility that is party to a contract that meets the following conditions must be issued allowances under this section for emissions associated with imported electricity, in order to prevent impairment of the value of the contract to either party:

(a) The contract does not address compliance costs imposed upon the consumer-owned utility by the program created in this chapter; and

(b) The contract was in effect as of the effective date of this section and expires no later than the end of the first compliance period.

NEW SECTION. **Sec. 15.** ALLOCATION OF ALLOWANCES TO NATURAL GAS UTILITIES. (1) For the benefit of ratepayers, allowances must be allocated at no cost to covered entities that are natural gas utilities.

(a) By October 1, 2022, the department shall adopt rules, in consultation with the utilities and transportation commission, establishing the methods and procedures for allocating allowances to natural gas utilities. Rules adopted under this subsection must allow for a natural gas utility to be provided allowances at no cost to cover their emissions and decline proportionally with the cap, consistent with section 9 of this act. Allowances allocated at no cost to natural gas utilities must be consigned to auction for the benefit of ratepayers consistent with subsection (2) of this section, deposited for compliance, or a combination of both. The rules adopted by the department pursuant to this section must include provisions directing revenues generated under this subsection to the applicable utilities.

(b) By October 1, 2022, the department shall adopt an allocation schedule by rule, in consultation with the utilities and transportation commission, for the first two compliance periods for the provision of allowances for the benefit of ratepayers at no cost to natural gas utilities.

(c) By October 1, 2028, the department shall adopt an allocation schedule by rule, in consultation with the utilities and transportation commission, for the provision of allowances for the benefit of ratepayers at no cost to natural gas utilities for the compliance periods contained within calendar years 2031 through 2040.

(2)(a) Beginning in 2023, 65 percent of the no cost allowances must be consigned to auction for the benefit of customers, including at a minimum eliminating any additional cost burden to low-income customers from the implementation of this chapter. Rules adopted under this subsection must increase the percentage of allowances

consigned to auction by five percent each year until a total of 100 percent is reached.

(b) Revenues from allowances sold at auction must be returned by providing nonvolumetric credits on ratepayer utility bills, prioritizing low-income customers, or used to minimize cost impacts on low-income, residential, and small business customers through actions that include, but are not limited to, weatherization, decarbonization, conservation and efficiency services, and bill assistance. The customer benefits provided from allowances consigned to auction under this section must be in addition to existing requirements in statute, rule, or other legal requirements.

(c) Except for low-income customers, the customer bill credits under this subsection are reserved exclusively for customers at locations connected to a natural gas utility's system on the effective date of this section. Bill credits may not be provided to customers of the gas utility at a location connected to the system after the effective date of this section.

(3) In order to qualify for no cost allowances, covered entities that are natural gas utilities must provide copies of their greenhouse gas emissions reports filed with the United States environmental protection agency under 40 C.F.R. Part 98 subpart NN - suppliers of natural gas and natural gas liquids for calendar years 2015 through 2021 to the department on or before March 31, 2022. The copies of the reports must be provided in electronic form to the department, in a manner prescribed by the department. The reports must be complete and contain all information required by 40 C.F.R. Sec. 98.406 including, but not limited to, information on large end-users served by the natural gas utility. For any year where a natural gas utility was not required to file this report with the United States environmental protection agency, a report may be submitted in a manner prescribed by the department containing all of the information required in the subpart NN report.

(4) To continue receiving no cost allowances, a natural gas utility must provide to the department the United States environmental protection agency subpart NN greenhouse gas emissions report for each reporting year in the

manner and by the dates provided by RCW 70A.15.2200(5) as part of the greenhouse gas reporting requirements of this chapter.

NEW SECTION. Sec. 16. EMISSIONS CONTAINMENT RESERVE WITHHOLDING. (1) To help ensure that the price of allowances remains sufficient to incentivize reductions in greenhouse gas emissions, the department must establish an emissions containment reserve and set an emissions containment reserve trigger price by rule. The price must be set at a reasonable amount above the auction floor price and equal to the level established in jurisdictions with which the department has entered into a linkage agreement. In the event that a jurisdiction with which the department has entered into a linkage agreement has no emissions containment trigger price, the department shall suspend the trigger price under this subsection. The purpose of withholding allowances in the emissions containment reserve is to secure additional emissions reductions.

(2) In the event that the emissions containment reserve trigger price is met during an auction, the department must automatically withhold allowances as needed. The department must convert and transfer any allowances that have been withheld from auction into the emissions containment reserve account.

(3) Emissions containment reserve allowances may only be withheld from an auction if the demand for allowances would result in an auction clearing price that is less than the emissions containment reserve trigger price prior to the withholding from the auction of any emissions containment reserve allowances.

(4) The department shall transfer allowances to the emissions containment reserve in the following situations:

(a) No less than two percent of the total number of allowances available from the allowance budgets for calendar years 2023 through 2026;

(b) When allowances are unsold in auctions under section 12 of this act;

(c) When facilities curtail or close consistent with section 13(6) of this act; or

(d) When facilities fall below the emissions threshold. The amount of allowances withdrawn from the program

budget must be proportionate to the amount of emissions such a facility was previously using.

(5) (a) Allowances must be distributed from the emissions containment reserve by auction when new covered and opt-in entities enter the program.

(b) Allowances equal to the greenhouse gas emissions resulting from a new or expanded emissions-intensive, trade-exposed facility with emissions in excess of 25,000 metric tons per year during the first applicable compliance period will be provided to the facility from the reserve created in this section and must be retired by the facility. In subsequent compliance periods, the facility will be subject to the regulatory cap and related requirements under this chapter.

NEW SECTION. Sec. 17. ALLOWANCE PRICE CONTAINMENT. (1) To help minimize allowance price volatility in the auction, the department shall adopt by rule an auction floor price and a schedule for the floor price to increase by a predetermined amount every year. The department may not sell allowances at bids lower than the auction floor price. The department's rules must specify holding limits that determine the maximum number of allowances that may be held for use or trade by a registered entity at any one time. The department shall also establish an auction ceiling price to limit extraordinary prices and to determine when to offer allowances through the allowance price containment reserve auctions authorized under this section.

(2) For calendar years 2023 through 2026, the department must place no less than two percent of the total number of allowances available from the allowance price containment reserve. The reserve must be designed as a mechanism to assist in containing compliance costs for covered and opt-in entities in the event of unanticipated high costs for compliance instruments.

(3) (a) The department shall adopt rules for holding auctions of allowances from the price containment reserve when the settlement prices in the preceding auction approach the adopted auction ceiling price. The auction must be separate from auctions of other allowances.

(b) Allowances must also be distributed from the allowance price

containment reserve by auction when new covered and opt-in entities enter the program and allowances in the emissions containment reserve under section 16 of this act are exhausted.

(4) Only covered and opt-in entities may participate in the auction of allowances from the allowance price containment reserve.

(5) The process for reserve auctions is the same as the process provided in section 12 of this act and the proceeds from reserve auctions must be treated the same.

(6) The department shall by rule:

(a) Set the reserve auction floor price in advance of the reserve auction. The department may choose to establish multiple price tiers for the allowances from the reserve;

(b) Establish the requirements and schedule for the allowance price containment reserve auctions; and

(c) Establish the amount of allowances to be placed in the allowance price containment reserve after the first compliance period ending in 2026.

NEW SECTION. Sec. 18. PRICE CEILING.

(1) The department shall establish a price ceiling to provide cost protection for facilities obligated to comply with this chapter. The ceiling must be set at a level sufficient to facilitate investments to achieve further emission reductions beyond those enabled by the price ceiling, with the intent that investments accelerate the state's achievement of greenhouse gas limits established under RCW 70A.45.020. The price ceiling must increase annually in proportion to the price floor.

(2) In the event that no allowances remain in the allowance price containment reserve, the department must issue the number of price ceiling units for sale sufficient to provide cost protection for facilities as established under subsection (1) of this section. Purchases must be limited to entities that do not have sufficient eligible compliance instruments in their holding and compliance accounts for the next compliance period and these entities may only purchase what they need to meet their compliance obligation for the current compliance period. Price ceiling units may not be sold or transferred and must be retired for compliance in the

current compliance period. A price ceiling unit is not a property right.

(3) Funds raised in connection with the sale of price ceiling units must be expended to achieve emissions reductions on at least a metric ton for metric ton basis that are real, permanent, quantifiable, verifiable, enforceable by the state, and in addition to any greenhouse gas emission reduction otherwise required by law or regulation and any other greenhouse gas emission reduction that otherwise would occur.

NEW SECTION. Sec. 19. OFFSETS. (1) The department shall adopt by rule the protocols for establishing offset projects and securing offset credits that may be used to meet a portion of a covered or opt-in entity's compliance obligation under section 22 of this act. The protocols adopted by the department under this section must align with the policies of the state established under RCW 70A.45.090 and 70A.45.100.

(2) Offset projects must:

(a) Provide direct environmental benefits to the state or be located in a jurisdiction with which Washington has entered into a linkage agreement;

(b) Result in greenhouse gas reductions or removals that:

(i) Are real, permanent, quantifiable, verifiable, and enforceable; and

(ii) Are in addition to greenhouse gas emission reductions or removals otherwise required by law and other greenhouse gas emission reductions or removals that would otherwise occur; and

(c) Have been certified by a recognized registry after the effective date of this section or within two years prior to the effective date of this section.

(3)(a) A total of no more than five percent of a covered or opt-in entity's compliance obligation during the first compliance period may be met by transferring offset credits. During these years, at least 50 percent of a covered or opt-in entity's compliance obligation satisfied by offset credits must be sourced from offset projects that provide direct environmental benefits in the state.

(b) A total of no more than four percent of a covered or opt-in entity's compliance obligation during the second

compliance period may be met by transferring offset credits. During these years, at least 75 percent of a covered or opt-in entity's compliance obligation satisfied by offset credits must be sourced from offset projects that provide direct environmental benefits in the state. The department may reduce the 75 percent requirement if it determines there is not sufficient offset supply in the state to meet offset demand during the second compliance period.

(c) The limits in (a) and (b) of this subsection may be modified by rule as adopted by the department when appropriate to ensure achievement of the proportionate share of statewide emissions limits established in RCW 70A.45.020 and to provide for alignment with other jurisdictions to which the state has linked.

(d) The limits in (a) and (b) of this subsection may be reduced for a specific covered or opt-in entity if the department determines, in consultation with the environmental justice council, that the covered or opt-in entity has or is likely to:

(i) Contribute substantively to cumulative air pollution burden in an overburdened community as determined by criteria established by the department, in consultation with the environmental justice council; or

(ii) Violate any permits required by any federal, state, or local air pollution control agency where the violation may result in an increase in emissions.

(e) An offset project on federally recognized tribal land does not count against the offset credit limits described in (a) and (b) of this subsection. No more than three percent of a covered or opt-in entity's compliance obligation may be met by transferring offset credits from projects on federally recognized tribal land during the first compliance period. No more than two percent of a covered or opt-in entity's compliance obligation may be met by transferring offset credits from projects on federally recognized tribal land during the second compliance period.

(4) In adopting protocols governing offset projects and covered and opt-in entities' use of offset credits, the department shall:

(a) Take into consideration standards, rules, or protocols for offset projects and offset credits established by other states, provinces, and countries with programs comparable to the program established in this chapter;

(b) Encourage opportunities for the development of offset projects in this state by adopting offset protocols that may include, but need not be limited to, protocols that make use of aggregation or other mechanisms to reduce transaction costs related to the development of offset projects and that support the development of carbon dioxide removal projects;

(c) Adopt a process for monitoring and invalidating offset credits as necessary to ensure the credit reflects emission reductions or removals that continue to meet the standards required by subsection (1) of this section. If an offset credit is invalidated, the covered or opt-in entity must, within six months of the invalidation, transfer replacement credits or allowances to meet its compliance obligation. Failure to transfer the required credits or allowances is a violation subject to penalties as provided in section 23 of this act; and

(d) Make use of aggregation or other mechanisms, including cost-effective inventory and monitoring provisions, to increase the development of offset and carbon removal projects by landowners across the broadest possible variety of types and sizes of lands, including lands owned by small forestland owners.

(5) Any offset credits used may not be in addition to or allow for an increase in the emissions limits established under RCW 70A.45.020, as reflected in the annual allowance budgets developed under section 9 of this act.

(6) The offset credit must be registered and tracked as a compliance instrument.

(7) Beginning in 2031, the limits established in subsection (3) of this section apply unless modified by rule as adopted by the department after a public consultation process.

NEW SECTION. Sec. 20. ASSISTANCE PROGRAM FOR OFFSETS ON TRIBAL LANDS. (1) In order to ensure that a sufficient number of high quality offset projects are available under the limits set in section 19 of this act, the department

must establish an assistance program for offset projects on federally recognized tribal lands in Washington. The assistance may include, but is not limited to, funding or consultation for federally recognized tribal governments to assess a project's technical feasibility, investment requirements, development and operational costs, expected returns, administrative and legal hurdles, and project risks and pitfalls. The department may provide funding or assistance upon request by a federally recognized tribe.

(2) It is the intent of the legislature that not less than \$5,000,000 be provided in the biennial omnibus operating appropriations act for the purposes of this section.

NEW SECTION. **Sec. 21.** SMALL FORESTLAND OWNER WORK GROUP. (1) The department of natural resources must contract with an eligible entity capable of providing public value to the state through the establishment and implementation of a small forestland owner work group. The purpose of the work group is to forward the goals and implementation of this chapter by identifying possible carbon market opportunities including, but not limited to, the provision of offset credits that qualify under section 19 of this act, and other incentive-based greenhouse gas reduction programs that Washington landowners may be able to access, including compliance markets operated by other jurisdictions, voluntary markets, and federal, state, and private programs for forestlands that can be leveraged to achieve carbon reductions.

(2) The work group established by the eligible entity under this section must:

(a) Provide recommendations for the implementation and funding of a pilot program to develop an aggregator account that will pursue carbon offset projects for small forestland owners in Washington state, including recommendations based on programs established in other jurisdictions;

(b) Coordinate with the department on the development of offset protocols related to landowners under section 19(4)(d) of this act;

(c) Develop a framework and funding proposals for establishing a program to link interested small forestland owners with incentive-based carbon reducing programs that facilitate adoption of

forest practices that increase carbon storage and sequestration in forests and wood products. The framework may include:

(i) Identifying areas of coordination and layering among state, federal, and private landowner incentive programs and identifying roadblocks to better scalability;

(ii) Assisting landowners with access to feasibility analyses, market applications, stand inventories, pilot project support, and other services to reduce the transaction costs and barriers to entry to carbon markets or carbon incentive programs; and

(iii) Sharing information with private and other landowners about best practices employed to increase carbon storage and access to incentive programs; and

(d) Recommend policies to support the implementation of incentives for participation in carbon markets.

(3) The work group must transmit a final report to the department by December 1, 2022, that provides recommendations for incentives, the implementation of incentives, and payment structures necessary to support small forest landowners and any recommendations around extending the work group or making the work group permanent. The department must submit the final report to the legislature, in compliance with RCW 43.01.036, by December 31, 2022.

(4) For the purposes of this section, "eligible entity" means a nonprofit entity solely based in Washington that can demonstrate a membership of at least 1000 small forestland owners and that has, as part of its mission, the promotion of the sustainable stewardship of family forestlands.

(5) This section expires July 1, 2023.

NEW SECTION. **Sec. 22.** COMPLIANCE OBLIGATIONS. (1) A covered or opt-in entity has a compliance obligation for its emissions during each four-year compliance period, with the first compliance period commencing January 1, 2023, except when the first compliance period commences at a later date as provided in subsection (7) of this section. A covered or opt-in entity shall transfer a number of compliance instruments equal to the entity's covered emissions by November 1st of each calendar year in which a covered or opt-

in entity has a compliance obligation. The department shall set by rule a percentage of compliance instruments that must be transferred in each year of the compliance period such that covered or opt-in entities are allowed to smooth their compliance obligation within the compliance period but must fully satisfy their compliance obligation over the course of the compliance period, in a manner similar to external greenhouse gas emissions trading programs in other jurisdictions. In meeting a given compliance obligation, a covered or opt-in entity may use allowances issued in that compliance year, or allowances issued in any of the seven years immediately preceding that compliance year.

(2) Compliance occurs through the transfer of compliance instruments or price ceiling units, on or before the transfer date, from the holding account to the compliance account of the covered or opt-in entity as described in section 10 of this act.

(3)(a) A covered entity with a facility eligible for use of price ceiling units under section 18 of this act may substitute the submission of compliance instruments with price ceiling units.

(b) A covered or opt-in entity submitting insufficient compliance instruments to meet its compliance obligation is subject to a penalty as provided in section 23 of this act.

(4) Older vintage allowances must be retired before newer vintage allowances.

(5) A covered or opt-in entity may not borrow an allowance from a future allowance year to meet a current or past compliance obligation.

(6) Upon receipt by the department of all compliance instruments transferred by a covered entity or opt-in entity to meet its compliance obligation, the department shall retire the allowances or offset credits.

(7)(a) In order to coordinate and synchronize the cap and invest program established under this chapter with other transportation-related investments, this section does not take effect until a separate additive transportation revenue act becomes law, at which time the department of licensing must provide written notice to the chief clerk of the house of representatives, the secretary

of the senate, and the office of the code reviser.

(b) For the purposes of this subsection, "additive transportation revenue act" means an act, enacted after April 1, 2021, in which the state fuel tax under RCW 82.38.030 is increased by an additional and cumulative tax rate of at least five cents per gallon of fuel.

NEW SECTION. **Sec. 23.** ENFORCEMENT.

(1) All covered and opt-in entities are required to submit compliance instruments in a timely manner to meet the entities' compliance obligations and shall comply with all requirements for monitoring, reporting, holding, and transferring emission allowances and other provisions of this chapter.

(2) If a covered or opt-in entity does not submit sufficient compliance instruments to meet its compliance obligation by the specified transfer dates, a penalty of four allowances for every one compliance instrument that is missing must be submitted to the department within six months. When a covered entity or opt-in entity reasonably believes that it will be unable to meet a compliance obligation, the entity shall immediately notify the department. Upon receiving notification, the department shall issue an order requiring the entity to submit the penalty allowances.

(3) If a covered entity or opt-in entity fails to submit penalty allowances as required by subsection (2) of this section, the department must issue an order or issue a penalty of up to \$10,000 per day per violation, or both, for failure to submit penalty allowances as required by subsection (2) of the section. The order may include a plan and schedule for coming into compliance.

(4) The department may issue a penalty of up to \$50,000 per day per violation for violations of section 12(8) (a) through (e) of this act.

(5) Except as provided in subsections (3) and (4) of this section, any person that violates the terms of this chapter or an order issued under this chapter incurs a penalty of up to \$10,000 per day per violation for each day that the person does not comply. All penalties under subsections (3) and (4) of this section and this subsection must be deposited into the climate investment account created in section 28 of this act.

(6) Orders and penalties issued under this chapter are appealable to the pollution control hearings board under chapter 43.21B RCW.

(7) For the first compliance period, the department may reduce the amount of the penalty by adjusting the monetary amount or the number of penalty allowances described in subsections (2) and (3) of this section.

(8) An electric utility or natural gas utility must notify its retail customers and the environmental justice council in published form within three months of paying a monetary penalty under this section.

(9)(a) No city, town, county, township, or other subdivision or municipal corporation of the state may implement a charge or tax based exclusively upon the quantity of greenhouse gas emissions.

(b) No state agency may adopt or enforce a program that regulates greenhouse gas emissions from a stationary source except as provided in this chapter.

(c) This chapter preempts the provisions of chapter 173-442 WAC.

NEW SECTION. Sec. 24. LINKAGE WITH OTHER JURISDICTIONS. (1) Subject to making the findings and conducting the public comment process described in subsection (3) of this section, the department shall seek to enter into linkage agreements with other jurisdictions with external greenhouse gas emissions trading programs in order to:

(a) Allow for the mutual use and recognition of compliance instruments issued by Washington and other linked jurisdictions;

(b) Broaden the greenhouse gas emission reduction opportunities to reduce the costs of compliance on covered entities and consumers;

(c) Enable allowance auctions to be held jointly and provide for the use of a unified tracking system for compliance instruments;

(d) Enhance market security;

(e) Reduce program administration costs; and

(f) Provide consistent requirements for covered entities whose operations span jurisdictional boundaries.

(2) The director of the department is authorized to execute linkage agreements with other jurisdictions with external greenhouse gas emissions trading programs consistent with the requirements in this chapter. A linkage agreement must cover the following:

(a) Provisions relating to regular, periodic auctions, including requirements for eligibility for auction participation, the use of a single auction provider to facilitate joint auctions, publication of auction-related information, processes for auction participation, purchase limits by auction participant type, bidding processes, dates of auctions, and financial requirements;

(b) Provisions related to holding limits to ensure no entities in any of the programs are disadvantaged relative to their counterparts in the other jurisdictions;

(c) Other requirements, such as greenhouse gas reporting and verification, offset protocols, criteria and process, and supervision and enforcement, to prevent fraud, abuse, and market manipulation;

(d) Common program registry, electronic auction platform, tracking systems for compliance instruments, and monitoring of compliance instruments;

(e) Provisions to ensure coordinated administrative and technical support;

(f) Provisions for public notice and participation; and

(g) Provisions to collectively resolve differences, amend the agreements, and delink or otherwise withdraw from the agreements.

(3) Before entering into a linkage agreement under this section, the department must evaluate and make a finding regarding whether the aggregate number of unused allowances in a linked program would reduce the stringency of Washington's program and the state's ability to achieve its greenhouse gas emissions reduction limits. The department must include in its evaluation a consideration of pre-2020 unused allowances that may exist in the program with which it is proposing to link. Before entering into a linkage agreement,

the department must also establish a finding that the linking jurisdiction and the linkage agreement meet certain criteria identified under this subsection and conduct a public comment process to obtain input and a review of the linkage agreement by relevant stakeholders and other interested parties. The department must consider input received from the public comment process before finalizing a linkage agreement. In the event that the department determines that a full linkage agreement is unlikely to meet the criteria, it may enter into a linkage agreement with limitations, including limits on the share of compliance that may be met with allowances originating from linked jurisdictions and other limitations deemed necessary by the department. A linkage agreement approved by the department must:

(a) Achieve the purposes identified in subsection (1) of this section;

(b) Ensure that the linking jurisdiction has provisions to ensure the distribution of benefits from the program to vulnerable populations and overburdened communities;

(c) Be determined by the department to not yield net adverse impacts to either jurisdictions' highly impacted communities or analogous communities in the aggregate, relative to the baseline level of emissions; and

(d) Not adversely impact Washington's ability to achieve the emission reduction limits established in RCW 70A.45.020.

(4) The state retains all legal and policymaking authority over its program design and enforcement.

NEW SECTION. Sec. 25. RULES. The department shall adopt rules to implement the provisions of the program established in sections 8 through 24 of this act. The department may adopt emergency rules pursuant to RCW 34.05.350 for initial implementation of the program, to implement the state omnibus appropriations act for the 2021-2023 fiscal biennium, and to ensure that reporting and other program requirements are determined early for the purpose of program design and early notice to registered entities with a compliance obligation under the program.

NEW SECTION. Sec. 26. EXPENDITURE TARGETS. (1) It is the intent of the legislature that each year the total

investments made through the carbon emissions reduction account created in section 27 of this act, the climate commitment account created in section 29 of this act, the natural climate solutions account created in section 30 of this act, and the air quality and health disparities improvement account created in section 31 of this act, achieve the following:

(a) A minimum of not less than 35 percent and a goal of 40 percent of total investments that provide direct and meaningful benefits to vulnerable populations within the boundaries of overburdened communities identified under chapter . . . , Laws of 2021 (Engrossed Second Substitute Senate Bill No. 5141); and

(b) In addition to the requirements of (a) of this subsection, a minimum of not less than 10 percent of total investments that are used for programs, activities, or projects formally supported by a resolution of an Indian tribe, with priority given to otherwise qualifying projects directly administered or proposed by an Indian tribe. An investment that meets the requirements of both this subsection (1)(b) and (a) of this subsection may count toward the minimum percentage targets for both subsections.

(2) The expenditure of moneys under this chapter must be consistent with applicable federal, state, and local laws, and treaty rights including, but not limited to, prohibitions on uses of funds imposed by the state Constitution.

(3) For the purposes of this section, "benefits" means investments or activities that:

(a) Reduce vulnerable population characteristics, environmental burdens, or associated risks that contribute significantly to the cumulative impact designation of highly impacted communities;

(b) Meaningfully protect an overburdened community from, or support community response to, the impacts of air pollution or climate change; or

(c) Meet a community need identified by vulnerable members of the community that is consistent with the intent of this chapter.

(4) The state must develop a process by which to evaluate the impacts of the

investments made under this chapter, work across state agencies to develop and track priorities across the different eligible funding categories, and work with the environmental justice council pursuant to section 5 of this act.

(5) No expenditures may be made from the carbon emissions reduction account created in section 27 of this act, the climate investment account created in section 28 of this act, or the air quality and health disparities improvement account created in section 31 of this act if, by April 1, 2023, the legislature has not considered and enacted request legislation brought forth by the department under section 8 of this act that outlines a compliance pathway specific to emissions-intensive, trade-exposed businesses for achieving their proportionate share of the state's emissions reduction limits through 2050.

NEW SECTION. Sec. 27. CARBON EMISSIONS REDUCTION ACCOUNT. The carbon emissions reduction account is created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account are intended to affect reductions in transportation sector carbon emissions through a variety of carbon reducing investments. These can include, but are not limited to: Transportation alternatives to single occupancy passenger vehicles; reductions in single occupancy passenger vehicle miles traveled; reductions in per mile emissions in vehicles, including through the funding of alternative fuel infrastructure and incentive programs; and emission reduction programs for freight transportation, including motor vehicles and rail, as well as for ferries and other maritime and port activities. Expenditures from the account may only be made for transportation carbon emission reducing purposes and may not be made for highway purposes authorized under the 18th Amendment of the Washington state Constitution, other than specified in this section. It is the legislature's intent that expenditures from the account used to reduce carbon emissions be made with the goal of achieving equity for communities that historically have been omitted or adversely impacted by past transportation policies and practices.

NEW SECTION. Sec. 28. CLIMATE INVESTMENT ACCOUNT. (1)(a) The climate investment account is created in the state treasury. Except as otherwise

provided in this act, all receipts from the auction of allowances authorized in this chapter must be deposited into the account. Moneys in the account may be spent only after appropriation.

(b) Projects or activities funded from the account must meet high labor standards, including family sustaining wages, providing benefits including health care and employer-contributed retirement plans, career development opportunities, and maximize access to economic benefits from such projects for local workers and diverse businesses. Each contracting entity's proposal must be reviewed for equity and opportunity improvement efforts, including: (i) Employer paid sick leave programs; (ii) pay practices in relation to living wage indicators such as the federal poverty level; (iii) efforts to evaluate pay equity based on gender identity, race, and other protected status under Washington law; (iv) facilitating career development opportunities, such as apprenticeship programs, internships, job-shadowing, and on-the-job training; and (v) employment assistance and employment barriers for justice affected individuals.

(2) Moneys in the account may be used only for projects and programs that achieve the purposes of the greenhouse gas emissions cap and invest program established under this chapter. Moneys in the account as described in this subsection must first be appropriated for the administration of the requirements of this chapter, in an amount not to exceed five percent of the total receipt of funds from allowance auction proceeds under this chapter. Beginning July 1, 2024, and annually thereafter, the state treasurer shall distribute funds in the account as follows:

(a) Seventy-five percent of the moneys to the climate commitment account created in section 29 of this act; and

(b) Twenty-five percent of the moneys to the natural climate solutions account created in section 30 of this act.

(3) The allocations specified in subsection (2)(a) and (b) of this section must be reviewed by the legislature on a biennial basis based on the changing needs of the state in meeting its clean economy and greenhouse gas reduction goals in a timely, economically advantageous, and equitable manner.

NEW SECTION. **Sec. 29.** CLIMATE COMMITMENT ACCOUNT. (1) The climate commitment account is created in the state treasury. The account must receive moneys distributed to the account from the climate investment account created in section 28 of this act. Moneys in the account may be spent only after appropriation. Projects, activities, and programs eligible for funding from the account must be physically located in Washington state and include, but are not limited to, the following:

(a) Implementing the working families tax rebate in RCW 82.08.0206;

(b) Supplementing the growth management planning and environmental review fund established in RCW 36.70A.490 for the purpose of making grants or loans to local governments for the purposes set forth in RCW 43.21C.240, 43.21C.031, 36.70A.500, and 36.70A.600, for costs associated with RCW 36.70A.610, and to cover costs associated with the adoption of optional elements of comprehensive plans consistent with RCW 43.21C.420;

(c) Programs, activities, or projects that reduce and mitigate impacts from greenhouse gases and copollutants in overburdened communities, including strengthening the air quality monitoring network to measure, track, and better understand air pollution levels and trends and to inform the analysis, monitoring, and pollution reduction measures required in section 3 of this act;

(d) Programs, activities, or projects that deploy renewable energy resources, such as solar and wind power, and projects to deploy distributed generation, energy storage, demand-side technologies and strategies, and other grid modernization projects;

(e) Programs, activities, or projects that increase the energy efficiency or reduce greenhouse gas emissions of industrial facilities including, but not limited to, proposals to implement combined heat and power, district energy, or on-site renewables, such as solar and wind power, to upgrade the energy efficiency of existing equipment, to reduce process emissions, and to switch to less emissions intensive fuel sources;

(f) Programs, activities, or projects that achieve energy efficiency or emissions reductions in the agricultural sector including:

(i) Fertilizer management;

(ii) Soil management;

(iii) Bioenergy;

(iv) Biofuels;

(v) Grants, rebates, and other financial incentives for agricultural harvesting equipment, heavy-duty trucks, agricultural pump engines, tractors, and other equipment used in agricultural operations;

(vi) Grants, loans, or any financial incentives to food processors to implement projects that reduce greenhouse gas emissions;

(vii) Renewable energy projects;

(viii) Farmworker housing weatherization programs;

(ix) Dairy digester research and development;

(x) Alternative manure management; and

(xi) Eligible fund uses under RCW 89.08.615;

(g) Programs, activities, or projects that increase energy efficiency in new and existing buildings, or that promote low-carbon architecture, including use of newly emerging alternative building materials that result in a lower carbon footprint in the built environment over the life cycle of the building and component building materials;

(h) Programs, activities, or projects that promote the electrification and decarbonization of new and existing buildings, including residential, commercial, and industrial buildings;

(i) Programs, activities, or projects that improve energy efficiency, including district energy, and investments in market transformation of high efficiency electric appliances and equipment for space and water heating;

(j) Clean energy transition and assistance programs, activities, or projects that assist affected workers or people with lower incomes during the transition to a clean energy economy, or grow and expand clean manufacturing capacity in communities across Washington state including, but not limited to:

(i) Programs, activities, or projects that directly improve energy affordability and reduce the energy

burden of people with lower incomes, as well as the higher transportation fuel burden of rural residents, such as bill assistance, energy efficiency, and weatherization programs;

(ii) Community renewable energy projects that allow qualifying participants to own or receive the benefits of those projects at reduced or no cost;

(iii) Programs, activities, or other worker-support projects for bargaining unit and nonsupervisory fossil fuel workers who are affected by the transition away from fossil fuels to a clean energy economy. Worker support may include, but is not limited to: (A) Full wage replacement, health benefits, and pension contributions for every worker within five years of retirement; (B) full wage replacement, health benefits, and pension contributions for every worker with at least one year of service for each year of service up to five years of service; (C) wage insurance for up to five years for workers reemployed who have more than five years of service; (D) up to two years of retraining costs, including tuition and related costs, based on in-state community and technical college costs; (E) peer counseling services during transition; (F) employment placement services, prioritizing employment in the clean energy sector; and (G) relocation expenses;

(iv) Direct investment in workforce development, via technical education, community college, institutions of higher education, apprenticeships, and other programs including, but not limited to:

(A) Initiatives to develop a forest health workforce established under RCW 76.04.--- (section 5, chapter . . ., Laws of 2021 (Second Substitute House Bill No. 1168)); and

(B) Initiatives to develop new education programs, emerging fields, or jobs pertaining to the clean energy economy;

(v) Transportation, municipal service delivery, and technology investments that increase a community's capacity for clean manufacturing, with an emphasis on communities in greatest need of job creation and economic development and potential for commute reduction;

(k) Programs, activities, or projects that reduce emissions from landfills and waste-to-energy facilities through diversion of organic materials, methane capture or conversion strategies, or other means;

(l) Carbon dioxide removal projects, programs, and activities; and

(m) Activities to support efforts to mitigate and adapt to the effects of climate change affecting Indian tribes, including capital investments in support of the relocation of Indian tribes located in areas at heightened risk due to anticipated sea level rise, flooding, or other disturbances caused by climate change. The legislature intends to dedicate at least \$50,000,000 per biennium from the account for purposes of this subsection.

(2) Moneys in the account may not be used for projects or activities that would violate tribal treaty rights or result in significant long-term damage to critical habitat or ecological functions. Investments from this account must result in long-term environmental benefits and increased resilience to the impacts of climate change.

NEW SECTION. Sec. 30. NATURAL CLIMATE SOLUTIONS ACCOUNT. (1) The natural climate solutions account is created in the state treasury. All moneys directed to the account from the climate investment account created in section 28 of this act must be deposited in the account. Moneys in the account may be spent only after appropriation. Moneys in the account are intended to increase the resilience of the state's waters, forests, and other vital ecosystems to the impacts of climate change, conserve working forestlands at risk of conversion, and increase their carbon pollution reduction capacity through sequestration, storage, and overall system integrity. Moneys in the account must be spent in a manner that is consistent with existing and future assessments of climate risks and resilience from the scientific community and expressed concerns of and impacts to overburdened communities.

(2) Moneys in the account may be allocated for the following purposes:

(a) Clean water investments that improve resilience from climate impacts. Funding under this subsection (2) (a) must be used to:

(i) Restore and protect estuaries, fisheries, and marine shoreline habitats and prepare for sea level rise including, but not limited to, making fish passage correction investments such as those identified in the cost-share barrier removal program for small forestland owners created in RCW 76.13.150 and those that are considered by the fish passage barrier removal board created in RCW 77.95.160;

(ii) Increase carbon storage in the ocean or aquatic and coastal ecosystems;

(iii) Increase the ability to remediate and adapt to the impacts of ocean acidification;

(iv) Reduce flood risk and restore natural floodplain ecological function;

(v) Increase the sustainable supply of water and improve aquatic habitat, including groundwater mapping and modeling;

(vi) Improve infrastructure treating stormwater from previously developed areas within an urban growth boundary designated under chapter 36.70A RCW, with a preference given to projects that use green stormwater infrastructure;

(vii) Either preserve or increase, or both, carbon sequestration and storage benefits in forests, forested wetlands, agricultural soils, tidally influenced agricultural or grazing lands, or freshwater, saltwater, or brackish aquatic lands; or

(viii) Either preserve or establish, or both, carbon sequestration by protecting or planting trees in marine shorelines and freshwater riparian areas sufficient to promote climate resilience, protect cold water fisheries, and achieve water quality standards;

(b) Healthy forest investments to improve resilience from climate impacts. Funding under this subsection (2) (b) must be used for projects and activities that will:

(i) Increase forest and community resilience to wildfire in the face of increased seasonal temperatures and drought;

(ii) Improve forest health and reduce vulnerability to changes in hydrology, insect infestation, and other impacts of climate change; or

(iii) Prevent emissions by preserving natural and working lands from the threat of conversion to development or loss of critical habitat, through actions that include, but are not limited to, the creation of new conservation lands, community forests, or increased support to small forestland owners through assistance programs including, but not limited to, the forest riparian easement program and the family forest fish passage program. It is the intent of the legislature that not less than \$10,000,000 be expended each biennium for the forestry riparian easement program created in chapter 76.13 RCW or for riparian easement projects funded under the agricultural conservation easements program established under RCW 89.08.530, or similar riparian enhancement programs.

(3) Moneys in the account may not be used for projects that would violate tribal treaty rights or result in significant long-term damage to critical habitat or ecological functions. Investments from this account must result in long-term environmental benefits and increased resilience to the impacts of climate change.

NEW SECTION. Sec. 31. AIR QUALITY AND HEALTH DISPARITIES IMPROVEMENT ACCOUNT. (1) The air quality and health disparities improvement account is created in the state treasury. Moneys in the account may be spent only after appropriation. Expenditures from the account are intended to:

(a) Improve air quality through the reduction of criteria pollutants, including through effective air quality monitoring and the establishment of adequate baseline emissions data; and

(b) Reduce health disparities in overburdened communities by improving health outcomes through the reduction or elimination of environmental harms and the promotion of environmental benefits.

(2) Moneys in the account may be used for either capital budget or transportation budget purposes, or both. Moneys in the account may not be used for projects that would violate tribal treaty rights or result in significant long-term damage to critical habitat or ecological functions. Investments from the account must result in long-term environmental benefits and increased resilience to the impacts of climate change.

(3) It is the intent of the legislature that not less than \$20,000,000 per biennium be dedicated to the account for the purposes of the account.

NEW SECTION. Sec. 32. (1) By December 1, 2029, the joint legislative audit and review committee must analyze the impacts of the initial five years of program implementation and must submit a report summarizing the analysis to the legislature. The analysis must include, at minimum, the following components:

(a) Costs and benefits, including environmental and public health costs and benefits, associated with this chapter for categories of persons participating in the program or that are most impacted by air pollution, as defined in consultation with the departments of ecology and health and as measured on a census tract scale. This component of the analysis must, at a minimum, assess the costs and benefits of changes in the following metrics since the start of the program:

(i) Levels of greenhouse gas emissions and criteria air pollutants for which the United States environmental protection agency has established national ambient air quality standards;

(ii) Fuel prices; and

(iii) Total employment in categories of industries that are covered entities. The categories of industries assessed must include, but are not limited to, electric utilities, natural gas utilities, oil refineries, and other industries classified as emissions-intensive and trade-exposed;

(b) An evaluation of the information provided by the department in its 2027 program evaluation under section 9(3) of this act;

(c) A summary of the estimated total statewide costs and benefits attributable to the program, including state agency administrative costs and covered entity compliance costs. For purposes of calculating the benefits of the program, the summary may rely, in part, on a constant value of the social costs attributable to greenhouse gas emissions, as identified in contemporary internationally accepted estimates of such global social cost. This summary must include an estimate of the total statewide costs of the program per ton of greenhouse gas emissions reductions achieved by the program; and

(d) An evaluation of the impacts of the program on low-income households.

(2) This section expires June 30, 2030.

Sec. 33. RCW 70A.15.2200 and 2020 c 20 s 1090 are each amended to read as follows:

(1) The board of any activated authority or the department, may classify air contaminant sources, by ordinance, resolution, rule or regulation, which in its judgment may cause or contribute to air pollution, according to levels and types of emissions and other characteristics which cause or contribute to air pollution, and may require registration or reporting or both for any such class or classes. Classifications made pursuant to this section may be for application to the area of jurisdiction of such authority, or the state as a whole or to any designated area within the jurisdiction, and shall be made with special reference to effects on health, economic and social factors, and physical effects on property.

(2) Except as provided in subsection (3) of this section, any person operating or responsible for the operation of air contaminant sources of any class for which the ordinances, resolutions, rules or regulations of the department or board of the authority, require registration or reporting shall register therewith and make reports containing information as may be required by such department or board concerning location, size and height of contaminant outlets, processes employed, nature of the contaminant emission and such other information as is relevant to air pollution and available or reasonably capable of being assembled. In the case of emissions of greenhouse gases as defined in RCW 70A.45.010 the department shall adopt rules requiring reporting of those emissions. The department or board may require that such registration or reporting be accompanied by a fee, and may determine the amount of such fee for such class or classes: PROVIDED, That the amount of the fee shall only be to compensate for the costs of administering such registration or reporting program which shall be defined as initial registration and annual or other periodic reports from the source owner providing information directly related to air pollution registration, on-site inspections necessary to verify compliance with registration

requirements, data storage and retrieval systems necessary for support of the registration program, emission inventory reports and emission reduction credits computed from information provided by sources pursuant to registration program requirements, staff review, including engineering or other reliable analysis for accuracy and currentness, of information provided by sources pursuant to registration program requirements, clerical and other office support provided in direct furtherance of the registration program, and administrative support provided in directly carrying out the registration program: PROVIDED FURTHER, That any such registration made with either the board or the department shall preclude a further registration and reporting with any other board or the department, except that emissions of greenhouse gases as defined in RCW 70A.45.010 must be reported as required under subsection (5) of this section.

All registration program and reporting fees collected by the department shall be deposited in the air pollution control account. All registration program fees collected by the local air authorities shall be deposited in their respective treasuries.

(3) If a registration or report has been filed for a grain warehouse or grain elevator as required under this section, registration, reporting, or a registration program fee shall not, after January 1, 1997, again be required under this section for the warehouse or elevator unless the capacity of the warehouse or elevator as listed as part of the license issued for the facility has been increased since the date the registration or reporting was last made. If the capacity of the warehouse or elevator listed as part of the license is increased, any registration or reporting required for the warehouse or elevator under this section must be made by the date the warehouse or elevator receives grain from the first harvest season that occurs after the increase in its capacity is listed in the license.

This subsection does not apply to a grain warehouse or grain elevator if the warehouse or elevator handles more than ten million bushels of grain annually.

(4) For the purposes of subsection (3) of this section:

(a) A "grain warehouse" or "grain elevator" is an establishment classified

in standard industrial classification (SIC) code 5153 for wholesale trade for which a license is required and includes, but is not limited to, such a licensed facility that also conducts cleaning operations for grain;

(b) A "license" is a license issued by the department of agriculture licensing a facility as a grain warehouse or grain elevator under chapter 22.09 RCW or a license issued by the federal government licensing a facility as a grain warehouse or grain elevator for purposes similar to those of licensure for the facility under chapter 22.09 RCW; and

(c) "Grain" means a grain or a pulse.

(5)(a) The department shall adopt rules requiring persons to report emissions of greenhouse gases as defined in RCW 70A.45.010 where those emissions from a single facility, ~~((source, or site))~~ or from electricity or fossil fuels sold in Washington by a single supplier or local distribution company, meet or exceed ten thousand metric tons of carbon dioxide equivalent annually. The ~~((department may phase in the requirement to report greenhouse gas emissions until the reporting threshold in this subsection is met, which must occur by January 1, 2012))~~ rules adopted by the department must support implementation of the program created in section 8 of this act. In addition, the rules must require that:

(i) Emissions of greenhouse gases resulting from the combustion of fossil fuels be reported separately from emissions of greenhouse gases resulting from the combustion of biomass; and

(ii) ~~((Reporting will start in 2010 for 2009 emissions.))~~ Each annual report must include emissions data for the preceding calendar year and must be submitted to the department by ~~((October))~~ March 31st of the year in which the report is due. ~~((However, starting in 2011, a person who is required to report greenhouse gas emissions to the United States environmental protection agency under 40 C.F.R. Part 98, as adopted on September 22, 2009, must submit the report required under this section to the department concurrent with the submission to the United States environmental protection agency. Except as otherwise provided in this section, the data for emissions in Washington and any corrections thereto that are reported to the United States~~

~~environmental protection agency must be the emissions data reported to the department; and~~

~~(iii) Emissions of carbon dioxide associated with the complete combustion or oxidation of liquid motor vehicle fuel, special fuel, or aircraft fuel that is sold in Washington where the annual emissions associated with that combustion or oxidation equal or exceed ten thousand metric tons be reported to the department. Each person who is required to file periodic tax reports of motor vehicle fuel sales under RCW 82.36.031 or special fuel sales under RCW 82.38.150, or each distributor of aircraft fuel required to file periodic tax reports under RCW 82.42.040 must report to the department the annual emissions of carbon dioxide from the complete combustion or oxidation of the fuels listed in those reports as sold in the state of Washington. The department shall not require suppliers to use additional data to calculate greenhouse gas emissions other than the data the suppliers report to the department of licensing. The rules may allow this information to be aggregated when reported to the department. The department and the department of licensing shall enter into an interagency agreement to ensure proprietary and confidential information is protected if the departments share reported information. Any proprietary or confidential information exempt from disclosure when reported to the department of licensing is exempt from disclosure when shared by the department of licensing with the department under this provision.)~~

~~(b) (i) ((Except as otherwise provided in this subsection, the rules adopted by the department under (a) of this subsection must be consistent with the regulations adopted by the United States environmental protection agency in 40 C.F.R. Part 98 on September 22, 2009.~~

~~(ii)) The department may by rule include additional gases to the definition of "greenhouse gas" in RCW 70A.45.010 only if the gas has been designated as a greenhouse gas by the United States congress ~~((or)),~~ by the United States environmental protection agency, or included in external greenhouse gas emission trading programs with which Washington has pursuant to section 24 of this act. Prior to including additional gases to the~~

definition of "greenhouse gas" in RCW 70A.45.010, the department shall notify the appropriate committees of the legislature. ~~((Decisions to amend the rule to include additional gases must be made prior to December 1st of any year and the amended rule may not take effect before the end of the regular legislative session in the next year.~~

~~(iii))~~ (ii) The department may by rule exempt persons who are required to report greenhouse gas emissions to the United States environmental protection agency and who emit less than ten thousand metric tons carbon dioxide equivalent annually.

~~((iv))~~ (iii) The department must establish a methodology for persons who are not required to report under this section to voluntarily report their greenhouse gas emissions.

(c) (i) The department shall review and if necessary update its rules whenever ~~((the))~~:

(A) The United States environmental protection agency adopts final amendments to 40 C.F.R. Part 98 to ensure consistency with federal reporting requirements for emissions of greenhouse gases; or

(B) Needed to ensure consistency with emissions reporting requirements for jurisdictions with which Washington has entered a linkage agreement. ~~((However, the))~~

(ii) The department shall not amend its rules in a manner that conflicts with ~~((a) of))~~ this ~~((subsection))~~ section.

(d) The department shall share any reporting information reported to it with the local air authority in which the person reporting under the rules adopted by the department operates.

(e) The fee provisions in subsection (2) of this section apply to reporting of emissions of greenhouse gases. Persons required to report under (a) of this subsection who fail to report or pay the fee required in subsection (2) of this section are subject to enforcement penalties under this chapter. The department shall enforce the reporting rule requirements ~~((unless it approves a local air authority's request to enforce the requirements for persons operating within the authority's jurisdiction. However, neither the department nor a local air authority approved under this~~

~~section are authorized to assess enforcement penalties on persons required to report under (a) of this subsection until six months after the department adopts its reporting rule in 2010)). When a person that holds a compliance obligation under section 10 of this act fails to submit an emissions data report or fails to obtain a positive emissions data verification statement in accordance with (g)(ii) of this subsection, the department may assign an emissions level for that person.~~

(f) The energy facility site evaluation council shall, simultaneously with the department, adopt rules that impose greenhouse gas reporting requirements in site certifications on owners or operators of a facility permitted by the energy facility site evaluation council. The greenhouse gas reporting requirements imposed by the energy facility site evaluation council must be the same as the greenhouse gas reporting requirements imposed by the department. The department shall share any information reported to it from facilities permitted by the energy facility site evaluation council with the council, including notice of a facility that has failed to report as required. The energy facility site evaluation council shall contract with the department to monitor the reporting requirements adopted under this section.

~~(g)(i) The ((inclusion or failure to include any person, source, classes of persons or sources, or types of emissions of greenhouse gases into the department's rules for reporting under this section does not indicate whether such a person, source, or category is appropriate for inclusion in state, regional, or national greenhouse gas reduction programs or strategies. Furthermore, aircraft fuel purchased in the state may not be considered equivalent to aircraft fuel combusted in the state)) department must establish by rule the methods of verifying the accuracy of emissions reports.~~

(ii) Verification requirements apply at a minimum to persons required to report under (a) of this subsection with emissions that equal or exceed 25,000 metric tons of carbon dioxide equivalent emissions, including carbon dioxide from biomass-derived fuels, or to persons who have a compliance obligation under section 10 of this act in any year of the current compliance period. The

department may adopt rules to accept verification reports from another jurisdiction with a linkage agreement pursuant to section 20 of this act in cases where the department deems that the methods or procedures are substantively similar.

(h)(i) The definitions in RCW 70A.45.010 apply throughout this subsection (5) unless the context clearly requires otherwise.

(ii) For the purpose of this subsection (5), the term "supplier" includes: (A) ~~((A motor vehicle fuel supplier or a motor vehicle fuel importer, as those terms are defined in RCW 82.36.010; (B) a special fuel supplier or a special fuel importer, as those terms are defined in RCW 82.38.020; and (C) a distributor of aircraft fuel, as those terms are defined in RCW 82.42.010))~~ Suppliers that produce, import, or deliver, or any combination of producing, importing, or delivering, a quantity of fuel products in Washington that, if completely combusted, oxidized, or used in other processes, would result in the release of greenhouse gases in Washington equivalent to or higher than the threshold established under (a) of this subsection; and (B) suppliers of carbon dioxide that produce, import, or deliver a quantity of carbon dioxide in Washington that, if released, would result in emissions equivalent to or higher than the threshold established under (a) of this subsection.

(iii) For the purpose of this subsection (5), the term "person" includes: (A) An owner or operator ~~((, as those terms are defined by the United States environmental protection agency in its mandatory greenhouse gas reporting regulation in 40 C.F.R. Part 98, as adopted on September 22, 2009; and (B) a supplier))~~ of a facility; (B) a supplier; or (C) an electric power entity.

(iv) For the purpose of this subsection (5), the term "facility" includes facilities that directly emit greenhouse gases in Washington equivalent to the threshold established under (a) of this subsection with at least one source category listed in the United States environmental protection agency's mandatory greenhouse gas reporting regulation, 40 C.F.R. Part 98 Subparts C through II and RR through UU, as adopted on April 25, 2011.

(v) For the purpose of this subsection (5), the term "electric power entity" includes any of the following that supply electric power in Washington with associated emissions of greenhouse gases equal to or above the threshold established under (a) of this subsection: (A) Electricity importers and exporters; (B) retail providers, including multijurisdictional retail providers; and (C) first jurisdictional deliverers, as defined in section 2 of this act, not otherwise included here.

NEW SECTION. Sec. 34. A new section is added to chapter 43.21C RCW to read as follows:

The review under this chapter of greenhouse gas emissions from a new or expanded facility subject to the greenhouse gas emission reduction requirements of chapter 70A.--- RCW (the new chapter created in section 38 of this act) must occur consistent with section 10(9) of this act.

NEW SECTION. Sec. 35. A new section is added to chapter 70A.15 RCW to read as follows:

The department or a local air authority must issue an enforceable order under this chapter, consistent with section 3(2) (b) and (c) of this act, to all permitted or registered sources operating in overburdened communities when, consistent with section 3(2) (a) of this act, the department determines that criteria pollutants are not being reduced in an overburdened community and the department or local air authority adopts stricter air quality standards, emissions standards, or emissions limitations on criteria pollutants.

NEW SECTION. Sec. 36. A new section is added to chapter 70A.45 RCW to read as follows:

The state, state agencies, and political subdivisions of the state, in implementing their duties and authorities established under other laws, may only consider the greenhouse gas limits established in RCW 70A.45.020 in a manner that recognizes, where applicable, that the siting and placement of new or expanded best-in-class facilities with lower carbon emitting processes is in the economic and environmental interests of the state of Washington.

NEW SECTION. Sec. 37. This act may be known and cited as the Washington climate commitment act.

NEW SECTION. Sec. 38. Sections 1 through 32 and 37 of this act constitute a new chapter in Title 70A RCW.

NEW SECTION. Sec. 39. (1) Sections 8 through 24 of this act, and any rules adopted by the department of ecology to implement the program established under those sections, are suspended on December 31, 2055, in the event that the department of ecology determines by December 1, 2055, that the 2050 emissions limits of RCW 70A.45.020 have been met for two or more consecutive years.

(2) Upon the occurrence of the events identified in subsection (1) of this section, the department of ecology must provide written notice of the suspension date of sections 8 through 24 of this act to affected parties, the chief clerk of the house of representatives, the secretary of the senate, the office of the code reviser, and others as deemed appropriate by the department.

Sec. 40. RCW 43.376.020 and 2012 c 122 s 2 are each amended to read as follows:

In establishing a government-to-government relationship with Indian tribes, state agencies must:

(1) Make reasonable efforts to collaborate with Indian tribes in the development of policies, agreements, and program implementation that directly affect Indian tribes and develop a consultation process that is used by the agency for issues involving specific Indian tribes. State agencies described in section 6 of this act must offer consultation with Indian tribes on the actions specified in section 6 of this act;

(2) Designate a tribal liaison who reports directly to the head of the state agency;

(3) Ensure that tribal liaisons who interact with Indian tribes and the executive directors of state agencies receive training as described in RCW 43.376.040; and

(4) Submit an annual report to the governor on activities of the state agency involving Indian tribes and on implementation of this chapter.

Sec. 41. RCW 43.21B.110 and 2020 c 138 s 11 and 2020 c 20 s 1035 are each reenacted and amended to read as follows:

(1) The hearings board shall only have jurisdiction to hear and decide appeals from the following decisions of the department, the director, local conservation districts, the air pollution control boards or authorities as established pursuant to chapter 70A.15 RCW, local health departments, the department of natural resources, the department of fish and wildlife, the parks and recreation commission, and authorized public entities described in chapter 79.100 RCW:

(a) Civil penalties imposed pursuant to RCW 18.104.155, 70A.15.3160, 70A.300.090, 70A.20.050, 70A.530.040, 70A.350.070, 70A.515.060, section 23 of this act, 76.09.170, 77.55.440, 78.44.250, 88.46.090, 90.03.600, 90.46.270, 90.48.144, 90.56.310, 90.56.330, and 90.64.102.

(b) Orders issued pursuant to RCW 18.104.043, 18.104.060, 43.27A.190, 70A.15.2520, 70A.15.3010, 70A.300.120, 70A.350.070, section 23 of this act, 86.16.020, 88.46.070, 90.14.130, 90.46.250, 90.48.120, and 90.56.330.

(c) Except as provided in RCW 90.03.210(2), the issuance, modification, or termination of any permit, certificate, or license by the department or any air authority in the exercise of its jurisdiction, including the issuance or termination of a waste disposal permit, the denial of an application for a waste disposal permit, the modification of the conditions or the terms of a waste disposal permit, or a decision to approve or deny an application for a solid waste permit exemption under RCW 70A.205.260.

(d) Decisions of local health departments regarding the grant or denial of solid waste permits pursuant to chapter 70A.205 RCW.

(e) Decisions of local health departments regarding the issuance and enforcement of permits to use or dispose of biosolids under RCW 70A.226.090.

(f) Decisions of the department regarding waste-derived fertilizer or micronutrient fertilizer under RCW 15.54.820, and decisions of the department regarding waste-derived soil amendments under RCW 70A.205.145.

(g) Decisions of local conservation districts related to the denial of approval or denial of certification of a dairy nutrient management plan; conditions contained in a plan; application of any dairy nutrient management practices, standards, methods, and technologies to a particular dairy farm; and failure to adhere to the plan review and approval timelines in RCW 90.64.026.

(h) Any other decision by the department or an air authority which pursuant to law must be decided as an adjudicative proceeding under chapter 34.05 RCW.

(i) Decisions of the department of natural resources, the department of fish and wildlife, and the department that are reviewable under chapter 76.09 RCW, and the department of natural resources' appeals of county, city, or town objections under RCW 76.09.050(7).

(j) Forest health hazard orders issued by the commissioner of public lands under RCW 76.06.180.

(k) Decisions of the department of fish and wildlife to issue, deny, condition, or modify a hydraulic project approval permit under chapter 77.55 RCW, to issue a stop work order, to issue a notice to comply, to issue a civil penalty, or to issue a notice of intent to disapprove applications.

(l) Decisions of the department of natural resources that are reviewable under RCW 78.44.270.

(m) Decisions of an authorized public entity under RCW 79.100.010 to take temporary possession or custody of a vessel or to contest the amount of reimbursement owed that are reviewable by the hearings board under RCW 79.100.120.

(2) The following hearings shall not be conducted by the hearings board:

(a) Hearings required by law to be conducted by the shorelines hearings board pursuant to chapter 90.58 RCW.

(b) Hearings conducted by the department pursuant to RCW 70A.15.3010, 70A.15.3070, 70A.15.3080, 70A.15.3090, 70A.15.3100, 70A.15.3110, and 90.44.180.

(c) Appeals of decisions by the department under RCW 90.03.110 and 90.44.220.

(d) Hearings conducted by the department to adopt, modify, or repeal rules.

(3) Review of rules and regulations adopted by the hearings board shall be subject to review in accordance with the provisions of the administrative procedure act, chapter 34.05 RCW.

Sec. 42. RCW 43.21B.300 and 2020 c 20 s 1038 are each amended to read as follows:

(1) Any civil penalty provided in RCW 18.104.155, 70A.15.3160, 70A.205.280, 70A.300.090, 70A.20.050, section 23 of this act, 88.46.090, 90.03.600, 90.46.270, 90.48.144, 90.56.310, 90.56.330, and 90.64.102 and chapter 70A.355 RCW shall be imposed by a notice in writing, either by certified mail with return receipt requested or by personal service, to the person incurring the penalty from the department or the local air authority, describing the violation with reasonable particularity. For penalties issued by local air authorities, within thirty days after the notice is received, the person incurring the penalty may apply in writing to the authority for the remission or mitigation of the penalty. Upon receipt of the application, the authority may remit or mitigate the penalty upon whatever terms the authority in its discretion deems proper. The authority may ascertain the facts regarding all such applications in such reasonable manner and under such rules as it may deem proper and shall remit or mitigate the penalty only upon a demonstration of extraordinary circumstances such as the presence of information or factors not considered in setting the original penalty.

(2) Any penalty imposed under this section may be appealed to the pollution control hearings board in accordance with this chapter if the appeal is filed with the hearings board and served on the department or authority thirty days after the date of receipt by the person penalized of the notice imposing the penalty or thirty days after the date of receipt of the notice of disposition by a local air authority of the application for relief from penalty.

(3) A penalty shall become due and payable on the later of:

(a) Thirty days after receipt of the notice imposing the penalty;

(b) Thirty days after receipt of the notice of disposition by a local air authority on application for relief from penalty, if such an application is made; or

(c) Thirty days after receipt of the notice of decision of the hearings board if the penalty is appealed.

(4) If the amount of any penalty is not paid to the department within thirty days after it becomes due and payable, the attorney general, upon request of the department, shall bring an action in the name of the state of Washington in the superior court of Thurston county, or of any county in which the violator does business, to recover the penalty. If the amount of the penalty is not paid to the authority within thirty days after it becomes due and payable, the authority may bring an action to recover the penalty in the superior court of the county of the authority's main office or of any county in which the violator does business. In these actions, the procedures and rules of evidence shall be the same as in an ordinary civil action.

(5) All penalties recovered shall be paid into the state treasury and credited to the general fund except those penalties imposed pursuant to RCW 18.104.155, which shall be credited to the reclamation account as provided in RCW 18.104.155(7), RCW 70A.15.3160, the disposition of which shall be governed by that provision, RCW 70A.300.090, which shall be credited to the model toxics control operating account created in RCW 70A.305.180, section 23 of this act, which shall be credited to the climate investment account created in section 28 of this act, RCW 90.56.330, which shall be credited to the coastal protection fund created by RCW 90.48.390, and RCW 70A.355.070, which shall be credited to the underground storage tank account created by RCW 70A.355.090.

Sec. 43. RCW 43.52A.040 and 1984 c 223 s 1 are each amended to read as follows:

(1) Unless removed at the governor's pleasure, councilmembers shall serve a term ending January 15 of the third year following appointment except that, with respect to members initially appointed, the governor shall designate one member to serve a term ending January 15 of the second year following appointment. Initial appointments to the council shall

be made within thirty days of March 9, 1981.

(2) Each member shall serve until a successor is appointed, but if a successor is not appointed within sixty days of the beginning of a new term, the member shall be considered reappointed, subject to the consent of the senate.

(3) A vacancy on the council shall be filled for the unexpired term by the governor, with the consent of the senate.

(4) For the first available appointment and at all times thereafter, one member of Washington's delegation to the council shall reside east of the crest of the Cascade Mountains and one member shall reside west of the crest of the Cascade Mountains, except as follows: Both members may reside on the same side of the Cascade Mountains as long as this deviation does not exceed 12 months in any 10-year period.

Sec. 44. RCW 70A.45.005 and 2020 c 120 s 2 and 2020 c 20 s 1397 are each reenacted and amended to read as follows:

(1) The legislature finds that Washington has long been a national and international leader on energy conservation and environmental stewardship, including air quality protection, renewable energy development and generation, emission standards for fossil-fuel based energy generation, energy efficiency programs, natural resource conservation, sustainable forestry and the production of forest products, vehicle emission standards, and the use of biofuels. Washington is also unique among most states in that in addition to its commitment to reduce emissions of greenhouse gases, it has established goals to grow the clean energy sector and reduce the state's expenditures on imported fuels.

(2) The legislature further finds that Washington should continue its leadership on climate change policy by creating accountability for achieving the emission reductions established in RCW 70A.45.020, participating in the design of a regional multisector market-based system to help achieve those emission reductions, assessing other market strategies to reduce emissions of greenhouse gases, maintaining and enhancing the state's ability to continue to sequester carbon through natural and working lands and forest products, and ensuring the state has a well trained workforce for our clean energy future.

(3) It is the intent of the legislature that the state will: (a) Limit and reduce emissions of greenhouse gas consistent with the emission reductions established in RCW 70A.45.020; (b) minimize the potential to export pollution, jobs, and economic opportunities; (c) support industry sectors that can act as sequesterers of carbon; and (d) reduce emissions at the lowest cost to Washington's economy, consumers, and businesses.

(4) In the event the state elects to participate in a regional multisector market-based system, it is the intent of the legislature that the system will become effective by January 1, 2012, after authority is provided to the department for its implementation. By acting now, Washington businesses and citizens will have adequate time and opportunities to be well positioned to take advantage of the low-carbon economy and to make necessary investments in low-carbon technology.

(5) It is also the intent of the legislature that the regional multisector market-based system recognize Washington's unique emissions and sequestration portfolio, including the:

(a) State's hydroelectric system;

(b) Opportunities presented by Washington's abundant forest resources and the associated forest products industry, along with aquatic and agriculture land and the associated industries; and

(c) State's leadership in energy efficiency and the actions it has already taken that have reduced its generation of greenhouse gas emissions and that entities receive appropriate credit for early actions to reduce greenhouse gases.

(6) If any revenues, excluding those from state trust lands, that accrue to the state are created by a market system, they must be used for the purposes established in chapter 70A.--- RCW (the new chapter created in section 38 of this act) and to further the state's efforts to achieve the goals established in RCW 70A.45.020, address the impacts of global warming on affected habitats, species, and communities, promote and invest in industry sectors that act as sequesterers of carbon, and increase investment in the clean energy economy particularly for communities and workers that have suffered from heavy job losses and

chronic unemployment and underemployment.

NEW SECTION. **Sec. 45.** 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."

Correct the title.

Representative Fitzgibbon spoke in favor of the adoption of the amendment to the committee amendment.

Representatives Dye and Klippert spoke against the adoption of the amendment to the committee amendment.

Amendment (754) to the committee amendment was adopted.

The committee amendment, as amended, was adopted.

There being no objection, the rules were suspended, the second reading considered the third and the bill, as amended by the House, was placed on final passage.

Representatives Fitzgibbon, Duerr, Ramel, Shewmake, Ryu, Lekanoff, Slatter, Peterson and Senn spoke in favor of the passage of the bill.

Representatives Dye, Kraft, Sutherland, Boehnke, Schmick, Dent, Walsh, Chase, Orcutt, Klippert, Abbarno, Corry, Ybarra and Sutherland (again) spoke against the passage of the bill.

The Speaker (Representative Orwall presiding) stated the question before the House to be the final passage of Engrossed Second Substitute Senate Bill No. 5126, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute Senate Bill No. 5126, as amended by the House, and the bill passed the House by the following vote: Yeas, 54; Nays, 43; Absent, 1; Excused, 0.

Voting yea: Representatives Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chapman, Chopp, Cody, Davis, Dolan, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, J. Johnson, Kirby, Kloba, Leavitt, Lekanoff, Lovick, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Peterson, Pollet, Ramel, Ramos, Riccelli, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, Wylie and Mme. Speaker.

Voting nay: Representatives Abbarno, Barkis, Boehnke, Caldier, Chambers, Chandler, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Harris, Harris-Talley, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, MacEwen, Maycumber, McCaslin, McEntire, Mosbrucker, Orcutt, Paul, Robertson, Rude, Rule, Schmick,

Steele, Sutherland, Vick, Volz, Walsh, Wilcox, Ybarra and Young.

Absent: Representative Stokesbary.

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5126, as amended by the House, having received the necessary constitutional majority, was declared passed.

The Speaker (Representative Orwall presiding) called upon Representative Lovick to preside.

There being no objection, the House reverted to the third order of business.

MESSAGE FROM THE SENATE

April 23, 2021

Mme. SPEAKER:

The President has signed:

ENGROSSED SUBSTITUTE SENATE BILL NO. 5038,
ENGROSSED SUBSTITUTE SENATE BILL NO. 5044,
ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5051,
ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5052,
SUBSTITUTE SENATE BILL NO. 5066,
ENGROSSED SUBSTITUTE SENATE BILL NO. 5097,
ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5128,
SUBSTITUTE SENATE BILL NO. 5140,
ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5141,
SUBSTITUTE SENATE BILL NO. 5151,

and the same are herewith transmitted.

Brad Hendrickson, Secretary

There being no objection, the House advanced to the sixth order of business.

SECOND READING

ENGROSSED SENATE BILL NO. 5330, by Senators Van De Wege, Salomon, Warnick, Wilson and C.

Regarding commercial whale watching licenses.

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representative Ormsby spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed Senate Bill No. 5330.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Senate Bill No. 5330, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Klippert, Kloba, Kraft, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McCaslin, McEntire, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

ENGROSSED SENATE BILL NO. 5330, having received the necessary constitutional majority, was declared passed.

There being no objection, the House advanced to the seventh order of business.

THIRD READING**CONFERENCE COMMITTEE REPORT**

April 22, 2021

Engrossed Substitute House Bill No. 1054

Includes "New Item": YES

Madame Speaker:

We of your Conference Committee, to whom was referred ENGROSSED SUBSTITUTE HOUSE BILL NO. 1054, establishing requirements for tactics and equipment used by peace officers, have had the same under consideration and we recommend that:

All previous amendments not be adopted and that the attached striking amendment S-2968.3 be adopted.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Law enforcement agency" includes any "general authority Washington law enforcement agency" and any "limited authority Washington law enforcement

agency," as those terms are defined in RCW 10.93.020, and any state or local agency providing or otherwise responsible for the custody, safety, and security of adults or juveniles incarcerated in correctional, jail, or detention facilities. "Law enforcement agency" does not include the national guard or state guard under Title 38 RCW or any other division of the United States armed forces.

(2) "Peace officer" includes any "general authority Washington peace officer," "limited authority Washington peace officer," and "specially commissioned Washington peace officer" as those terms are defined in RCW 10.93.020, and any employee, whether part-time or full-time, of a jail, correctional, or detention facility who is responsible for the custody, safety, and security of adult or juvenile persons confined in the facility.

NEW SECTION. Sec. 2. (1) A peace officer may not use a chokehold or neck restraint on another person in the course of his or her duties as a peace officer.

(2) Any policies pertaining to the use of force adopted by law enforcement agencies must be consistent with this section.

(3) For the purposes of this section:

(a) "Chokehold" means the intentional application of direct pressure to a person's trachea or windpipe for the purpose of restricting another person's airway.

(b) "Neck restraint" refers to any vascular neck restraint or similar restraint, hold, or other tactic in which pressure is applied to the neck for the purpose of constricting blood flow.

NEW SECTION. Sec. 3. (1) The criminal justice training commission shall convene a work group to develop a model policy for the training and use of canine teams.

(2) The criminal justice training commission must ensure that the work group is equally represented between community and law enforcement stakeholders, including the following: Families who have lost loved ones as a result of violent interactions with law enforcement; an organization advocating for civil rights; a statewide organization advocating for Black Americans; a statewide organization

advocating for Latinos; a statewide organization advocating for Asian Americans, Pacific Islanders, and Native Hawaiians; a federally recognized tribe located in Washington state; a community organization from eastern Washington working on police accountability; a community organization from western Washington working on police accountability; a community organization serving persons who are unhoused; the faith-based community with advocacy on police accountability; an emergency room doctor with relevant experience; Washington association of sheriffs and police chiefs; Washington state patrol; Washington fraternal order of police; Washington council of police and sheriffs; Washington state patrol troopers association; council of metropolitan police and sheriffs; teamsters local 117; and Washington state police canine association.

(3) The model policy work group shall consider:

(a) Training curriculum, including the history of race and policing;

(b) Circumstances where the deployment of a canine may not be appropriate;

(c) Circumstances where deployment of a canine on leash may be appropriate;

(d) Strategies for reducing the overall rate of canine bites;

(e) Circumstances where a canine handler should consider the use of tactics other than deploying a canine;

(f) Explicitly prohibiting the use of canines for crowd control purposes;

(g) Canine reporting protocols;

(h) Circumstances where the use of voluntary canines and canine handlers may be appropriate; and

(i) Identifying circumstances that would warrant the decertification of canine teams.

(4) The criminal justice training commission shall publish the model policy on its website by January 1, 2022.

(5) This section expires July 1, 2022.

NEW SECTION. Sec. 4. (1) A law enforcement agency may not use or authorize its peace officers or other employees to use tear gas unless necessary to alleviate a present risk of serious harm posed by a: (a) Riot; (b)

barricaded subject; or (c) hostage situation.

(2) Prior to using tear gas as authorized under subsection (1) of this section, the officer or employee shall:

(a) Exhaust alternatives to the use of tear gas that are available and appropriate under the circumstances;

(b) Obtain authorization to use tear gas from a supervising officer, who must determine whether the present circumstances warrant the use of tear gas and whether available and appropriate alternatives have been exhausted as provided under this section;

(c) Announce to the subject or subjects the intent to use tear gas; and

(d) Allow sufficient time and space for the subject or subjects to comply with the officer's or employee's directives.

(3) In the case of a riot outside of a correctional, jail, or detention facility, the officer or employee may use tear gas only after: (a) Receiving authorization from the highest elected official of the jurisdiction in which the tear gas is to be used, and (b) meeting the requirements of subsection (2) of this section.

(4) For the purposes of this section:

(a) "Barricaded subject" means an individual who is the focus of a law enforcement intervention effort, has taken a position in a physical location that does not allow immediate law enforcement access, and is refusing law enforcement orders to exit.

(b) "Highest elected official" 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 chair of the county legislative authority. In the case of cities and towns, it means the mayor, regardless of whether the mayor is directly elected, selected by the council or legislative body pursuant to RCW 35.18.190 or 35A.13.030, or selected according to a process in an established city charter. In the case of actions by the Washington state patrol, it means the governor.

(c) "Hostage situation" means a scenario in which a person is being held against his or her will by an armed,

potentially armed, or otherwise dangerous suspect.

(d) "Tear gas" means chloroacetophenone (CN), O-chlorobenzylidene malononitrile (CS), and any similar chemical irritant dispersed in the air for the purpose of producing temporary physical discomfort or permanent injury, except "tear gas" does not include oleoresin capsicum (OC).

NEW SECTION. Sec. 5. (1) A law enforcement agency may not acquire or use any military equipment. Any law enforcement agency in possession of military equipment as of the effective date of this section shall return the equipment to the federal agency from which it was acquired, if applicable, or destroy the equipment by December 31, 2022.

(2)(a) Each law enforcement agency shall compile an inventory of military equipment possessed by the agency, including the proposed use of the equipment, estimated number of times the equipment has been used in the prior year, and whether such use is necessary for the operation and safety of the agency or some other public safety purpose. The agency shall provide the inventory to the Washington association of sheriffs and police chiefs no later than November 1, 2021.

(b) The Washington association of sheriffs and police chiefs shall summarize the inventory information from each law enforcement agency and provide a report to the governor and the appropriate committees of the legislature no later than December 31, 2021.

(3) For the purposes of this section:

(a) "Military equipment" means firearms and ammunition of .50 caliber or greater, machine guns, armed helicopters, armed or armored drones, armed vessels, armed vehicles, armed aircraft, tanks, long range acoustic hailing devices, rockets, rocket launchers, bayonets, grenades, missiles, directed energy systems, and electromagnetic spectrum weapons.

(b) "Grenade" refers to any explosive grenade designed to injure or kill subjects, such as a fragmentation grenade or antitank grenade, or any incendiary grenade designed to produce intense heat or fire. "Grenade" does not include other nonexplosive grenades designed to

temporarily incapacitate or disorient subjects without causing permanent injury, such as a stun grenade, sting grenade, smoke grenade, tear gas grenade, or blast ball.

(4) This section does not prohibit a law enforcement agency from participating in a federal military equipment surplus program, provided that any equipment acquired through the program does not constitute military equipment. This may include, for example: Medical supplies; hospital and health care equipment; office supplies, furniture, and equipment; school supplies; warehousing equipment; unarmed vehicles and vessels; conducted energy weapons; public address systems; scientific equipment; and protective gear and weather gear.

NEW SECTION. Sec. 6. All law enforcement agencies shall adopt policies and procedures to ensure that uniformed peace officers while on duty and in the performance of their official duties are reasonably identifiable. For purposes of this section, "reasonably identifiable" means that the peace officer's uniform clearly displays the officer's name or other information that members of the public can see and the agency can use to identify the peace officer.

NEW SECTION. Sec. 7. (1) A peace officer may not engage in a vehicular pursuit, unless:

(a)(i) There is probable cause to believe that a person in the vehicle has committed or is committing a violent offense or sex offense as defined in RCW 9.94A.030, or an escape under chapter 9A.76 RCW; or

(ii) There is reasonable suspicion a person in the vehicle has committed or is committing a driving under the influence offense under RCW 46.61.502;

(b) The pursuit is necessary for the purpose of identifying or apprehending the person;

(c) The person poses an imminent threat to the safety of others and the safety risks of failing to apprehend or identify the person are considered to be greater than the safety risks of the vehicular pursuit under the circumstances; and

(d)(i) Except as provided in (d)(ii) of this subsection, the officer has

received authorization to engage in the pursuit from a supervising officer and there is supervisory control of the pursuit. The officer in consultation with the supervising officer must consider alternatives to the vehicular pursuit. The supervisor must consider the justification for the vehicular pursuit and other safety considerations, including but not limited to speed, weather, traffic, road conditions, and the known presence of minors in the vehicle, and the vehicular pursuit must be terminated if any of the requirements of this subsection are not met;

(ii) For those jurisdictions with fewer than 10 commissioned officers, if a supervisor is not on duty at the time, the officer will request the on-call supervisor be notified of the pursuit according to the agency's procedures. The officer must consider alternatives to the vehicular pursuit, the justification for the vehicular pursuit, and other safety considerations, including but not limited to speed, weather, traffic, road conditions, and the known presence of minors in the vehicle. The officer must terminate the vehicular pursuit if any of the requirements of this subsection are not met.

(2) A pursuing officer shall comply with any agency procedures for designating the primary pursuit vehicle and determining the appropriate number of vehicles permitted to participate in the vehicular pursuit and comply with any agency procedures for coordinating operations with other jurisdictions, including available tribal police departments when applicable.

(3) A peace officer may not fire a weapon upon a moving vehicle unless necessary to protect against an imminent threat of serious physical harm resulting from the operator's or a passenger's use of a deadly weapon. For the purposes of this subsection, a vehicle is not considered a deadly weapon unless the operator is using the vehicle as a deadly weapon and no other reasonable means to avoid potential serious harm are immediately available to the officer.

(4) For purposes of this section, "vehicular pursuit" means an attempt by a uniformed peace officer in a vehicle equipped with emergency lights and a siren to stop a moving vehicle where the operator of the moving vehicle appears to be aware that the officer is signaling the operator to stop the vehicle and the

operator of the moving vehicle appears to be willfully resisting or ignoring the officer's attempt to stop the vehicle by increasing vehicle speed, making evasive maneuvers, or operating the vehicle in a reckless manner that endangers the safety of the community or the officer.

Sec. 8. RCW 10.31.040 and 2010 c 8 s 1030 are each amended to read as follows:

(1) To make an arrest in criminal actions, the officer may break open any outer or inner door, or windows of a dwelling house or other building, or any other ~~((inlosure——[enclosure]))~~ enclosure, if, after notice of his or her office and purpose, he or she be refused admittance.

(2) An officer may not seek and a court may not issue a search or arrest warrant granting an express exception to the requirement for the officer to provide notice of his or her office and purpose when executing the warrant.

NEW SECTION. Sec. 9. RCW 43.101.226 (Vehicular pursuits—Model policy) and 2003 c 37 s 2 are each repealed.

NEW SECTION. Sec. 10. Sections 1 through 7 of this act constitute a new chapter in Title 10 RCW."

and that the bill do pass as recommended by the Conference Committee:

Senators Dhingra, Padden and Pedersen
Representatives Goodman, J. Johnson and Mosbrucker

There being no objection, the House adopted the conference committee report on ENGROSSED SUBSTITUTE HOUSE BILL NO. 1054 and advanced the bill as recommended by the conference committee to final passage.

FINAL PASSAGE OF HOUSE BILL AS RECOMMENDED BY CONFERENCE COMMITTEE

Representative J. Johnson spoke in favor of the passage of the bill as recommended by the conference committee.

Representatives Mosbrucker spoke against the passage of the bill as recommended by the conference committee.

MOTION

On motion of Representative Griffey, Representative McEntire was excused.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Engrossed Substitute House Bill No. 1054 as recommended by the conference committee.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1054, as recommended by the conference committee, and the bill passed the House by the following votes: Yeas: 55; Nays: 42; Absent: 0; Excused: 1

Voting yea: Representatives Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chopp, Cody, Davis, Dolan, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Graham, Gregerson, Hackney, Hansen, Harris-Talley, Jinkins, Johnson, J., Kirby, Kloba, Leavitt, Lekanoff, Lovick, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Peterson, Pollet, Ramel, Ramos, Riccelli, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, and Wylie

Voting nay: Representatives Abbarno, Barkis, Boehnke, Caldier, Chambers, Chandler, Chapman, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Griffey, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, MacEwen, Maycumber, McCaslin, Mosbrucker, Orcutt, Paul, Robertson, Rude, Rule, Schmick, Steele, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox, Ybarra, and Young

Excused: Representative McEntire

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1054, as recommended by the conference committee, having received the constitutional majority, was declared passed.

CONFERENCE COMMITTEE REPORT

April 22, 2021

Engrossed Second Substitute House Bill No. 1310

Includes "New Item": YES

Madame Speaker:

We of your Conference Committee, to whom was referred ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1310, concerning permissible uses of force by law enforcement and correctional officers, have had the same under consideration and we recommend that:

All previous amendments not be adopted and that the attached striking amendment S-3045.2 be adopted.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. The legislature recognizes that additional clarity is necessary following the passage of Initiative Measure No. 940 (chapter 1, Laws of 2019) and Substitute House Bill No. 1064 (chapter 4, Laws of 2019). The legislature intends to address excessive force and discriminatory policing by establishing a requirement for law enforcement and community corrections officers to act with reasonable care when

carrying out their duties, including using de-escalation tactics and alternatives to deadly force. Further, the legislature intends to address public safety concerns by limiting the use of deadly force to very narrow circumstances where there is an imminent threat of serious physical injury or death. It is the intent of the legislature that when practicable, peace officers will use the least amount of physical force necessary to overcome actual resistance under the circumstances.

It is the fundamental duty of law enforcement to preserve and protect all human life.

NEW SECTION. Sec. 2. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Law enforcement agency" includes any "general authority Washington law enforcement agency" and any "limited authority Washington law enforcement agency" as those terms are defined in RCW 10.93.020.

(2) "Less lethal alternatives" include, but are not limited to, verbal warnings, de-escalation tactics, conducted energy weapons, devices that deploy oleoresin capsicum, batons, and beanbag rounds.

(3) "Peace officer" includes any "general authority Washington peace officer," "limited authority Washington peace officer," and "specially commissioned Washington peace officer" as those terms are defined in RCW 10.93.020; however, "peace officer" does not include any corrections officer or other employee of a jail, correctional, or detention facility, but does include any community corrections officer.

NEW SECTION. Sec. 3. (1)(a) Except as otherwise provided under this section, a peace officer may use physical force against a person when necessary to: Protect against criminal conduct where there is probable cause to make an arrest; effect an arrest; prevent an escape as defined under chapter 9A.76 RCW; or protect against an imminent threat of bodily injury to the peace officer, another person, or the person against whom force is being used.

(b) A peace officer may use deadly force against another person only when necessary to protect against an imminent threat of serious physical injury or

death to the officer or another person. For purposes of this subsection (1)(b):

(i) "Imminent threat of serious physical injury or death" means that, based on the totality of the circumstances, it is objectively reasonable to believe that a person has the present and apparent ability, opportunity, and intent to immediately cause death or serious bodily injury to the peace officer or another person.

(ii) "Necessary" means that, under the totality of the circumstances, a reasonably effective alternative to the use of deadly force does not exist, and that the amount of force used was a reasonable and proportional response to the threat posed to the officer and others.

(iii) "Totality of the circumstances" means all facts known to the peace officer leading up to and at the time of the use of force, and includes the actions of the person against whom the peace officer uses such force, and the actions of the peace officer.

(2) A peace officer shall use reasonable care when determining whether to use physical force and when using any physical force against another person. To that end, a peace officer shall:

(a) When possible, exhaust available and appropriate de-escalation tactics prior to using any physical force, such as: Creating physical distance by employing tactical repositioning and repositioning as often as necessary to maintain the benefit of time, distance, and cover; when there are multiple officers, designating one officer to communicate in order to avoid competing commands; calling for additional resources such as a crisis intervention team or mental health professional when possible; calling for back-up officers when encountering resistance; taking as much time as necessary, without using physical force or weapons; and leaving the area if there is no threat of imminent harm and no crime has been committed, is being committed, or is about to be committed;

(b) When using physical force, use the least amount of physical force necessary to overcome resistance under the circumstances. This includes a consideration of the characteristics and conditions of a person for the purposes of determining whether to use force against that person and, if force is

necessary, determining the appropriate and least amount of force possible to effect a lawful purpose. Such characteristics and conditions may include, for example, whether the person: Is visibly pregnant, or states that they are pregnant; is known to be a minor, objectively appears to be a minor, or states that they are a minor; is known to be a vulnerable adult, or objectively appears to be a vulnerable adult as defined in RCW 74.34.020; displays signs of mental, behavioral, or physical impairments or disabilities; is experiencing perceptual or cognitive impairments typically related to the use of alcohol, narcotics, hallucinogens, or other drugs; is suicidal; has limited English proficiency; or is in the presence of children;

(c) Terminate the use of physical force as soon as the necessity for such force ends;

(d) When possible, use available and appropriate less lethal alternatives before using deadly force; and

(e) Make less lethal alternatives issued to the officer reasonably available for their use.

(3) A peace officer may not use any force tactics prohibited by applicable departmental policy, this chapter, or otherwise by law, except to protect his or her life or the life of another person from an imminent threat.

(4) Nothing in this section prevents a law enforcement agency or political subdivision of this state from adopting policies or standards with additional requirements for de-escalation and greater restrictions on the use of physical and deadly force than provided in this section.

NEW SECTION. **Sec. 4.** (1) By July 1, 2022, the attorney general shall develop and publish model policies on law enforcement's use of force and de-escalation tactics consistent with section 3 of this act.

(2) By December 1, 2022, all law enforcement agencies shall: Adopt policies consistent with the model policies and submit copies of the applicable policies to the attorney general; or, if the agency did not adopt policies consistent with the model policies, provide notice to the attorney general stating the reasons for any departures from the model policies and an

explanation of how the agency's policies are consistent with section 3 of this act, including a copy of the agency's relevant policies. After December 1, 2022, whenever a law enforcement agency modifies or repeals any policies pertaining to the use of force or de-escalation tactics, the agency shall submit notice of such action with copies of any relevant policies to the attorney general within 60 days.

(3) By December 31st of each year, the attorney general shall publish on its website a report on the requirements of this section, including copies of the model policies, information as to the status of individual agencies' policies, and copies of any agency policies departing from the model policies.

NEW SECTION. Sec. 5. A new section is added to chapter 43.101 RCW to read as follows:

The basic training provided to criminal justice personnel by the commission must be consistent with the standards in section 3 of this act and the model policies established by the attorney general under section 4 of this act.

Sec. 6. RCW 43.101.450 and 2019 c 1 s 3 (Initiative Measure No. 940) are each amended to read as follows:

(1) Beginning one year after December 6, 2018, all law enforcement officers in the state of Washington must receive violence de-escalation training. Law enforcement officers beginning employment after December 6, 2018, must successfully complete such training within the first ((fifteen)) 15 months of employment. The commission shall set the date by which other law enforcement officers must successfully complete such training.

(2) All law enforcement officers shall periodically receive continuing violence de-escalation training to practice their skills, update their knowledge and training, and learn about new legal requirements and violence de-escalation strategies.

(3) The commission shall set training requirements through the procedures in RCW 43.101.455.

(4) Violence de-escalation training provided under this section must be consistent with section 3 of this act and the model policies established by the

attorney general under section 4 of this act.

(5) The commission shall submit a report to the legislature and the governor by January 1st and July 1st of each year on the implementation of and compliance with subsections (1) and (2) of this section. The report must include data on compliance by agencies and officers. The report may also include recommendations for any changes to laws and policies necessary to improve compliance with subsections (1) and (2) of this section.

NEW SECTION. Sec. 7. RCW 10.31.050 (Officer may use force) and 2010 c 8 s 1031, Code 1881 s 1031, 1873 p 229 s 211, & 1854 p 114 s 75 are each repealed.

NEW SECTION. Sec. 8. Sections 2 through 4 of this act constitute a new chapter in Title 10 RCW.

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, 2021, in the omnibus appropriations act, this act is null and void."

and that the bill do pass as recommended by the Conference Committee:

Senators Dhingra, Padden and Pedersen
Representatives Goodman, J. Johnson and Mosbrucker

There being no objection, the House adopted the conference committee report on ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1310 and advanced the bill as recommended by the conference committee to final passage.

FINAL PASSAGE OF HOUSE BILL AS RECOMMENDED BY CONFERENCE COMMITTEE

Representatives J. Johnson spoke in favor of the passage of the bill as recommended by the conference committee.

Representatives Mosbrucker spoke against the passage of the bill as recommended by the conference committee.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Engrossed Second Substitute House Bill No. 1310, as recommended by the conference committee.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 1310, as recommended by the conference committee, and the bill

passed the House by the following votes: Yeas: 56; Nays: 41; Absent: 0; Excused: 1

Voting yea: Representatives Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chopp, Cody, Davis, Dolan, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, Jinkins, Johnson, J., Kirby, Kloba, Leavitt, Lekanoff, Lovick, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Rule, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, and Wylie

Voting nay: Representatives Abbarno, Barkis, Boehnke, Caldier, Chambers, Chandler, Chapman, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, MacEwen, Maycumber, McCaslin, Mosbrucker, Orcutt, Robertson, Rude, Schmick, Steele, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox, Ybarra, and Young

Excused: Representative McEntire

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1310, as recommended by the conference committee, having received the constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 11, 2021

Madame Speaker:

The Senate has passed ENGROSSED SUBSTITUTE HOUSE BILL NO. 1336 with the following amendment:

Strike everything after the enacting clause and insert the following:

Sec. 1. RCW 54.16.005 and 2000 c 81 s 2 are each amended to read as follows:

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

(1) "Broadband infrastructure" means networks of deployed telecommunications equipment and technologies necessary to provide high-speed internet access and other advanced telecommunications services.

(2) "Commission" means the Washington utilities and transportation commission.

~~((2))~~ (3) "District commission" means the governing board of a public utility district.

(4) "Retail telecommunications services" means the sale, lease, license, or indivisible right of use of telecommunications services or telecommunications facilities directly to end users.

(5) "Telecommunications" has the same meaning as ~~((that contained))~~ defined in RCW 80.04.010.

~~((3))~~ (6) "Telecommunications facilities" means lines, conduits, ducts, poles, wires, cables, crossarms, receivers, transmitters, instruments, machines, appliances, instrumentalities and all devices, real estate, easements, apparatus, property, and routes used, operated, owned, or controlled by any entity to facilitate the provision of telecommunications services.

~~((4))~~ (7) "Wholesale telecommunications services" means the provision of telecommunications services or telecommunications facilities for resale ~~((by))~~ to an entity ~~((authorized to provide))~~ that provides retail telecommunications services ~~((to the general public and internet service providers)).~~

Sec. 2. RCW 54.16.330 and 2019 c 365 s 9 are each amended to read as follows:

(1) ~~((a))~~ A public utility district in existence on June 8, 2000, may construct, purchase, acquire, develop, finance, lease, license, handle, provide, add to, contract for, interconnect, alter, improve, repair, operate, and maintain any telecommunications facilities within or without the district's limits for the following purposes:

~~((i))~~ (a) For the district's internal telecommunications needs;

~~((ii) For the provision of wholesale telecommunications services within the district and by contract with another public utility district.~~

~~(b) Except as provided in subsection (8) of this section, nothing in this section shall be construed to authorize public utility districts to provide telecommunications services to end users))~~ (b) For the provision of wholesale telecommunications services as follows:

(i) Within the district and by contract with another public utility district;

(ii) Within an area in an adjoining county that is already provided electrical services by the district; or

(iii) Within an adjoining county that does not have a public utility district providing electrical or

telecommunications services headquartered within the county's boundaries, but only if the district providing telecommunications services is not authorized to provide electrical services; or

(c) For the provision of retail telecommunications services as authorized in this section.

(2) A public utility district providing wholesale or retail telecommunications services shall ensure that rates, terms, and conditions for such services are not unduly or unreasonably discriminatory or preferential. Rates, terms, and conditions are discriminatory or preferential when a public utility district offering rates, terms, and conditions to an entity for wholesale or retail telecommunications services does not offer substantially similar rates, terms, and conditions to all other entities seeking substantially similar services.

(3) A public utility district providing wholesale or retail telecommunications services shall not be required to, but may, establish a separate utility system or function for such purpose. In either case, a public utility district providing wholesale or retail telecommunications services shall separately account for any revenues and expenditures for those services according to standards established by the state auditor pursuant to its authority in chapter 43.09 RCW and consistent with the provisions of this title. Any revenues received from the provision of wholesale or retail telecommunications services must be dedicated to costs incurred to build and maintain any telecommunications facilities constructed, installed, or acquired to provide such services, including payments on debt issued to finance such services, until such time as any bonds or other financing instruments executed after June 8, 2000, and used to finance such telecommunications facilities are discharged or retired.

(4) When a public utility district provides wholesale or retail telecommunications services, all telecommunications services rendered to the district for the district's internal telecommunications needs shall be allocated or charged at its true and full value. A public utility district may not charge its nontelecommunications

operations rates that are preferential or discriminatory compared to those it charges entities purchasing wholesale or retail telecommunications services.

(5) If a person or entity receiving retail telecommunications services from a public utility district under this section has a complaint regarding the reasonableness of the rates, terms, conditions, or services provided, the person or entity may file a complaint with the district commission.

(6) A public utility district shall not exercise powers of eminent domain to acquire telecommunications facilities or contractual rights held by any other person or entity to telecommunications facilities.

(7) Except as otherwise specifically provided, a public utility district may exercise any of the powers granted to it under this title and other applicable laws in carrying out the powers authorized under this section. Nothing in chapter 81, Laws of 2000 limits any existing authority of a public utility district under this title.

~~((9) (a) If an internet service provider operating on telecommunications facilities of a public utility district that provides wholesale telecommunications services but does not provide retail telecommunications services, ceases to provide access to the internet to its end-use customers, and no other retail service providers are willing to provide service, the public utility district may provide retail telecommunications services to the end-use customers of the defunct internet service provider in order for end-use customers to maintain access to the internet until a replacement internet service provider is, or providers are, in operation.~~

~~(b) Within thirty days of an internet service provider ceasing to provide access to the internet, the public utility district must initiate a process to find a replacement internet service provider or providers to resume providing access to the internet using telecommunications facilities of a public utility district.~~

~~(c) For a maximum period of five months, following initiation of the process begun in (b) of this section, or, if earlier than five months, until a replacement internet service provider is, or providers are, in operation, the~~

~~district commission may establish a rate for providing access to the internet and charge customers to cover expenses necessary to provide access to the internet.~~

~~(9) The tax treatment of the retail telecommunications services provided by a public utility district to the end use customers during the period specified in subsection (8) of this section must be the same as if those retail telecommunications services were provided by the defunct internet service provider.)~~

(8) A public utility district may provide retail telecommunications services or telecommunications facilities within the district's limits or without the district's limits by contract with another public utility district, any political subdivision of the state authorized to provide retail telecommunications services in the state, or with any federally recognized tribe located in the state of Washington.

NEW SECTION. Sec. 3. A new section is added to chapter 54.16 RCW to read as follows:

(1) Before providing retail telecommunications services, a public utility district must report to its governing body and to the state broadband office the following about the area to be served by the public utility district:

(a) An assessment of the current availability of broadband infrastructure and its adequacy to provide high-speed internet access and other advanced telecommunications services to end users;

(b) The location of where retail telecommunications services will be provided;

(c) Evidence relating to the unserved nature of the community in which retail telecommunications services will be provided;

(d) Expected costs of providing retail telecommunications services to customers to be served by the public utility district;

(e) Evidence that proposed telecommunications infrastructure will be capable of scaling to greater download and upload speeds to meet state broadband goals under RCW 43.330.536;

(f) Sources of funding for the project that will supplement any grant or loan awards; and

(g) A strategic plan to maintain long-term operation of the infrastructure, and the expected installation charges and monthly costs for end users.

(2) The state broadband office must post a review of the proposed project on their website.

(3) For the purposes of this section, "unserved" means an area of Washington in which households and businesses lack access to broadband service at a minimum 100 megabits per second download speed and at a minimum 20 megabits per second upload speed.

Sec. 4. RCW 54.16.425 and 2018 c 186 s 3 are each amended to read as follows:

(1) Property owned by a public utility district that is exempt from property tax under RCW 84.36.010 is subject to an annual payment in lieu of property taxes if the property consists of a broadband ~~((network))~~ infrastructure used in providing retail ~~((internet service))~~ telecommunications services.

(2) (a) The amount of the payment must be determined jointly and in good faith negotiation between the public utility district that owns the property and the county or counties in which the property is located.

(b) The amount agreed upon may not exceed the property tax amount that would be owed on the property comprising the broadband ~~((network))~~ infrastructure used in providing retail ~~((internet service))~~ telecommunications services as calculated by the department of revenue. The public utility district must provide information necessary for the department of revenue to make the required valuation under this subsection. The department of revenue must provide the amount of property tax that would be owed on the property to the county or counties in which the broadband ~~((network))~~ infrastructure is located on an annual basis.

(c) If the public utility district and a county cannot agree on the amount of the payment in lieu of taxes, either party may invoke binding arbitration by providing written notice to the other party. In the event that the amount of payment in lieu of taxes is submitted to binding arbitration, the arbitrators

must consider the government services available to the public utility district's broadband ~~((network))~~ infrastructure used in providing retail ~~((internet service))~~ telecommunications services. The public utility district and county must each select one arbitrator, the two of whom must pick a third arbitrator. Costs of the arbitration, including compensation for the arbitrators' services, must be borne equally by the parties participating in the arbitration.

(3) By April 30th of each year, a public utility district must remit the annual payment to the county treasurer of each county in which the public utility district's broadband ~~((network))~~ infrastructure used in providing retail ~~((internet service))~~ telecommunications services is located in a form and manner required by the county treasurer.

(4) The county must distribute the amounts received under this section to all property taxing districts, including the state, in appropriate tax code areas in the same proportion as it would distribute property taxes from taxable property.

(5) By December 1, 2019, and annually thereafter, the department of revenue must submit a report to the appropriate legislative committees detailing the amount of payments made under this section and the amount of property tax that would be owed on the property comprising the broadband ~~((network))~~ infrastructure used in providing retail ~~((internet service))~~ telecommunications services.

~~((6) The definitions in RCW 54.16.420 apply to this section.)~~

NEW SECTION. Sec. 5. A new section is added to chapter 35.27 RCW to read as follows:

(1) A town may construct, purchase, acquire, develop, finance, lease, license, provide, contract for, interconnect, alter, improve, repair, operate, and maintain telecommunications services or telecommunications facilities for the purpose of furnishing the town and its inhabitants with telecommunications services. The town has full authority to regulate and control the use, distribution, and price of the services.

(2) (a) Before providing telecommunications services pursuant to

subsection (1) of this section, a town must examine and report to its governing body and to the state broadband office the following about the area to be served by the town:

(i) An assessment of the current availability of broadband infrastructure and its adequacy to provide high-speed internet access and other advanced telecommunications services to end users;

(ii) The location of where retail telecommunications services will be provided;

(iii) Evidence relating to the unserved nature of the community in which retail telecommunications services will be provided;

(iv) Expected costs of providing retail telecommunications services to customers to be served by the town;

(v) Evidence that proposed telecommunications infrastructure will be capable of scaling to greater download and upload speeds to meet state broadband goals under RCW 43.330.536;

(vi) Sources of funding for the project that will supplement any grant or loan awards; and

(vii) A strategic plan to maintain long-term operation of the infrastructure, and the expected installation charges and monthly costs for end users.

(b) The state broadband office must post a review of the proposed project on its website.

(3) For purposes of this section:

(a) "Telecommunications" has the same meaning as defined in RCW 80.04.010.

(b) "Unserved" means an area of Washington in which households and businesses lack access to broadband service at a minimum 100 megabits per second download speed and at a minimum 20 megabits per second upload speed.

NEW SECTION. Sec. 6. A new section is added to chapter 35.23 RCW to read as follows:

(1) A second-class city may construct, purchase, acquire, develop, finance, lease, license, provide, contract for, interconnect, alter, improve, repair, operate, and maintain telecommunications services or telecommunications

facilities for the purpose of furnishing the second-class city and its inhabitants with telecommunications services. The second-class city has full authority to regulate and control the use, distribution, and price of the services.

(2) (a) Before providing telecommunications services pursuant to subsection (1) of this section, a second-class city must examine and report to its governing body and to the state broadband office the following about the area to be served by the second-class city:

(i) An assessment of the current availability of broadband infrastructure and its adequacy to provide high-speed internet access and other advanced telecommunications services to end users;

(ii) The location of where retail telecommunications services will be provided;

(iii) Evidence relating to the unserved nature of the community in which retail telecommunications services will be provided;

(iv) Expected costs of providing retail telecommunications services to customers to be served by the second-class city;

(v) Evidence that proposed telecommunications infrastructure will be capable of scaling to greater download and upload speeds to meet state broadband goals under RCW 43.330.536;

(vi) Sources of funding for the project that will supplement any grant or loan awards; and

(vii) A strategic plan to maintain long-term operation of the infrastructure, and the expected installation charges and monthly costs for end users.

(b) The state broadband office must post a review of the proposed project on its website.

(3) For purposes of this section:

(a) "Telecommunications" has the same meaning as defined in RCW 80.04.010.

(b) "Unserved" means an area of Washington in which households and businesses lack access to broadband service at a minimum 100 megabits per second download speed and at a minimum 20 megabits per second upload speed.

NEW SECTION. **Sec. 7.** A new section is added to chapter 36.01 RCW to read as follows:

(1) A county may construct, purchase, acquire, develop, finance, lease, license, provide, contract for, interconnect, alter, improve, repair, operate, and maintain telecommunications services or telecommunications facilities for the purpose of furnishing the county and its inhabitants with telecommunications services. The county has full authority to regulate and control the use, distribution, and price of the services.

(2) (a) Before providing telecommunications services pursuant to subsection (1) of this section, a county must examine and report to its governing body and to the state broadband office the following about the area to be served by the county:

(i) An assessment of the current availability of broadband infrastructure and its adequacy to provide high-speed internet access and other advanced telecommunications services to end users;

(ii) The location of where retail telecommunications services will be provided;

(iii) Evidence relating to the unserved nature of the community in which retail telecommunications services will be provided;

(iv) Expected costs of providing retail telecommunications services to customers to be served by the county;

(v) Evidence that proposed telecommunications infrastructure will be capable of scaling to greater download and upload speeds to meet state broadband goals under RCW 43.330.536;

(vi) Sources of funding for the project that will supplement any grant or loan awards; and

(vii) A strategic plan to maintain long-term operation of the infrastructure, and the expected installation charges and monthly costs for end users.

(b) The state broadband office must post a review of the proposed project on its website.

(3) For purposes of this section:

(a) "Telecommunications" has the same meaning as defined in RCW 80.04.010.

(b) "Unserved" means an area of Washington in which households and businesses lack access to broadband service at a minimum 100 megabits per second download speed and at a minimum 20 megabits per second upload speed.

Sec. 8. RCW 53.08.005 and 2018 c 169 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) "Commission" means the Washington utilities and transportation commission.

(2) "Retail telecommunications services" means the sale, lease, license, or indivisible right of use of telecommunications services or telecommunications facilities directly to end users.

(3) "Telecommunications" has the same meaning as contained in RCW 80.04.010.

~~((3))~~ (4) "Telecommunications facilities" means lines, conduits, ducts, poles, wires, cables, crossarms, receivers, transmitters, instruments, machines, appliances, instrumentalities and all devices, real estate, easements, apparatus, property, and routes used, operated, owned, or controlled by any entity to facilitate the provision of telecommunications services.

~~((4))~~ (5) "Wholesale telecommunications services" means the provision of telecommunications services or telecommunications facilities for resale ~~((by))~~ to an entity authorized to provide telecommunications services ~~((to the general public and internet service providers))~~. Wholesale telecommunications services includes the provision of unlit or dark optical fiber for resale, but not the provision of lit optical fiber.

Sec. 9. RCW 53.08.370 and 2019 c 365 s 10 are each amended to read as follows:

(1) A port district in existence on June 8, 2000, may construct, purchase, acquire, develop, finance, lease, license, handle, provide, add to, contract for, interconnect, alter, improve, repair, operate, and maintain any telecommunications facilities within or without the district's limits for the following purposes:

(a) For the district's own use; ~~((and))~~

(b) For the provision of wholesale telecommunications services within or without the district's limits ~~((Nothing in this subsection shall be construed to authorize port districts to provide telecommunications services to end users))~~; or

(c) For the provision of retail telecommunications services as authorized by this section.

(2) Except as provided in subsection ~~((9))~~ (8) of this section, a port district providing wholesale or retail telecommunications services under this section shall ensure that rates, terms, and conditions for such services are not unduly or unreasonably discriminatory or preferential. Rates, terms, and conditions are discriminatory or preferential when a port district offering such rates, terms, and conditions to an entity for wholesale or retail telecommunications services does not offer substantially similar rates, terms, and conditions to all other entities seeking substantially similar services.

(3) When a port district establishes a separate utility function for the provision of wholesale or retail telecommunications services, it shall account for any and all revenues and expenditures related to its wholesale or retail telecommunications facilities and services separately from revenues and expenditures related to its internal telecommunications operations. Any revenues received from the provision of wholesale or retail telecommunications services must be dedicated to the utility function that includes the provision of wholesale or retail telecommunications services for costs incurred to build and maintain the telecommunications facilities until such time as any bonds or other financing instruments executed after June 8, 2000, and used to finance the telecommunications facilities are discharged or retired.

(4) When a port district establishes a separate utility function for the provision of wholesale or retail telecommunications services, all telecommunications services rendered by the separate function to the district for the district's internal telecommunications needs shall be charged at its true and full value. A

port district may not charge its nontelecommunications operations rates that are preferential or discriminatory compared to those it charges entities purchasing wholesale or retail telecommunications services.

(5) A port district shall not exercise powers of eminent domain to acquire telecommunications facilities or contractual rights held by any other person or entity to telecommunications facilities.

(6) Except as otherwise specifically provided, a port district may exercise any of the powers granted to it under this title and other applicable laws in carrying out the powers authorized under this section. Nothing in chapter 81, Laws of 2000 limits any existing authority of a port district under this title.

~~(7) ((A port district that has not exercised the authorities provided in this section prior to June 7, 2018, must develop a business case plan before exercising the authorities provided in this section. The port district must procure an independent qualified consultant to review the business case plan, including the use of public funds in the provision of wholesale telecommunications services. Any recommendations or adjustments to the business case plan made during third-party review must be received and either rejected or accepted by the port commission in an open meeting.~~

~~(8))~~ A port district with telecommunications facilities for use in the provision of wholesale or retail telecommunications in accordance with subsection (1) ~~((4))~~ of this section may be subject to local leasehold excise taxes under RCW 82.29A.040.

~~((9))~~ (8)(a) A port district under this section may select a telecommunications company to operate all or a portion of the port district's telecommunications facilities.

(b) For the purposes of this section "telecommunications company" means any for-profit entity owned by investors that sells telecommunications services to end users.

(c) Nothing in this subsection ~~((9))~~ (8) is intended to limit or otherwise restrict any other authority provided by law.

(9) A port district may provide retail telecommunications services within or without the district's limits.

NEW SECTION. Sec. 10. A new section is added to chapter 53.08 RCW to read as follows:

(1) Before providing retail telecommunications services, a port district must report to its governing body and to the state broadband office the following about the area to be served by the port district:

(a) An assessment of the current availability of broadband infrastructure and its adequacy to provide high-speed internet access and other advanced telecommunications services to end users;

(b) The location of where retail telecommunications services will be provided;

(c) Evidence relating to the unserved nature of the community in which retail telecommunications services will be provided;

(d) Expected costs of providing retail telecommunications services to customers to be served by the port district;

(e) Evidence that proposed telecommunications infrastructure will be capable of scaling to greater download and upload speeds to meet state broadband goals under RCW 43.330.536;

(f) Sources of funding for the project that will supplement any grant or loan awards; and

(g) A strategic plan to maintain long-term operation of the infrastructure, and the expected installation charges and monthly costs for end users.

(2) The state broadband office must post a review of the proposed project on their website.

(3) For the purposes of this section, "unserved" means an area of Washington in which households and businesses lack access to broadband service at a minimum 100 megabits per second download speed and at a minimum 20 megabits per second upload speed.

Sec. 11. RCW 43.155.070 and 2017 3rd sp.s. c 10 s 9 are each amended to read as follows:

(1) To qualify for financial assistance under this chapter the board

must determine that a local government meets all of the following conditions:

(a) The city or county must be imposing a tax under chapter 82.46 RCW at a rate of at least one-quarter of one percent;

(b) The local government must have developed a capital facility plan; and

(c) The local government must be using all local revenue sources which are reasonably available for funding public works, taking into consideration local employment and economic factors.

(2) Except where necessary to address a public health need or substantial environmental degradation, or increase access to broadband, a county, city, or town planning under RCW 36.70A.040 may not receive financial assistance under this chapter unless it has adopted a comprehensive plan, including a capital facilities plan element, and development regulations as required by RCW 36.70A.040. This subsection does not require any county, city, or town planning under RCW 36.70A.040 to adopt a comprehensive plan or development regulations before requesting or receiving financial assistance under this chapter if such request is made before the expiration of the time periods specified in RCW 36.70A.040. A county, city, or town planning under RCW 36.70A.040 that has not adopted a comprehensive plan and development regulations within the time periods specified in RCW 36.70A.040 may apply for and receive financial assistance under this chapter if the comprehensive plan and development regulations are adopted as required by RCW 36.70A.040 before executing a contractual agreement for financial assistance with the board.

(3) In considering awarding financial assistance for public facilities to special districts requesting funding for a proposed facility located in a county, city, or town planning under RCW 36.70A.040, the board must consider whether the county, city, or town planning under RCW 36.70A.040 in whose planning jurisdiction the proposed facility is located has adopted a comprehensive plan and development regulations as required by RCW 36.70A.040.

(4)(a) The board must develop a process to prioritize applications and funding of loans and grants for public works projects submitted by local governments. The board must consider, at

a minimum and in any order, the following factors in prioritizing projects:

(i) Whether the project is critical in nature and would affect the health and safety of many people;

(ii) The extent to which the project leverages other funds;

(iii) The extent to which the project is ready to proceed to construction;

(iv) Whether the project is located in an area of high unemployment, compared to the average state unemployment;

(v) Whether the project promotes the sustainable use of resources and environmental quality, as applicable;

(vi) Whether the project consolidates or regionalizes systems;

(vii) Whether the project encourages economic development through mixed-use and mixed income development consistent with chapter 36.70A RCW;

(viii) Whether the system is being well-managed in the present and for long-term sustainability;

(ix) Achieving equitable distribution of funds by geography and population;

(x) The extent to which the project meets the following state policy objectives:

(A) Efficient use of state resources;

(B) Preservation and enhancement of health and safety;

(C) Abatement of pollution and protection of the environment;

(D) Creation of new, family-wage jobs, and avoidance of shifting existing jobs from one Washington state community to another;

(E) Fostering economic development consistent with chapter 36.70A RCW;

(F) Efficiency in delivery of goods and services and transportation; and

(G) Reduction of the overall cost of public infrastructure;

(xi) Whether the applicant sought or is seeking funding for the project from other sources; and

(xii) Other criteria that the board considers necessary to achieve the purposes of this chapter.

(b) Before September 1, 2018, and each year thereafter, the board must develop and submit a report regarding the construction loans and grants to the office of financial management and appropriate fiscal committees of the senate and house of representatives. The report must include:

(i) The total number of applications and amount of funding requested for public works projects;

(ii) A list and description of projects approved in the preceding fiscal year with project scores against the board's prioritization criteria;

(iii) The total amount of loan and grants disbursements made from the public works assistance account in the preceding fiscal year;

(iv) The total amount of loan repayments in the preceding fiscal year for outstanding loans from the public works assistance account;

(v) The total amount of loan repayments due for outstanding loans for each fiscal year over the following ten-year period; and

(vi) The total amount of funds obligated and timing of when the funds were obligated in the preceding fiscal year.

(c) The maximum amount of funding that the board may provide for any jurisdiction is ten million dollars per biennium.

(5) Existing debt or financial obligations of local governments may not be refinanced under this chapter. Each local government applicant must provide documentation of attempts to secure additional local or other sources of funding for each public works project for which financial assistance is sought under this chapter.

(6) Before September 1st of each year, the board must develop and submit to the appropriate fiscal committees of the senate and house of representatives a description of the loans and grants made under RCW 43.155.065 and 43.155.068.

(7) The board may not sign contracts or otherwise financially obligate funds from the public works assistance account before the legislature has appropriated funds to the board for the purpose of funding public works projects under this chapter.

(8) To qualify for loans, grants, or pledges for solid waste or recycling facilities under this chapter, a city or county must demonstrate that the solid waste or recycling facility is consistent with and necessary to implement the comprehensive solid waste management plan adopted by the city or county under chapter ~~((70.95))~~ 70A.205 RCW.

(9) After January 1, 2010, any project designed to address the effects of stormwater or wastewater on Puget Sound may be funded under this section only if the project is not in conflict with the action agenda developed by the Puget Sound partnership under RCW 90.71.310.

(10) For projects involving repair, replacement, or improvement of a wastewater treatment plant or other public works facility for which an investment grade efficiency audit is reasonably obtainable, the public works board must require as a contract condition that the project sponsor undertake an investment grade efficiency audit. The project sponsor may finance the costs of the audit as part of its public works assistance account program loan or grant.

(11) The board must implement policies and procedures designed to maximize local government consideration of other funds to finance local infrastructure.

(12) The relevant sections of the Washington Administrative Code must be amended by January 1, 2022, in accordance with the provisions of this section.

NEW SECTION. Sec. 12. This act may be known and cited as the public broadband act.

NEW SECTION. Sec. 13. RCW 54.16.420 (Retail internet service—Definitions—Authority—Requirements) and 2018 c 186 s 1 are each repealed."

On page 1, line 3 of the title, after "users;" strike the remainder of the title and insert "amending RCW 54.16.005, 54.16.330, 54.16.425, 53.08.005, 53.08.370, and 43.155.070; adding a new section to chapter 54.16 RCW; adding a new section to chapter 35.27 RCW; adding a new section to chapter 35.23 RCW; adding a new section to chapter 36.01 RCW; adding a new section to chapter 53.08 RCW; creating a new section; and repealing RCW 54.16.420."

and the same is herewith transmitted.

Sarah Bannister, Deputy, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SUBSTITUTE HOUSE BILL NO. 1336 and advanced the bill as amended by the Senate to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Hansen and Boehnke spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed Substitute House Bill No. 1336, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1336, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 65; Nays, 32; Absent, 0; Excused, 1.

Voting yea: Representatives Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chandler, Chapman, Chopp, Cody, Davis, Dolan, Duerr, Entenman, Eslick, Fey, Fitzgibbon, Frame, Goehner, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, J. Johnson, Kirby, Kloba, Kretz, Leavitt, Lekanoff, Lovick, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Rule, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Walsh, Wicks, Wylie and Mme. Speaker.

Voting nay: Representatives Abbarno, Barkis, Chambers, Chase, Corry, Dent, Dufault, Dye, Gilday, Graham, Griffey, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, MacEwen, Maycumber, McCaslin, Mosbrucker, Orcutt, Robertson, Rude, Schmick, Stokesbary, Sutherland, Vick, Volz, Wilcox, Ybarra and Young.

Excused: Representative McEntire.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1336, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 22, 2021

Mme. SPEAKER:

The Senate receded from its amendment(s) to ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1365, and under suspension of the rules returned ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1365 to second reading for purpose of amendments.

The Senate further adopted amendment 1365-S2.E AMS WELL S3049.1 and passed the measure as amended.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. Sec. 1. (1) The legislature recognizes that the COVID-19 pandemic exposed the importance of internet-accessible learning devices for the ability of students to receive a modern education. When Washington schools closed in March 2020, schools and school districts shifted quickly to offering education in an online environment. Teachers adapted their lessons for videoconferencing platforms and arranged for students to submit homework via email. However, limited opportunities for in-person instruction amplified digital deserts and disparities among students that are likely to continue to grow for the foreseeable future.

(2) The legislature finds that students from low-income families face disproportionate barriers to accessing learning over the internet in their homes, partly because they do not have internet-accessible devices appropriate for learning. The legislature also recognizes that accessing learning over the internet requires more than just an internet-accessible device appropriate for learning. For students and their families to be truly connected, they need the digital literacy, digital skills, and digital support to use internet-accessible devices and to navigate the web in support of student learning.

(3) Therefore, the purposes of this act are to: (a) Accelerate student access to learning devices and related goods and services; (b) expand training programs and technical assistance on using technology to support student learning; and (c) build the capacity of schools and districts to support digital navigation services for students and their families.

Sec. 2. RCW 28A.650.010 and 2017 c 90 s 1 are each amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Digital citizenship" includes the norms of appropriate, responsible, and healthy behavior related to current technology use, including digital and media literacy, ethics, etiquette, and security. The term also includes the

ability to access, analyze, evaluate, develop, produce, and interpret media, as well as internet safety and cyberbullying prevention and response.

(2) (~~"Education technology" or "technology" means the effective use of electronic and optical tools, including telephones, and electronic and optical pathways in helping students learn.~~

~~(3) "Network" means integrated linking of education technology systems in schools for transmission of voice, data, video, or imaging, or a combination of these.)~~ "Learning device" means an internet-accessible computer, tablet, or other device, with an appropriate operating system, software applications, and data security, that can be used to access curricula, educational web applications and websites, and learning management systems, and with telecommunications capabilities sufficient for videoconferencing.

NEW SECTION. Sec. 3. A new section is added to chapter 28A.650 RCW to read as follows:

(1) Each educational service district shall provide technology consultation, procurement, and training, in consultation with teacher-librarians through school library information and technology programs as defined in RCW 28A.320.240, and as described in this section. An educational service district may meet the requirements of this section in cooperation with one or more other educational service districts.

(2) Technology consultation involves providing technical assistance and guidance to local school districts related to technology needs and financing, and may include consultation with other entities.

(3) (a) Technology procurement involves negotiating for local school district purchasing and leasing of learning devices and peripheral devices, learning management systems, cybersecurity protection, device insurance, and other technology-related goods and services.

(b) When selecting goods and services for procurement, the educational service district must consider a variety of student needs, as well as accessibility, age appropriateness, privacy and security, data storage and transfer capacity, and telecommunications capability.

(c) Technology procurement may be performed in consultation and contract with the department of enterprise services under chapter 39.26 RCW.

(4) Technology training involves developing and offering direct services to local school districts related to staff development and capacity building to provide digital navigation services to students and their families. The educational service districts must seek to consult teacher-librarians and other relevant information technology programs to determine where there is a need and focus for this training. These services may be provided on a fee-for-service basis.

(5) Technology consultation, procurement, and training under this section must be provided to local public schools, as defined in RCW 28A.150.010, the Washington center for deaf and hard of hearing youth, and the school for the blind, in addition to local school districts. Technology training under this section may also be offered to child care providers.

(6) The educational service districts must cooperate with the office of the superintendent of public instruction to provide the data required under section 5(1) of this act.

NEW SECTION. Sec. 4. A new section is added to chapter 28A.650 RCW to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the office of the superintendent of public instruction shall develop and administer a technology grant program, as described in this section, to advance the following objectives:

(a) Attain a universal 1:1 student to learning device ratio;

(b) Expand technical support and training of school and district staff in using technology to support student learning; and

(c) Develop district-based and school-based capacity to assist students and their families in accessing and using technology to support student learning.

(2) The following entities, individually or in cooperation, may apply to the office of the superintendent of public instruction for a grant under this section: A public school as defined in RCW 28A.150.010; a school district; an

educational service district; the Washington center for deaf and hard of hearing youth; and the state school for the blind.

(3) At a minimum, grant applications must include:

(a) The applicant's technology plan for accomplishing the goals of the grant program, the applicant's student demographics, including the percent of students eligible for free and reduced-price meals, and any specialized technology needs of the applicant's students, such as students with disabilities and English learners who may need adaptive or assistive technologies; and

(b) A description of preexisting programs and funding sources used by the applicant to provide learning devices to students, staff, or both.

(4) When ranking and selecting applicants, the office of the superintendent of public instruction must prioritize both of the following:

(a) Applicants without preexisting programs to provide a device for every student and that have 30 percent or more students eligible for free and reduced-price meals; and

(b) Applicants with students who have specialized technology needs.

NEW SECTION. Sec. 5. A new section is added to chapter 28A.650 RCW to read as follows:

(1) The office of the superintendent of public instruction shall collect and analyze the following data:

(a) Demographic, distribution, and other data related to technology initiatives; and

(b) Biennial survey data on school and school district progress to accomplish the objectives listed in section 4(1) of this act.

(2) By November 1, 2022, and by November 1st every even year thereafter, the office of the superintendent of public instruction shall provide a report to the appropriate policy and fiscal committees of the legislature, in accordance with RCW 43.01.036, with:

(a) A summary of the technology initiatives data collected under subsection (1) of this section;

(b) The status of the state's progress in accomplishing the following: (i) Accelerate student access to learning devices and related goods and services; (ii) expand training programs and technical assistance on using technology to support student learning; and (iii) build the capacity of schools and districts to support digital navigation services for students and their families;

(c) Recommendations for improving the administration and oversight of the technology initiatives; and

(d) An update on innovative and collaborative activities occurring in communities across the state to support widespread public technology literacy and fluency, as well as student universal access to learning devices.

(3) By November 1, 2022, the office of the superintendent of public instruction shall survey districts, collect data, and provide a report to the appropriate policy and fiscal committees of the legislature that contains, at a minimum, the following:

(a) A list of districts that have a separate technology levy;

(b) The total amount of funding generated by the technology levies; and

(c) A detailed breakdown on how the funds generated by the technology levies are being used, including, but not limited to, the number of technology devices being purchased with those funds, personnel costs related to servicing and maintaining those devices covered by those funds, and any training or professional development for use of technology provided with those funds.

(4) For the purposes of this section, "technology initiatives" means the technology grants awarded by the office of the superintendent of public instruction under section 4 of this act, and the provision of technology consultation, procurement, and training by educational service districts under section 3 of this act.

NEW SECTION. Sec. 6. A new section is added to chapter 28A.300 RCW to read as follows:

(1)(a) The office of the superintendent of public instruction shall establish a grant program for the purposes of supporting media literacy and digital citizenship through school district leadership teams. The office of

the superintendent of public instruction shall establish and publish criteria for the grant program, and may accept gifts, grants, or endowments from public or private sources for the grant program.

(b) A school district that receives a grant under this section is not prohibited from receiving a grant in subsequent grant cycles.

(2)(a) For a school district to qualify for a grant under this section, the grant proposal must provide that the grantee create a district leadership team that develops a curriculum unit on media literacy or digital citizenship, or both, that may be integrated into one of the following areas:

- (i) Social studies;
- (ii) English language arts; or
- (iii) Health.

(b) School districts selected under the grant program are expected to evaluate the curriculum unit they develop under this subsection (2).

(c) In developing their curriculum unit, school districts selected under the grant program are encouraged to work with school district teacher-librarians or a school district library information technology program, if applicable.

(3) The establishment of the grant program under this section is subject to the availability of amounts appropriated for this specific purpose.

(4) The curriculum unit developed under this section must be made available as an open educational resource.

(5)(a) Up to 10 grants a year awarded under this section must be for establishing media literacy professional learning communities with the purpose of sharing best practices in the subject of media literacy.

(b)(i) Grant recipients under this subsection (5) are required to develop an online presence for their community to model new strategies and to share ideas, challenges, and successful practices.

(ii) Grant recipients shall attend the group meetings created by the office of the superintendent of public instruction under (c) of this subsection (5).

(c) The office of the superintendent of public instruction shall convene group meetings for the purpose of sharing best

practices and strategies in media literacy education.

(d) Additional activities permitted for the use of these grants include, but are not limited to:

(i) Organizing teachers from across a school district to develop new instructional strategies and to share successful strategies;

(ii) Sharing successful practices across a group of school districts; and

(iii) Facilitating coordination between educational service districts and school districts to provide training.

(6)(a) At least one grant awarded in each award cycle must be for developing and using a curriculum that contains a focus on synthetic media as a major component.

(b) For the purposes of this section, "synthetic media" means an image, an audio recording, or a video recording of an individual's appearance, speech, or conduct that has been intentionally manipulated with the use of digital technology in a manner to create a realistic but false image, audio, or video.

(7) This section expires July 31, 2031.

NEW SECTION. **Sec. 7.** A new section is added to chapter 28A.300 RCW to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the office of the superintendent of public instruction shall convene two regional conferences on the subject of media literacy and digital citizenship.

(2) The conferences in this section should highlight the work performed by the recipients of the grant program established under section 6 of this act, as well as best practices in media literacy and digital citizenship.

(3) The locations for conferences convened under this section must include one site in western Washington and one site in eastern Washington.

(4) This section expires July 31, 2031.

NEW SECTION. **Sec. 8.** The following acts or parts of acts are each repealed:

(1)RCW 28A.650.005 (Findings—Intent) and 1993 c 336 s 701;

(2)RCW 28A.650.015 (Education technology plan—Educational technology advisory committee) and 2011 1st sp.s. c 43 s 725, 2011 1st sp.s. c 11 s 133, 2009 c 556 s 17, 2006 c 263 s 917, 1995 c 335 s 507, 1994 c 245 s 2, & 1993 c 336 s 703;

(3)RCW 28A.650.020 (Regional educational technology support centers—Advisory councils) and 1993 c 336 s 705;

(4)RCW 28A.650.025 (Distribution of funds for regional educational technology support centers) and 1993 c 336 s 706;

(5)RCW 28A.650.030 (Distribution of funds to expand the education statewide network) and 1993 c 336 s 707;

(6)RCW 28A.650.900 (Findings—Intent—Part headings not law—1993 c 336); and

(7)RCW 28A.650.901 (Findings—1993 c 336).

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, 2021, in the omnibus appropriations act, this act is null and void."

On page 1, line 2 of the title, after "staff;" strike the remainder of the title and insert "amending RCW 28A.650.010; adding new sections to chapter 28A.650 RCW; adding new sections to chapter 28A.300 RCW; creating new sections; repealing RCW 28A.650.005, 28A.650.015, 28A.650.020, 28A.650.025, 28A.650.030, 28A.650.900, and 28A.650.901; and providing expiration dates."

and the same herewith transmitted.

Brad Hendrickson, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1365 and advanced the bill as amended by the Senate to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Gregerson and Ybarra spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of

Engrossed Second Substitute House Bill No. 1365, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 1365, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 61; Nays, 36; Absent, 0; Excused, 1.

Voting yea: Representatives Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chandler, Chapman, Chopp, Cody, Davis, Dolan, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Griffey, Hackney, Hansen, Harris-Talley, J. Johnson, Kirby, Kloba, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Rude, Rule, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, Wylie and Mme. Speaker.

Voting nay: Representatives Abbarno, Barkis, Boehnke, Caldier, Chambers, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, Maycumber, McCaslin, Mosbrucker, Orcutt, Robertson, Schmick, Steele, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox, Ybarra and Young.

Excused: Representative McEntire.

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1365, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 21, 2021

Madame Speaker:

The Senate insists on its position on ENGROSSED SUBSTITUTE HOUSE BILL NO. 1476 and asks the House to concur.

and the same is herewith transmitted.

Sarah Bannister, Deputy, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SUBSTITUTE HOUSE BILL NO. 1476 and advanced the bill as amended by the Senate to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Dolan and Corry spoke in favor of the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of

Engrossed Substitute House Bill No. 1476, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute House Bill No. 1476, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 93; Nays, 4; Absent, 0; Excused, 1.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Klippert, Kloba, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McCaslin, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake,

Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Voting nay: Representatives Caldier, Dufault, Kraft and Sutherland.

Excused: Representative McEntire.

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1476, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

There being no objection, the House adjourned until 11:00 a.m., April 24, 2021, the 104th Legislative Day of the Regular Session.

LAURIE JINKINS, Speaker

BERNARD DEAN, Chief Clerk

SIXTY SEVENTH LEGISLATURE - REGULAR SESSION

ONE HUNDRED FOURTH DAY

House Chamber, Olympia, Saturday, April 24, 2021

The House was called to order at 11:00 a.m. by the Speaker (Representative Lovick presiding). The Clerk called the roll and a quorum was present.

The Speaker (Representative Lovick presiding) led the Chamber in the Pledge of Allegiance. The prayer was offered by Representative Jacquelin Maycumber, 7th Legislative District.

Reading of the Journal of the previous day was dispensed with and it was ordered to stand approved.

There being no objection, the House advanced to the third order of business.

MESSAGE FROM THE SENATE

April 23, 2021

Mme. SPEAKER:

The Senate has passed:

ENGROSSED SUBSTITUTE SENATE BILL NO. 5084,
and the same is herewith transmitted.

Sarah Bannister, Deputy Secretary

There being no objection, the House advanced to the fourth order of business.

INTRODUCTION & FIRST READING

HB 1585 by Representatives Graham and Jacobsen

AN ACT Relating to improving driver's education related to traffic stops in order to avoid inadvertent hostile confrontations; amending RCW 28A.220.035 and 46.82.420, adding a new section to chapter 46.82 RCW; creating new sections; and providing expiration dates.

Referred to Committee on Education.

HB 1586 by Representatives Pollet, Valdez, Ramos, Shewmake and Duerr

AN ACT Relating to disclosures by grassroots lobbyists; amending RCW 42.17A.640; and creating a new section.

Referred to Committee on State Government & Tribal Relations.

There being no objection, the bills listed on the day's introduction sheet under the fourth order of business were referred to the committees so designated.

**SUPPLEMENTAL
INTRODUCTION & FIRST READING**

ESSB 5084 by Senate Committee on Ways & Means
(originally sponsored by Frockt, Mullet and C. Wilson)

AN ACT Relating to state general obligation bonds and related accounts; adding a new chapter to Title 43 RCW; and declaring an emergency.

There being no objection, ENGROSSED SUBSTITUTE SENATE BILL NO. 5084 was read the first time, and under suspension of the rules, was placed on the second reading calendar.

There being no objection, the House advanced to the sixth order of business.

SECOND READING

ENGROSSED SENATE BILL NO. 5476, by Senators Dhingra, Hasegawa, Hunt, Kuderer, Lovelett, Nguyen, Pedersen, Rivers, Robinson, Saldaña and Wellman

Addressing the State v. Blake decision. (REVISED FOR ENGROSSED: Responding to the State v. Blake decision by addressing justice system responses and behavioral health prevention, treatment, and related services.)

The bill was read the second time.

There being no objection, the committee amendment by the Committee on Appropriations was before the House for purpose of amendment. (For Committee amendment, see Journal, Day 102, April 22, 2021).

With the consent of the House, amendments (753), (756) and (763) were withdrawn.

Representative Davis moved the adoption of amendment (765) to the committee amendment:

On page 1, beginning on line 3, strike all of section 1 and insert the following:

"NEW SECTION. **Sec. 1.** A new section is added to chapter 71.24 RCW to read as follows:

(1) The authority, in collaboration with the substance use recovery services advisory committee established in subsection (2) of this section, shall establish a substance use recovery services plan. The purpose of the plan is to implement measures to assist persons with substance use disorder in accessing outreach, treatment, and recovery support services that are low barrier, person centered, informed by people with lived experience, and culturally and linguistically appropriate. The plan must articulate the manner in which continual, rapid, and widespread access to a comprehensive continuum of care will be provided to all persons with substance use disorder.

(2)(a) The authority shall establish the substance use recovery services advisory committee to collaborate with the authority in the development and implementation of the substance use recovery services plan under this section. The authority must appoint members to the advisory committee who have relevant background related to the needs of persons with substance use disorder. The advisory committee shall be reflective of the community of individuals living with substance use disorder, including persons who are Black, indigenous, and persons of color, persons with co-occurring substance use disorders and mental health conditions, as well as persons who represent the unique needs of rural communities. The advisory committee shall be convened and chaired by the director of the authority, or the director's designee. In addition to the member from the authority, the advisory committee shall include:

(i) One member and one alternate from each of the two largest caucuses of the house of representatives, as appointed by the speaker of the house of representatives;

(ii) One member and one alternate from each of the two largest caucuses of the senate, as appointed by the president of the senate;

(iii) One representative of the governor's office;

(iv) At least one adult in recovery from substance use disorder who has experienced criminal legal consequences as a result of substance use;

(v) At least one youth in recovery from substance use disorder who has experienced criminal legal consequences as a result of substance use;

(vi) One expert from the addictions, drug, and alcohol institute at the University of Washington;

(vii) One outreach services provider;

(viii) One substance use disorder treatment provider;

(ix) One peer recovery services provider;

(x) One recovery housing provider;

(xi) One expert in serving persons with co-occurring substance use disorders and mental health conditions;

(xii) One expert in antiracism and equity in health care delivery systems;

(xiii) One employee who provides substance use disorder treatment or services as a member of a labor union representing workers in the behavioral health field;

(xiv) One representative of the association of Washington health plans;

(xv) One expert in diversion from the criminal legal system to community-based care for persons with substance use disorder;

(xvi) One representative of public defenders;

(xvii) One representative of prosecutors;

(xviii) One representative of sheriffs and police chiefs;

(xix) One representative of a federally recognized tribe; and

(xx) One representative of local governments.

(b) The advisory committee may create subcommittees with expanded participation.

(c) In its collaboration with the advisory committee to develop the substance use recovery services plan, the authority must give due consideration to the recommendations of the advisory committee. If the authority determines

that any of the advisory committee's recommendations are not feasible to adopt and implement, the authority must notify the advisory committee and offer an explanation.

(d) The advisory committee must convene as necessary for the development of the substance use recovery services plan and to provide consultation and advice related to the development and adoption of rules to implement the plan. The advisory committee must convene to monitor implementation of the plan and advise the authority.

(3) The plan must consider:

(a) The points of intersection that persons with substance use disorder have with the health care, behavioral health, criminal, civil legal, and child welfare systems as well as the various locations in which persons with untreated substance use disorder congregate, including homeless encampments, motels, and casinos;

(b) New community-based care access points, including crisis stabilization services and the safe station model in partnership with fire departments;

(c) Current regional capacity for substance use disorder assessments, including capacity for persons with co-occurring substance use disorders and mental health conditions, each of the American society of addiction medicine levels of care, and recovery support services;

(d) Barriers to accessing the existing behavioral health system and recovery support services for persons with untreated substance use disorder, especially indigent youth and adult populations, persons with co-occurring substance use disorders and mental health conditions, and populations chronically exposed to criminal legal system responses, and possible innovations that could improve the quality and accessibility of care for those populations;

(e) Evidence-based, research-based, and promising treatment and recovery services appropriate for target populations, including persons with co-occurring substance use disorders and mental health conditions;

(f) Options for leveraging existing integrated managed care, medicaid waiver, American Indian or Alaska Native

fee-for-service behavioral health benefits, and private insurance service capacity for substance use disorders, including but not limited to coordination with managed care organizations, behavioral health administrative services organizations, the Washington health benefit exchange, accountable communities of health, and the office of the insurance commissioner;

(g) Framework and design assistance for jurisdictions to assist in compliance with the requirements of RCW 10.31.110 for diversion of individuals with complex or co-occurring behavioral health conditions to community-based care whenever possible and appropriate, and identifying resource gaps that impede jurisdictions in fully realizing the potential impact of this approach;

(h) The design of recovery navigator programs in section 2 of this act, including reporting requirements by behavioral health administrative services organizations to monitor the effectiveness of the programs and recommendations for program improvement;

(i) The proposal of a funding framework in which, over time, resources are shifted from punishment sectors to community-based care interventions such that community-based care becomes the primary strategy for addressing and resolving public order issues related to behavioral health conditions;

(j) Strategic grant making to community organizations to promote public understanding and eradicate stigma and prejudice against persons with substance use disorder by promoting hope, empathy, and recovery;

(k) Recommendations for diversion to community-based care for individuals with substance use disorders, including persons with co-occurring substance use disorders and mental health conditions, across all points of the sequential intercept model;

(l) Recommendations regarding the appropriate criminal legal system response, if any, to possession of controlled substances;

(m) Recommendations regarding the collection and reporting of data that identifies the number of persons law enforcement officers and prosecutors engage related to drug possession and disparities across geographic areas, race, ethnicity, gender, age, sexual

orientation, and income. The recommendations shall include, but not be limited to, the number and rate of persons who are diverted from charges to recovery navigator services or other services, who receive services and what type of services, who are charged with simple possession, and who are taken into custody; and

(n) The design of a mechanism for referring persons with substance use disorder or problematic behaviors resulting from substance use into the supportive services described in section 2 of this act.

(4) The plan and related rules adopted by the authority must give due consideration to persons with co-occurring substance use disorders and mental health conditions and the needs of youth. The plan must include the substance use outreach, treatment, and recovery services outlined in sections 2 through 4 of this act which must be available in or accessible by all jurisdictions. These services must be equitably distributed across urban and rural settings. If feasible and appropriate, service initiation shall be made available on demand through 24-hour, seven days a week peer recovery coach response, behavioral health walk-in centers, or other innovative rapid response models. These services must, at a minimum, incorporate the following principles: Establish low barriers to entry and reentry; improve the health and safety of the individual; reduce the harm of substance use and related activity for the public; include integrated and coordinated services; incorporate structural competency and antiracism; use noncoercive methods of engaging and retaining people in treatment and recovery services, including contingency management; consider the unique needs of rural communities; and have a focus on services that increase social determinants of health.

(5) In developing the plan, the authority shall:

(a) Align the components of the plan with previous and ongoing studies, plans, and reports, including the Washington state opioid overdose and response plan, published by the authority, the roadmap to recovery planning grant strategy being developed by the authority, and plans associated with federal block grants; and

(b) Coordinate its work with the efforts of the blue ribbon commission on the intersection of the criminal justice and behavioral health crisis systems and the crisis response improvement strategy committee established in chapter . . . , Laws of 2021 (Engrossed Second Substitute House Bill No. 1477).

(6) The authority must submit a preliminary report by December 1, 2021, regarding progress toward the substance use recovery services plan. The authority must submit the final substance use recovery services plan to the governor and the legislature by December 1, 2022. After submitting the plan, the authority shall adopt rules and enter into contracts with providers to implement the plan by December 1, 2023. In addition to seeking public comment under chapter 34.05 RCW, the authority must adopt rules in accordance with the recommendations of the substance use recovery services advisory committee as provided in subsection (2) of this section.

(7) In consultation with the substance use recovery services advisory committee, the authority must submit a report on the implementation of the substance use recovery services plan to the appropriate committees of the legislature and governor by December 1st of each year, beginning in 2023. This report shall include progress on the substance use disorder continuum of care, including availability of outreach, treatment, and recovery support services statewide.

(8) For the purposes of this section, "recovery support services" means a collection of resources that sustain long-term recovery from substance use disorder, including for persons with co-occurring substance use disorders and mental health conditions, recovery housing, permanent supportive housing, employment and education pathways, peer supports and recovery coaching, family education, technological recovery supports, transportation and child care assistance, and social connectedness.

(9) This section expires December 31, 2026."

On page 5, line 20, after "disorder" insert ", including for persons with co-occurring substance use disorders and mental health conditions,"

On page 5, at the beginning of line 35, strike "disorder" and insert "disorders, including persons with co-

occurring substance use disorders and mental health conditions,"

On page 5, line 38, after "behalf of" strike "an individual with substance use disorder" and insert "persons with substance use disorders, including persons with co-occurring substance use disorders and mental health conditions,"

On page 6, line 2, after "homeless" insert "persons, including those living unsheltered or in"

On page 7, line 23, after "Opioid" insert "use disorder"

On page 8, beginning on line 11, after "January 1," strike all material through "2022" on line 12 and insert "2023, and begin distributing grant funds by March 1, 2023"

On page 8, line 24, after "use" strike "disorder" and insert "disorders, including individuals with co-occurring substance use disorders and mental health conditions,"

On page 8, line 29, after "placement" insert ", including evidence-based supported employment program services"

On page 9, line 3, after "use" strike "disorder" and insert "disorders, including individuals with co-occurring substance use disorders and mental health conditions"

On page 9, line 7, after "regional" strike "access standards" and insert "expanded recovery plans"

On page 9, beginning on line 12, after "January 1," strike all material through "2022" on line 13 and insert "2023, and begin distributing grant funds by March 1, 2023"

On page 10, beginning on line 6, after "January 1," strike all material through "2022" on line 7 and insert "2024, and begin distributing grant funds by March 1, 2024"

On page 10, beginning on line 35, after "January 1," strike all material through "2022" on line 36 and insert "2024, and begin distributing grant funds by March 1, 2024"

On page 11, beginning on line 4, after "January 1," strike "2022" and insert "2024"

On page 11, line 23, after "to" strike "suffer from" and insert "have"

Representatives Davis and Mosbrucker spoke in favor of the adoption of the amendment to the committee amendment.

Amendment (765) to the committee amendment was adopted.

Representative Ormsby moved the adoption of amendment (761) to the committee amendment:

On page 6, line 8 of the striking amendment, after "require" insert ", subject to the availability of amounts appropriated for this specific purpose,"

On page 6, line 12 of the striking amendment, after "(3)" strike "The" and insert "Subject to the availability of amounts appropriated for this specific purpose, the"

On page 8, line 11 of the striking amendment, after "section" insert ", subject to the availability of amounts appropriated for this specific purpose,"

On page 9, line 12 of the striking amendment, after "section" insert ", subject to the availability of amounts appropriated for this specific purpose,"

On page 52, after line 29 of the striking amendment, insert the following

"NEW SECTION. Sec. 26. The appropriations in this section are provided to the health care authority community behavioral health program and are subject to the following conditions and limitations:

(1) The following sums, or so much thereof as may be necessary, are each appropriated: \$25,000,000 from the state general fund for the fiscal year ending June 30, 2022; and \$20,000,000 from the state general fund for the fiscal year ending June 30, 2023. The amounts in this subsection are provided solely for the authority to contract with behavioral health administrative service organizations to implement the statewide recovery navigator program established in section 2 of this act and for related technical assistance to support this implementation. This includes funding for recovery navigator teams to provide community-based outreach and case management services based on the law enforcement assisted diversion model and for technical assistance support from the law enforcement assisted diversion national support bureau.

(2) The following sums, or so much thereof as may be necessary, are each appropriated: \$1,673,000 from the state general fund for the fiscal year ending June 30, 2022; \$3,114,000 from the state general fund for the fiscal year ending June 30, 2023; and \$3,890,000, from the general fund- federal account for the fiscal biennium ending June 30, 2023. The amounts in this subsection are provided solely for the authority to implement clubhouse services in every region of the state.

(3) The following sums, or so much thereof as may be necessary, are each appropriated: \$5,000,000 from the state general fund for the fiscal year ending June 30, 2022; and \$7,500,000 from the state general fund for the fiscal year ending June 30, 2023. The amounts in this subsection are provided solely for the authority to implement the homeless outreach stabilization team program, pursuant to section 5(1) of this act.

(4) The following sums, or so much thereof as may be necessary, are each appropriated: \$2,500,000 from the state general fund for the fiscal year ending June 30, 2022; and \$2,500,000 from the state general fund for the fiscal year ending June 30, 2023. The amounts in this subsection are provided solely for the authority to expand efforts to provide opioid use disorder medication in city, county, regional, and tribal jails.

(5) The following sums, or so much thereof as may be necessary, are each appropriated: \$500,000 from the state general fund for the fiscal year ending June 30, 2022; and \$500,000 from the state general fund for the fiscal year ending June 30, 2023. The amounts in this subsection are provided solely for the authority to expand opioid treatment network programs for people with co-occurring opioid and stimulant use disorder.

(6) The following sums, or so much thereof as may be necessary, are each appropriated: \$1,400,000 from the state general fund for the fiscal year ending June 30, 2022; and \$1,400,000 from the state general fund for the fiscal year ending June 30, 2023. The amounts in this subsection are provided solely for behavioral health administrative service organizations to develop regional recovery navigator program plans pursuant to section 2 of this act and to establish positions focusing on regional planning to improve access to and quality

of regional behavioral health services with a focus on integrated care.

(7) The following sums, or so much thereof as may be necessary, are each appropriated: \$75,000 from the state general fund for the fiscal year ending June 30, 2022; and \$75,000 from the state general fund for the fiscal year ending June 30, 2023. The amounts in this subsection are provided solely for the authority to contract with an organization with expertise in supporting efforts to increase access to and improve quality in recovery housing and recovery residences. This funding shall be used to increase recovery housing availability through partnership with private landlords, increase accreditation of recovery residences statewide, operate a grievance process for resolving challenges with recovery residences, and conduct a recovery capital outcomes assessment for individuals living in recovery residences.

(8) The following sums, or so much thereof as may be necessary, are each appropriated: \$500,000 from the state general fund for the fiscal year ending June 30, 2022; and \$500,000 from the state general fund for the fiscal year ending June 30, 2023. The amounts in this subsection are provided solely for the authority to provide short-term housing vouchers for individuals with substance use disorders.

(9) The following sums, or so much thereof as may be necessary, are each appropriated: \$250,000 from the state general fund for the fiscal year ending June 30, 2022; and \$250,000 from the state general fund for the fiscal year ending June 30, 2023. The amounts in this subsection are provided solely for the authority to issue grants for substance use disorder family navigator services.

(10) The following sums, or so much thereof as may be necessary, are each appropriated: \$200,000 from the state general fund for the fiscal year ending June 30, 2022; and \$200,000 from the state general fund for the fiscal year ending June 30, 2023. The amounts in this subsection are provided solely for the authority to convene and provide staff and contracted services support to the recovery oversight committee established in section 1 of this act.

(11) The following sums, or so much thereof as may be necessary, are each appropriated: \$2,565,000 from the state general fund for the fiscal year ending June 30, 2022; and \$2,565,000 from the state general fund for the fiscal year ending June 30, 2023. The amounts in this subsection are provided solely for staff and contracted services support for the authority to develop and implement the recovery services plan established in section 1 of this act and to carry out other requirements of this act. Within these amounts, funding is provided for the authority to:

(a) Establish an occupational nurse consultant position within the authority to provide contract oversight, accountability, performance improvement activities, and to ensure Medicaid managed care organization plan compliance with provisions in law and contract related to care transitions work with local jails.

(b) Establish a position within the authority to create and oversee a program to initiate and support emergency department programs for inducing medications for patients with opioid use disorder paired with a referral to community-based outreach and case management programs.

NEW SECTION. **Sec. 27.** The appropriation in this section is provided to the administrative office of the courts and is subject to the following conditions and limitations:

The following sums, or so much thereof as may be necessary, are each appropriated: \$2,250,000 from the state general fund for the fiscal year ending June 30, 2022; and \$2,250,000 from the state general fund for the fiscal year ending June 30, 2023. The amounts in this subsection are provided solely to fund grants for therapeutic courts operated by municipalities and district courts. The administrative office of the courts must allocate grant funding based upon a formula established by the administrative office of the courts. The formula must distribute the grant funding equitably between those therapeutic courts located east of the crest of the Cascade mountains and those therapeutic courts located west of the crest of the Cascade mountains. Multiple jurisdictions served by a single municipal court or district court may apply for funds as a single entity. Local jurisdictions receiving grant funding

for therapeutic courts must use funding to identify individuals before the courts with substance use disorders or other behavioral health needs and engage those individuals with community-based therapeutic interventions.

NEW SECTION. **Sec. 28.** The appropriation in this section is provided to the department of commerce and is subject to the following conditions and limitations:

The following sums, or so much thereof as may be necessary, are each appropriated: \$500,000 from the state general fund for the fiscal year ending June 30, 2022; and \$1,000,000 from the state general fund for the fiscal year ending June 30, 2023. The amounts in this subsection are provided solely for the department to provide grants for the operational costs of new staffed recovery residences which serve individuals with substance use disorders who require more support than a level 1 recovery residence.

NEW SECTION. **Sec. 29.** The appropriation in this section is provided to the criminal justice training commission and is subject to the following conditions and limitations:

The following sums, or so much thereof as may be necessary, are each appropriated: \$150,000 from the state general fund for the fiscal year ending June 30, 2022; and \$150,000 from the state general fund for the fiscal year ending June 30, 2023. The amounts in this subsection are provided solely for the commission to compensate trainer time to deliver the curriculum related to law enforcement interactions with persons with a substance use disorder pursuant to section 7 of this act."

Re-number the remaining sections consecutively and correct any internal references accordingly.

Representatives Ormsby, Mosbrucker, Barkis and Jacobsen spoke in favor of the adoption of the amendment to the committee amendment.

Amendment (761) to the committee amendment was adopted.

By the adoption of amendment (761), amendment (764) was ruled out of order.

Representative Caldier moved the adoption of amendment (760) to the committee amendment:

On page 11, after line 14 of the striking amendment, insert the following:

"Sec. 6. RCW 71.24.035 and 2020 c 256 s 202 are each amended to read as follows:

(1) The authority is designated as the state behavioral health authority which includes recognition as the single state authority for substance use disorders and state mental health authority.

(2) The director shall provide for public, client, tribal, and licensed or certified behavioral health agency participation in developing the state behavioral health program, developing related contracts, and any waiver request to the federal government under medicaid.

(3) The director shall provide for participation in developing the state behavioral health program for children and other underserved populations, by including representatives on any committee established to provide oversight to the state behavioral health program.

(4) The authority shall be designated as the behavioral health administrative services organization for a regional service area if a behavioral health administrative services organization fails to meet the authority's contracting requirements or refuses to exercise the responsibilities under its contract or state law, until such time as a new behavioral health administrative services organization is designated.

(5) The director shall:

(a) Assure that any behavioral health administrative services organization, managed care organization, or community behavioral health program provides medically necessary services to medicaid recipients consistent with the state's medicaid state plan or federal waiver authorities, and nonmedicaid services consistent with priorities established by the authority;

(b) Develop contracts in a manner to ensure an adequate network of inpatient services, evaluation and treatment services, and facilities under chapter 71.05 RCW to ensure access to treatment, resource management services, and community support services;

(c) Make contracts necessary or incidental to the performance of its

duties and the execution of its powers, including managed care contracts for behavioral health services, contracts entered into under RCW 74.09.522, and contracts with public and private agencies, organizations, and individuals to pay them for behavioral health services;

(d) Define administrative costs and ensure that the behavioral health administrative services organization does not exceed an administrative cost of ten percent of available funds;

(e) Establish, to the extent possible, a standardized auditing procedure which is designed to assure compliance with contractual agreements authorized by this chapter and minimizes paperwork requirements. The audit procedure shall focus on the outcomes of service as provided in RCW 71.24.435, 70.320.020, and 71.36.025;

(f) Develop and maintain an information system to be used by the state and behavioral health administrative services organizations and managed care organizations that includes a tracking method which allows the authority to identify behavioral health clients' participation in any behavioral health service or public program on an immediate basis. The information system shall not include individual patient's case history files. Confidentiality of client information and records shall be maintained as provided in this chapter and chapter 70.02 RCW;

(g) Monitor and audit behavioral health administrative services organizations as needed to assure compliance with contractual agreements authorized by this chapter;

(h) Monitor and audit access to behavioral health services for individuals eligible for medicaid who are not enrolled in a managed care organization;

(i) Adopt such rules as are necessary to implement the authority's responsibilities under this chapter;

(j) Administer or supervise the administration of the provisions relating to persons with substance use disorders and intoxicated persons of any state plan submitted for federal funding pursuant to federal health, welfare, or treatment legislation;

(k) Require the behavioral health administrative services organizations and the managed care organizations to develop agreements with tribal, city, and county jails and the department of corrections to accept referrals for enrollment on behalf of a confined person, prior to the person's release;

(l) Require behavioral health administrative services organizations and managed care organizations, as applicable, to provide services as identified in RCW 71.05.585 to individuals committed for involuntary commitment under less restrictive alternative court orders when:

(i) The individual is enrolled in the medicaid program; or

(ii) The individual is not enrolled in medicaid, does not have other insurance which can pay for the services, and the behavioral health administrative services organization has adequate available resources to provide the services; ~~(and)~~

(m) Coordinate with the centers for medicare and medicaid services to provide that behavioral health aide services are eligible for federal funding of up to one hundred percent; and

(n) Assure that rates paid by managed care organizations and behavioral health administrative services organizations to community-based withdrawal management providers, other than secure withdrawal management and stabilization programs, who serve low-income individuals, including enrollees in medical assistance programs, at American society of addiction medicine placement criteria level 3.7 are paid at the rate that is the greater of 80 percent of the daily rate paid by medicare for the same service or 500 dollars, adjusted annually for inflation, per day.

(6) The director shall use available resources only for behavioral health administrative services organizations and managed care organizations, except:

(a) To the extent authorized, and in accordance with any priorities or conditions specified, in the biennial appropriations act; or

(b) To incentivize improved performance with respect to the client outcomes established in RCW 71.24.435, 70.320.020, and 71.36.025, integration of behavioral health and medical services

at the clinical level, and improved care coordination for individuals with complex care needs.

(7) Each behavioral health administrative services organization, managed care organization, and licensed or certified behavioral health agency shall file with the secretary of the department of health or the director, on request, such data, statistics, schedules, and information as the secretary of the department of health or the director reasonably requires. A behavioral health administrative services organization, managed care organization, or licensed or certified behavioral health agency which, without good cause, fails to furnish any data, statistics, schedules, or information as requested, or files fraudulent reports thereof, may be subject to the contractual remedies in RCW 74.09.871 or may have its service provider certification or license revoked or suspended.

(8) The superior court may restrain any behavioral health administrative services organization, managed care organization, or service provider from operating without a contract, certification, or a license or any other violation of this section. The court may also review, pursuant to procedures contained in chapter 34.05 RCW, any denial, suspension, limitation, restriction, or revocation of certification or license, and grant other relief required to enforce the provisions of this chapter.

(9) Upon petition by the secretary of the department of health or the director, and after hearing held upon reasonable notice to the facility, the superior court may issue a warrant to an officer or employee of the secretary of the department of health or the director authorizing him or her to enter at reasonable times, and examine the records, books, and accounts of any behavioral health administrative services organization, managed care organization, or service provider refusing to consent to inspection or examination by the authority.

(10) Notwithstanding the existence or pursuit of any other remedy, the secretary of the department of health or the director may file an action for an injunction or other process against any person or governmental unit to restrain or prevent the establishment, conduct, or

operation of a behavioral health administrative services organization, managed care organization, or service provider without a contract, certification, or a license under this chapter.

(11) The authority shall distribute appropriated state and federal funds in accordance with any priorities, terms, or conditions specified in the appropriations act.

(12) The authority, in cooperation with the state congressional delegation, shall actively seek waivers of federal requirements and such modifications of federal regulations as are necessary to allow federal medicaid reimbursement for services provided by freestanding evaluation and treatment facilities licensed under chapter 71.12 RCW or certified under chapter 71.05 RCW. The authority shall periodically share the results of its efforts with the appropriate committees of the senate and the house of representatives.

(13) The authority may:

(a) Plan, establish, and maintain substance use disorder prevention and substance use disorder treatment programs as necessary or desirable;

(b) Coordinate its activities and cooperate with behavioral programs in this and other states, and make contracts and other joint or cooperative arrangements with state, tribal, local, or private agencies in this and other states for behavioral health services and for the common advancement of substance use disorder programs;

(c) Solicit and accept for use any gift of money or property made by will or otherwise, and any grant of money, services, or property from the federal government, the state, or any political subdivision thereof or any private source, and do all things necessary to cooperate with the federal government or any of its agencies in making an application for any grant;

(d) Keep records and engage in research and the gathering of relevant statistics; and

(e) Acquire, hold, or dispose of real property or any interest therein, and construct, lease, or otherwise provide substance use disorder treatment programs."

Renumber the remaining sections consecutively and correct any internal references accordingly.

Correct the title.

Representative Caldier spoke in favor of the adoption of the amendment to the committee amendment.

Representative Cody spoke against the adoption of the amendment to the committee amendment.

Amendment (760) to the committee amendment was not adopted.

Representative Goodman moved the adoption of amendment (762) to the committee amendment:

On page 13, line 30, after "including" insert "persons with co-occurring substance use disorders and mental health conditions, and"

On page 13, beginning on line 33, after "by the" strike all material through "commission" on line 34 and insert "commission in collaboration with the University of Washington behavioral health institute"

On page 13, beginning on line 37, after "training, the" strike "behavioral health institute" and insert "commission"

On page 14, beginning on line 30, after "use" strike all material through "agency" on line 32 and insert "during in-service training"

On page 15, beginning on line 21, after "misdemeanor." strike all material through "treatment." on line 25 and insert "The prosecutor is encouraged to divert such cases for assessment, treatment, or other services."

On page 15, line 33, after "(2)" strike all material through "~~any~~) A" and insert "Except as provided in RCW 69.50.4014, any"

Beginning on page 15, line 36, after "(3)" strike all material through "treatment." on page 16, line 2 and insert "The prosecutor is encouraged to divert cases under this section for assessment, treatment, or other services."

On page 17, after line 3, insert the following:

"**Sec. 10.** RCW 69.50.4014 and 2015 2nd sp.s. c 4 s 505 are each amended to read as follows:

Except as provided in RCW 69.50.401(2)(c) or as otherwise authorized by this chapter, any person found guilty of knowing possession of forty grams or less of marijuana is guilty of a misdemeanor. The prosecutor is encouraged to divert cases under this section for assessment, treatment, or other services."

Renumber the remaining sections consecutively and correct any internal references accordingly.

On page 18, beginning on line 16, after "misdemeanor." strike all material through "treatment." on line 20 and insert "The prosecutor is encouraged to divert such cases for assessment, treatment, or other services."

On page 19, beginning on line 30, after "misdemeanor." strike all material through "treatment." on line 34 and insert "The prosecutor is encouraged to divert such cases for assessment, treatment, or other services."

On page 19, after line 34, insert the following:

"NEW SECTION. Sec. 12. A new section is added to chapter 10.31 RCW to read as follows:

(1) For all individuals who otherwise would be subject to arrest for possession of a counterfeit substance under RCW 69.50.4011, possession of a controlled substance under RCW 69.50.4013, possession of 40 grams or less of marijuana under RCW 69.50.4014, or possession of a legend drug under RCW 69.41.030(2)(b), in lieu of jail booking and referral to the prosecutor, law enforcement shall offer a referral to assessment and services available pursuant to RCW 10.31.110 or other program or entity responsible for receiving referrals in lieu of legal system involvement, which may include the recovery navigator program established under section 2 of this act.

(2) If law enforcement agency records reflect that an individual has been diverted to referral for assessment and services twice or more previously, officers may, but are not required to, make additional diversion efforts.

(3) Nothing in this section precludes prosecutors from diverting or declining to file any charges for possession offenses that are referred under RCW 69.50.4011, 69.50.4013, 69.50.4014, or

69.41.030(2)(b) in the exercise of their discretion."

Renumber the remaining sections consecutively and correct any internal references accordingly.

Beginning on page 20, line 27, strike all of sections 13 through 17

Renumber the remaining sections consecutively and correct any internal references accordingly.

On page 31, at the beginning of line 10, strike all material through "~~69.50.4014~~" on line 11 and insert "E Possession of Marihuana < 40 grams E

(69.50.4014)"

On page 38, beginning on line 26, strike all of section 20

Renumber the remaining sections consecutively and correct any internal references accordingly.

On page 52, after line 11, insert the following:

"Sec. 24. RCW 10.64.110 and 1977 ex.s. c 259 s 1 are each amended to read as follows:

(1) Following June 15, 1977, except as provided in subsection (3) of this section, there shall be affixed to the original of every judgment and sentence of a felony conviction in every court in this state and every order adjudicating a juvenile to be a delinquent based upon conduct which would be a felony if committed by an adult, a fingerprint of the defendant or juvenile who is the subject of the order. When requested by the clerk of the court, the actual affixing of fingerprints shall be done by a representative of the office of the county sheriff.

(2) The clerk of the court shall attest that the fingerprints appearing on the judgment in sentence, order of adjudication of delinquency, or docket, is that of the individual who is the subject of the judgment or conviction, order, or docket entry.

(3) Amended judgment and sentences issued pursuant to State v. Blake, No. 96873-0 (Feb. 25, 2021), are exempt from the fingerprinting requirements in subsection (1) of this section when there are no additional offenses of conviction from the original judgment and sentence and the defendant is in custody in a correctional facility. In such cases, the

amended judgment and sentence shall reference the original judgment and sentence and the fingerprints affixed thereto."

Re-number the remaining sections consecutively and correct any internal references accordingly.

On page 52, beginning on line 20, strike all of sections 25 and 26

Re-number the remaining sections consecutively and correct any internal references accordingly.

On page 52, line 33, after "Sections" strike "1 through 10, 12, 18, 19, 21 through 24, and 26" and insert "1 through 11 and 13 through 21"

On page 53, line 7, after "Sections" strike "8, 9, 11, 19, and 24" and insert "8 through 10, 12, 15, and 16"

On page 53, beginning on line 9, strike all of section 31

Re-number the remaining section consecutively and correct any internal references accordingly.

Representatives Goodman and Mosbrucker spoke in favor of the adoption of the amendment to the committee amendment.

Amendment (762) to the committee amendment was adopted.

Representative Walsh moved the adoption of amendment (767) to the committee amendment:

On page 15, line 20 of the striking amendment, after "is a" insert "gross"

On page 15, line 33 of the striking amendment, after "(2)" strike all material through "~~any~~) A" and insert "Except as provided in RCW 69.50.4014, any"

On page 15, line 35 of the striking amendment, after "~~RCW~~)" insert "gross"

On page 20, after line 26 of the striking amendment, strike all of sections 13 through 17

Re-number the remaining sections consecutively and correct any internal references accordingly.

On page 31, at the beginning of line 10 of the striking amendment, strike all material through "~~(69.50.4014)~~" on

line 11 and insert "E Possession of Marihuana <40 grams E

69.50.4014"

On page 31, at the beginning of line 25 of the striking amendment, strike "~~(E)~~E Violation of Uniform Controlled ~~(E)~~E" and insert "~~(E)~~D Violation of Uniform Controlled ~~(E)~~D"

On page 38, after line 25 of the striking amendment, strike all of section 20

Re-number the remaining sections consecutively and correct any internal references accordingly.

On page 52, after line 19 of the striking amendment, strike all of section 25

Re-number the remaining sections consecutively and correct any internal references accordingly.

On page 52, beginning on line 30 of the striking amendment, strike all of section 26 and insert the following:

"Sec. 26. RCW 69.50.4014 and 2015 2nd sp.s. c 4 s 505 are each amended to read as follows:

Except as provided in RCW 69.50.401(2)(c) or as otherwise authorized by this chapter, any person found guilty of knowing possession of forty grams or less of marijuana is guilty of a misdemeanor. Where the case is legally sufficient, the prosecutor shall divert the case for treatment if the alleged violation is the person's first or second violation of this section. On a person's third and subsequent violation of this section, the prosecutor is encouraged to divert the case for treatment."

On page 53, after line 6 of the striking amendment, strike all of sections 30 and 31

Re-number the remaining section consecutively and correct any internal references accordingly.

Representatives Walsh, Sutherland, Jacobsen, Mosbrucker, Orcutt, Kraft and Dent spoke in favor of the adoption of the amendment to the committee amendment.

Representatives Hackney, Goodman and Taylor spoke against the adoption of the amendment to the committee amendment.

MOTION

On motion of Representative Griffey, Representative McEntire was excused.

An electronic roll call was requested.

ROLL CALL

The Clerk called the roll on the adoption of amendment (767) to the committee amendment and the amendment (767) was not adopted by the following vote: Yeas: 44; Nays: 53; Absent: 0; Excused: 1

Voting yea: Representatives Abbarno, Barkis, Boehnke, Caldier, Chambers, Chandler, Chapman, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, MacEwen, Maycumber, McCaslin, Mosbrucker, Orcutt, Paul, Robertson, Rude, Rule, Schmick, Shewmake, Steele, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox, Ybarra, and Young

Voting nay: Representatives Bateman, Berg, Bergquist, Berry, Bronoske, Callan, Chopp, Cody, Davis, Dolan, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, Jinkins, Johnson, J., Kirby, Kloba, Leavitt, Lekanoff, Lovick, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Peterson, Pollet, Ramel, Ramos, Riccelli, Ryu, Santos, Sells, Senn, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, and Wylie

Excused: Representative McEntire

Representative Caldier moved the adoption of amendment (759) to the committee amendment:

On page 52, after line 11 of the striking amendment, insert the following:

"**Sec. 24.** RCW 28B.77.070 and 2019 c 413 s 7029 are each amended to read as follows:

(1) The council shall identify budget priorities and levels of funding for higher education, including the two and four-year institutions of higher education and state financial aid programs. It is the intent of the legislature for the council to make budget recommendations for allocations for major policy changes in accordance with priorities set forth in the ten-year plan, but the legislature does not intend for the council to review and make recommendations on individual institutional budgets. It is the intent of the legislature that recommendations from the council prioritize funding needs for the overall system of higher education in accordance with priorities set forth in the ten-year plan. It is also the intent of the legislature that the council's recommendations take into

consideration the total per-student funding at similar public institutions of higher education in the global challenge states.

(2) By December of each odd-numbered year, the council shall outline the council's fiscal priorities under the ten-year plan that it must distribute to the institutions, the state board for community and technical colleges, the office of financial management, and the joint higher education committee.

(a) Capital budget outlines for the two-year institutions shall be submitted to the office of financial management by August 15th of each even-numbered year, and shall include the prioritized ranking of the capital projects being requested, a description of each capital project, and the amount and fund source being requested.

(b) Capital budget outlines for the four-year institutions must be submitted to the office of financial management by August 15th of each even-numbered year, and must include: The institutions' priority ranking of the project; the capital budget category within which the project will be submitted to the office of financial management in accordance with RCW 43.88D.010; a description of each capital project; and the amount and fund source being requested.

(c) The prioritized outlines submitted to the office of financial management for two-year institutions and four-year institutions in subsection (2) of this section must prioritize major capital projects that will directly support degree programs related to mental health or substance use disorders.

~~((e))~~ (d) The office of financial management shall reference these reporting requirements in its budget instructions.

(3) The council shall submit recommendations on the operating budget priorities to support the ten-year plan to the office of financial management by October 1st each year, and to the legislature by January 1st each year.

(4) (a) The office of financial management shall develop one prioritized list of capital projects for the legislature to consider that includes all of the projects requested by the four-year institutions of higher education that were scored by the office of financial management pursuant to

chapter 43.88D RCW, including projects that were previously scored but not funded. The prioritized list of capital projects shall be based on the following priorities in the following order:

(i) Office of financial management scores pursuant to chapter 43.88D RCW;

(ii) Preserving assets;

(iii) Degree production; and

(iv) Maximizing efficient use of instructional space.

(b) The office of financial management shall include all of the capital projects requested by the four-year institutions of higher education, except for the minor works projects, in the prioritized list of capital projects provided to the legislature.

(c) The form of the prioritized list for capital projects requested by the four-year institutions of higher education shall be provided as one list, ranked in priority order with the highest priority project ranked number "1" through the lowest priority project numbered last. The ranking for the prioritized list of capital projects may not:

(i) Include subpriorities;

(ii) Be organized by category;

(iii) Assume any state bond or building account biennial funding level to prioritize the list; or

(iv) Assume any specific share of projects by institution in the priority list.

(5) Institutions and the state board for community and technical colleges shall submit any supplemental capital budget requests and revisions to the office of financial management by November 1st and to the legislature by January 1st.

(6) For the 2017-2019 fiscal biennium and the 2019-2021 fiscal biennium, pursuant to subsection (4) of this section, the office of financial management may, but is not obligated to, develop one prioritized list of capital projects for the legislature to consider that includes all of the projects requested by the four-year institutions of higher education that were scored by the office of financial management pursuant to chapter 43.88D RCW, including

projects that were previously scored but not funded.

Sec. 25. RCW 43.88D.010 and 2019 c 413 s 7032 are each amended to read as follows:

(1) By October 1st of each even-numbered year, the office of financial management shall complete an objective analysis and scoring of all capital budget projects proposed by the public four-year institutions of higher education and submit the results of the scoring process to the legislative fiscal committees and the four-year institutions. Each project must be reviewed and scored within one of the following categories, according to the project's principal purpose. Each project may be scored in only one category. The categories are:

(a) Access-related projects to accommodate enrollment growth at all campuses, at existing or new university centers, or through distance learning. Growth projects should provide significant additional student capacity. Proposed projects must demonstrate that they are based on solid enrollment demand projections, more cost-effectively provide enrollment access than alternatives such as university centers and distance learning, and make cost-effective use of existing and proposed new space;

(b) Projects that replace failing permanent buildings. Facilities that cannot be economically renovated are considered replacement projects. New space may be programmed for the same or a different use than the space being replaced and may include additions to improve access and enhance the relationship of program or support space;

(c) Projects that renovate facilities to restore building life and upgrade space to meet current program requirements. Renovation projects should represent a complete renovation of a total facility or an isolated wing of a facility. A reasonable renovation project should cost between sixty to eighty percent of current replacement value and restore the renovated area to at least twenty-five years of useful life. New space may be programmed for the same or a different use than the space being renovated and may include additions to improve access and enhance the relationship of program or support space;

(d) Major stand-alone campus infrastructure projects;

(e) Projects that promote economic growth and innovation through expanded research activity. The acquisition and installation of specialized equipment is authorized under this category; and

(f) Other project categories as determined by the office of financial management in consultation with the legislative fiscal committees.

(2) The office of financial management, in consultation with the legislative fiscal committees, shall establish a scoring system and process for each four-year project category that is based on the framework used in the community and technical college system of prioritization. Staff from the state board for community and technical colleges and the four-year institutions shall provide technical assistance on the development of a scoring system and process.

(3) The office of financial management shall consult with the legislative fiscal committees in the scoring of four-year institution project proposals, and may also solicit participation by independent experts.

(a) For each four-year project category, the scoring system must, at a minimum, include an evaluation of enrollment trends, reasonableness of cost, the ability of the project to enhance specific strategic master plan goals, age and condition of the facility if applicable, and impact on space utilization.

(b) Each four-year project category may include projects at the predesign, design, or construction funding phase.

(c) To the extent possible, the objective analysis and scoring system of all capital budget projects shall occur within the context of any and all performance agreements between the office of financial management and the governing board of a public, four-year institution of higher education that aligns goals, priorities, desired outcomes, flexibility, institutional mission, accountability, and levels of resources.

(4) In evaluating and scoring four-year institution projects, the office of financial management shall ~~((take into consideration))~~: (a) Take into

consideration project schedules that result in realistic, balanced, and predictable expenditure patterns over the ensuing three biennia~~((-))~~; and (b) prioritize major capital projects that will directly support degree programs related to mental health or substance use disorders.

(5) The office of financial management shall distribute common definitions, the scoring system, and other information required for the project proposal and scoring process as part of its biennial budget instructions. The office of financial management, in consultation with the legislative fiscal committees, shall develop common definitions that four-year institutions must use in developing their project proposals and lists under this section.

(6) In developing any scoring system for capital projects proposed by the four-year institutions, the office of financial management:

(a) Shall be provided with all required information by the four-year institutions as deemed necessary by the office of financial management;

(b) May utilize independent services to verify, sample, or evaluate information provided to the office of financial management by the four-year institutions; and

(c) Shall have full access to all data maintained by the joint legislative audit and review committee concerning the condition of higher education facilities.

(7) By August 1st of each even-numbered year each public four-year higher education institution shall prepare and submit prioritized lists of the individual projects proposed by the institution for the ensuing six-year period in each category. The lists must be submitted to the office of financial management and the legislative fiscal committees. The four-year institutions may aggregate minor works project proposals by primary purpose for ranking purposes. Proposed minor works projects must be prioritized within the aggregated proposal, and supporting documentation, including project descriptions and cost estimates, must be provided to the office of financial management and the legislative fiscal committees.

(8) For the 2017-2019 fiscal biennium and the 2019-2021 fiscal biennium,

pursuant to subsection (1) of this section, by November 1, 2020, the office of financial management must score higher education capital project criteria with a rating scale that assesses how well a particular project satisfies those criteria. The office of financial management may not use a rating scale that weighs the importance of those criteria.

(9) For the 2017-2019 fiscal biennium and the 2019-2021 fiscal biennium, pursuant to subsection (6)(a) of this section and in lieu of the requirements of subsection (7) of this section, by August 15, 2020, the institutions of higher education shall prepare and submit or resubmit to the office of financial management and the legislative fiscal committees:

(a) Individual project proposals developed pursuant to subsection (1) of this section;

(b) Individual project proposals scored in prior biennia pursuant to subsection (1) of this section; and

(c) A prioritized list of up to five project proposals submitted pursuant to (a) and (b) of this subsection."

Re-number the remaining sections consecutively and correct any internal references accordingly.

On page 52, line 34 of the striking amendment, after "through" strike "24, and 26" and insert "23, 26, and 28"

On page 53, line 7 of the striking amendment, after "and" strike "24" and insert "26"

On page 53, line 9 of the striking amendment, after "and" strike "25" and insert "27"

POINT OF ORDER

Representative Stonier requested a scope and object ruling on amendment (759).

SPEAKER'S RULING

"The bill responds to the State v. Blake decision by addressing criminal penalties and diversion, establishing a substance use recovery services committee, and authorizing court commissioners to preside at hearings to resentence or vacate convictions.

Amendment (759) concerns the capital budget process for higher education institutions, a topic not addressed in the underlying bill.

The Speaker therefore finds and rules that the amendment is outside the scope and object of the bill.

The point of order is well taken."

By the adoption of amendment (762), amendment (755) was ruled out of order.

Representative Mosbrucker moved the adoption of amendment (766) to the committee amendment:

On page 1 of the striking amendment, strike all material after line 2 and insert the following:

"NEW SECTION. **Sec. 1.** The legislature finds that substance use disorder is a disease and should be treated using a public health, rather than a criminal justice-centered, approach. Existing laws criminalizing the possession of drugs have been ineffective in reducing drug use and preventing substance use disorder. These laws cause significant harm to individuals who use drugs by disrupting and further destabilizing their lives. It also contributes to an increased risk of death, the spread of infectious diseases, mass incarceration, the separation of families, and barriers to accessing housing, employment, and other vital services. Furthermore, even though research shows that drugs are used and sold at similar levels across all races, laws criminalizing the use of drugs have disproportionately impacted minority communities.

This act takes the important first step of reducing the crime of possession from a felony to a gross misdemeanor and institutes greater opportunities for treatment. In coordination with this act, the legislature intends to increase funding for programs that have a proven track record of assisting individuals to break free from substance use dependency. These programs include LEAD (law enforcement assisted diversion/let everyone advance with dignity program); HOST (homeless outreach stabilization transition teams); peer-run clubhouses; opioid treatment network; project for psychiatric outreach for the homeless; mobile opioid treatment grant; peer support programs; and family navigators.

The purpose of this act is to save lives and to help transform Washington's approach to drug use from one based on criminalization and stigma to one based on science and compassion.

PART I

POSSESSION AND USE OF CONTROLLED SUBSTANCES, COUNTERFEIT SUBSTANCES, AND LEGEND DRUGS

Sec. 2. RCW 69.50.4011 and 2003 c 53 s 332 are each amended to read as follows:

(1) Except as authorized by this chapter, it is unlawful for any person to create, deliver, or knowingly possess a counterfeit substance.

(2) ~~((Any))~~ Except as provided in subsection (3) of this section, any person who violates this section with respect to:

(a) A counterfeit substance classified in Schedule I or II which is a narcotic drug, or flunitrazepam classified in Schedule IV, is guilty of a class B felony and upon conviction may be imprisoned for not more than ten years, fined not more than twenty-five thousand dollars, or both;

(b) A counterfeit substance which is methamphetamine, is guilty of a class B felony and upon conviction may be imprisoned for not more than ten years, fined not more than twenty-five thousand dollars, or both;

(c) Any other counterfeit substance classified in Schedule I, II, or III, is guilty of a class C felony punishable according to chapter 9A.20 RCW;

(d) A counterfeit substance classified in Schedule IV, except flunitrazepam, is guilty of a class C felony punishable according to chapter 9A.20 RCW;

(e) A counterfeit substance classified in Schedule V, is guilty of a class C felony punishable according to chapter 9A.20 RCW.

(3) A violation of this section involving possession is a gross misdemeanor. Where a case is legally sufficient, the prosecutor shall divert the case for treatment if the alleged violation involving possession is the person's first or second violation. On a person's third and subsequent violation involving possession, the prosecutor is encouraged to divert the case for treatment.

Sec. 3. RCW 69.50.4013 and 2017 c 317 s 15 are each amended to read as follows:

(1) It is unlawful for any person to knowingly 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))~~ gross misdemeanor punishable under chapter 9A.20 RCW.

(3) Where a case is legally sufficient, the prosecutor shall divert the case for treatment if the alleged violation is the person's first or second violation of this section. On a person's third and subsequent violation of this section, the prosecutor is encouraged to divert the case for treatment.

(4) (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))~~ (5) (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))~~ (5) 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))~~ (6) 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.

~~((6))~~ (7) 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.

Sec. 4. RCW 69.50.412 and 2019 c 64 s 22 are each amended to read as follows:

(1) It is unlawful for any person to use drug paraphernalia to plant, propagate, cultivate, grow, harvest, manufacture, compound, convert, produce, process, or prepare ~~((~~test, analyze, pack, repack, store, contain, conceal, inject, ingest, inhale, or otherwise introduce into the human body~~))~~ a controlled substance other than marijuana. Any person who violates this subsection is guilty of a misdemeanor.

(2) It is unlawful for any person to deliver, possess with intent to deliver, or manufacture with intent to deliver drug paraphernalia, knowing, or under circumstances where one reasonably should know, that it will be used to plant, propagate, cultivate, grow, harvest, manufacture, compound, convert, produce, process, or prepare ~~((~~test, analyze, pack, repack, store, contain, conceal, inject, ingest, inhale, or otherwise introduce into the human body~~))~~ a controlled substance other than marijuana. Any person who violates this subsection is guilty of a misdemeanor.

(3) Any person eighteen years of age or over who violates subsection (2) of

this section by delivering drug paraphernalia to a person under eighteen years of age who is at least three years his or her junior is guilty of a gross misdemeanor.

(4) It is unlawful for any person to place in any newspaper, magazine, handbill, or other publication any advertisement, knowing, or under circumstances where one reasonably should know, that the purpose of the advertisement, in whole or in part, is to promote the sale of objects designed or intended for use as drug paraphernalia. Any person who violates this subsection is guilty of a misdemeanor.

(5) It is lawful for any person over the age of eighteen to possess sterile hypodermic syringes and needles for the purpose of reducing blood-borne diseases.

Sec. 5. RCW 69.41.030 and 2019 c 55 s 9 are each amended to read as follows:

(1) ~~((It))~~ Except as provided in subsection (2) of this section, it shall be unlawful for any person to sell, deliver, or knowingly possess any legend drug ~~((except))~~.

(2) The sale, delivery, or possession of a legend drug does not constitute a violation of this section upon the order or prescription of a physician under chapter 18.71 RCW, an osteopathic physician and surgeon under chapter 18.57 RCW, an optometrist licensed under chapter 18.53 RCW who is certified by the optometry board under 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 commissioned medical or dental officer in the United States armed forces or public health service in the discharge of his or her official duties, a duly licensed physician or dentist employed by the veterans administration in the discharge of his or her official duties, a registered nurse or advanced registered nurse practitioner under chapter 18.79 RCW when authorized by the nursing care quality assurance commission, a pharmacist licensed under chapter 18.64 RCW to the extent permitted by drug therapy guidelines or protocols established under RCW 18.64.011 and authorized by the commission and approved by a practitioner authorized to prescribe drugs, an osteopathic physician assistant under chapter 18.57A RCW when authorized by the

board of osteopathic medicine and surgery, a physician assistant under chapter 18.71A RCW when authorized by the Washington medical commission, or any of the following professionals in any province of Canada that shares a common border with the state of Washington or in any state of the United States: A physician licensed to practice medicine and surgery or 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 advanced registered nurse practitioner, a licensed physician assistant, a licensed osteopathic physician assistant, or a veterinarian licensed to practice veterinary medicine: PROVIDED, HOWEVER, That the above provisions shall not apply to sale, delivery, or possession by drug wholesalers or drug manufacturers, or their agents or employees, or to any practitioner acting within the scope of his or her license, or to a common or contract carrier or warehouse operator, or any employee thereof, whose possession of any legend drug is in the usual course of business or employment: PROVIDED FURTHER, That nothing in this chapter or chapter 18.64 RCW shall prevent a family planning clinic that is under contract with the health care authority from selling, delivering, possessing, and dispensing commercially prepackaged oral contraceptives prescribed by authorized, licensed health care practitioners: PROVIDED FURTHER, That nothing in this chapter prohibits possession or delivery of legend drugs by an authorized collector or other person participating in the operation of a drug take-back program authorized in chapter 69.48 RCW.

~~((2))~~ (3)(a) A violation of this section involving the sale, delivery, or possession with intent to sell or deliver is a class B felony punishable according to chapter 9A.20 RCW.

(b) A violation of this section involving possession is a misdemeanor. Where a case is legally sufficient, the prosecutor shall divert the case for treatment if the alleged violation involving possession is the person's first or second violation. On a person's third and subsequent violation involving possession, the prosecutor is encouraged to divert the case for treatment.

Sec. 6. RCW 69.41.030 and 2020 c 80 s 41 are each amended to read as follows:

(1) ~~((1))~~ Except as provided in subsection (2) of this section, it shall be unlawful for any person to sell, deliver, or knowingly possess any legend drug (~~except~~).

(2) The sale, delivery, or possession of a legend drug does not constitute a violation of this section upon the order or prescription of a physician under chapter 18.71 RCW, an osteopathic physician and surgeon under chapter 18.57 RCW, an optometrist licensed under chapter 18.53 RCW who is certified by the optometry board under 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 commissioned medical or dental officer in the United States armed forces or public health service in the discharge of his or her official duties, a duly licensed physician or dentist employed by the veterans administration in the discharge of his or her official duties, a registered nurse or advanced registered nurse practitioner under chapter 18.79 RCW when authorized by the nursing care quality assurance commission, a pharmacist licensed under chapter 18.64 RCW to the extent permitted by drug therapy guidelines or protocols established under RCW 18.64.011 and authorized by the commission and approved by a practitioner authorized to prescribe drugs, a physician assistant under chapter 18.71A RCW when authorized by the Washington medical commission, or any of the following professionals in any province of Canada that shares a common border with the state of Washington or in any state of the United States: A physician licensed to practice medicine and surgery or 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 advanced registered nurse practitioner, a licensed physician assistant, or a veterinarian licensed to practice veterinary medicine: PROVIDED, HOWEVER, That the above provisions shall not apply to sale, delivery, or possession by drug wholesalers or drug manufacturers, or their agents or employees, or to any practitioner acting within the scope of his or her license, or to a common or contract carrier or warehouse operator, or any employee thereof, whose possession of any legend drug is in the usual course

of business or employment: PROVIDED FURTHER, That nothing in this chapter or chapter 18.64 RCW shall prevent a family planning clinic that is under contract with the health care authority from selling, delivering, possessing, and dispensing commercially prepackaged oral contraceptives prescribed by authorized, licensed health care practitioners: PROVIDED FURTHER, That nothing in this chapter prohibits possession or delivery of legend drugs by an authorized collector or other person participating in the operation of a drug take-back program authorized in chapter 69.48 RCW.

((+2)) (3)(a) A violation of this section involving the sale, delivery, or possession with intent to sell or deliver is a class B felony punishable according to chapter 9A.20 RCW.

(b) A violation of this section involving possession is a misdemeanor. Where a case is legally sufficient, the prosecutor shall divert the case for treatment if the alleged violation involving possession is the person's first or second violation. On a person's third and subsequent violation involving possession, the prosecutor is encouraged to divert the case for treatment.

PART II

SUBSTANCE USE RECOVERY SERVICES ADVISORY COMMITTEE

NEW SECTION. **Sec. 7.** A new section is added to chapter 41.05 RCW to read as follows:

(1) The authority shall establish the substance use recovery services advisory committee to make recommendations for implementation of a substance use recovery services plan.

(2) The authority must, in consultation with the University of Washington department of psychiatry and behavioral sciences and an organization that represents the interests of people who have been directly impacted by substance use and the criminal legal system, appoint members to the advisory committee who have relevant background related to the needs of persons with substance use disorder. The membership of the advisory committee must include, but is not limited to, experts in the etiology and stabilization of substance use disorders, including expertise in medication-assisted treatment and other innovative medication therapies; experts in mental health and trauma and their

comorbidity with substance use disorders; people who are currently using controlled substances outside the legal authority of prescription or valid practitioner order; experts in the relationship between social determinants of health, including housing and substance use disorder; experts in drug user health and harm reduction; representatives of city and county governments; a representative of urban police chiefs; a representative of rural county sheriffs; a representative of the interests of rural communities; a representative of fire chiefs; experts in peer support services; experts in substance use disorder recovery support services; experts in diversion from the criminal legal system to community-based care for people with complex behavioral health needs; experts in reducing racial disparity in exposure to the criminal legal system; an academic researcher with an expertise in drug policy and program evaluation; a substance use disorder professional; a representative of public defenders; a representative of prosecutors; a representative of the criminal justice training commission; a nongovernmental immigration attorney with expertise in the immigration consequences of drug possession and use crimes and findings of substance use disorder; recovery housing providers; low-barrier housing providers; representatives of racial justice organizations, including organizations promoting antiracism and equity in health care; a representative of a local health jurisdiction with expertise in overdose prevention and harm reduction; representatives of the interests of tribes; at least three adults in recovery from substance use disorder, including individuals with previous contact with the criminal legal system due to substance use; at least three youths in recovery from substance use disorder, including youths with previous criminal legal system contact due to substance use; and at least three family members of persons with substance use disorder. The advisory committee shall be reflective of the community of individuals living with substance use disorder, including people who are Black, indigenous, and people of color, and individuals who can represent the unique needs of rural communities.

(3) The advisory committee must make recommendations and provide perspectives to the authority regarding:

(a) Reforms to state laws that align with the goal of treating substance use disorder as a disease, rather than a criminal behavior;

(b) Current regional capacity for existing public and private programs providing substance use disorder assessments, each of the American society of addiction medicine levels of care, and recovery support services;

(c) Barriers to accessing the existing health system for those populations chronically exposed to criminal legal system responses relating to complex behavioral health conditions and the consequences of trauma, and possible innovations that could reduce those barriers and improve the quality and accessibility of care for those populations;

(d) Evidence-based, research-based, and promising treatment and recovery services appropriate for target populations, to include, but not be limited to, field-based outreach and engagement, case management, mental and physical health care, contingency management, medication-assisted treatment and other innovative medication therapies, peer support services, family education, housing, job training and employment programs, and treatments that have not traditionally been covered by insurance;

(e) Workforce needs for the behavioral health services sector, including wage and retention challenges;

(f) Options for leveraging existing integrated managed care, medicaid waiver, American Indian or Alaska Native fee-for-service behavioral health benefits, and private insurance service capacity for substance use disorders, including but not limited to coordination with managed care organizations, behavioral health administrative services organizations, the Washington health benefit exchange, accountable communities of health, and the office of the insurance commissioner;

(g) Framework and design assistance for jurisdictions to assist in compliance with the requirements of RCW 10.31.110 for diversion of individuals with complex behavioral health conditions to community-based care whenever possible and appropriate, and identifying resource gaps that impede jurisdictions in fully realizing the potential impact of this approach;

(h) The design of a referral mechanism for referring people with substance use disorder or problematic behaviors resulting from drug use into the supportive services described in this section, including intercepting individuals who likely would otherwise be referred into the criminal legal system, with the express intention of ensuring that decriminalization of possession of personal use amounts does not inadvertently contribute to increased racial disparity among those who continue to be exposed to the criminal legal system due to income instability and involvement in the illicit economy to meet basic needs;

(i) The establishment of regional programs to serve persons who are homeless and living with serious substance use disorders;

(j) The implementation of a comprehensive statewide substance misuse prevention effort;

(k) The establishment of a competitive grant process to broaden existing local community coalition efforts to prevent substance misuse by increasing protective factors and reducing risk factors;

(l) The establishment of programs that meet the needs of youth, including family support services;

(m) The establishment of programs that prioritize access to treatment and services for parents with substance use disorder who are involved with the state child welfare system;

(n) The design of ongoing qualitative and quantitative research about the types of services desired by people with substance use disorders and barriers they experience in accessing existing and recommended services; and

(o) Proposing a funding framework in which, over time, resources are shifted from punishment sectors to community-based care interventions such that community-based care becomes the primary strategy for addressing and resolving public order issues related to behavioral health conditions.

(4) The plan adopted by the authority must give due consideration to the needs of youth. The authority shall submit a summary report of the substance use recovery services plan and recommended changes to the law to the appropriate

committees of the legislature by October 1, 2022. The authority shall submit an interim report on the progress of the advisory committee to the appropriate committees of the legislature by December 1, 2021.

(5) This section expires December 31, 2023.

PART III

RESENTENCING AND RELEASE OF PERSONS IMPACTED BY *STATE V. BLAKE*

Sec. 8. RCW 2.24.010 and 2013 c 27 s 3 are each amended to read as follows:

(1) There may be appointed in each county or judicial district, by the judges of the superior court having jurisdiction therein, one or more court commissioners for said county or judicial district. Each such commissioner shall be a citizen of the United States and shall hold the office during the pleasure of the judges making the appointment.

(2)(a) There may be appointed (~~in counties with a population of more than four hundred thousand,~~) by the presiding judge of the superior court having jurisdiction (~~therein~~), one or more attorneys to act as criminal commissioners to assist the superior court in disposing of adult criminal cases. Such criminal commissioners shall have power, authority, and jurisdiction, concurrent with the superior court and the judges thereof, in adult criminal cases, to preside over arraignments, preliminary appearances, initial extradition hearings, and noncompliance proceedings pursuant to RCW 9.94A.6333 or 9.94B.040; accept pleas if authorized by local court rules; appoint counsel; make determinations of probable cause; set, amend, and review conditions of pretrial release; set bail; set trial and hearing dates; authorize continuances; accept waivers of the right to speedy trial; and authorize and issue search warrants and orders to intercept, monitor, or record wired or wireless telecommunications or for the installation of electronic taps or other devices to include, but not be limited to, vehicle global positioning system or other mobile tracking devices with all the powers conferred upon the judge of the superior court in such matters. Criminal commissioners also shall have the authority to conduct resentencing hearings and to vacate convictions pursuant to *State v. Blake*, No. 96873-0 (Feb. 25, 2021).

(b) The county legislative authority must approve the creation of criminal commissioner positions.

Sec. 9. RCW 2.24.040 and 2009 c 28 s 1 are each amended to read as follows:

Such court commissioner shall have power, authority, and jurisdiction, concurrent with the superior court and the judge thereof, in the following particulars:

(1) To hear and determine all matters in probate, to make and issue all proper orders therein, and to issue citations in all cases where same are authorized by the probate statutes of this state.

(2) To grant and enter defaults and enter judgment thereon.

(3) To issue temporary restraining orders and temporary injunctions, and to fix and approve bonds thereon.

(4) To act as referee in all matters and actions referred to him or her by the superior court as such, with all the powers now conferred upon referees by law.

(5) To hear and determine all proceedings supplemental to execution, with all the powers conferred upon the judge of the superior court in such matters.

(6) To hear and determine all petitions for the adoption of children and for the dissolution of incorporations.

(7) To hear and determine all applications for the commitment of any person to the hospital for the insane, with all the powers of the superior court in such matters: PROVIDED, That in cases where a jury is demanded, same shall be referred to the superior court for trial.

(8) To hear and determine all complaints for the commitments of minors with all powers conferred upon the superior court in such matters.

(9) To hear and determine ex parte and uncontested civil matters of any nature.

(10) To grant adjournments, administer oaths, preserve order, compel attendance of witnesses, and to punish for contempts in the refusal to obey or the neglect of the court commissioner's lawful orders made in any matter before the court commissioner as fully as the judge of the superior court.

(11) To take acknowledgments and proofs of deeds, mortgages and all other instruments requiring acknowledgment under the laws of this state, and to take affidavits and depositions in all cases.

(12) To provide an official seal, upon which shall be engraved the words "Court Commissioner," and the name of the county for which he or she may be appointed, and to authenticate his official acts therewith in all cases where same is necessary.

(13) To charge and collect, for his or her own use, the same fees for the official performance of official acts mentioned in subsections (4) and (11) of this section as are provided by law for referees and notaries public.

(14) To hear and determine small claims appeals as provided in chapter 12.36 RCW.

(15) In adult criminal cases, to preside over arraignments, preliminary appearances, initial extradition hearings, and noncompliance proceedings pursuant to RCW 9.94A.6333 or 9.94B.040; accept pleas if authorized by local court rules; appoint counsel; make determinations of probable cause; set, amend, and review conditions of pretrial release; set bail; set trial and hearing dates; authorize continuances; ~~(and)~~ accept waivers of the right to speedy trial; and conduct resentencing hearings and to vacate convictions pursuant to State v. Blake, No. 96873-0 (Feb. 25, 2021).

Sec. 10. RCW 9.94A.728 and 2018 c 166 s 2 are each amended to read as follows:

(1) No person serving a sentence imposed pursuant to this chapter and committed to the custody of the department shall leave the confines of the correctional facility or be released prior to the expiration of the sentence except as follows:

(a) An offender may earn early release time as authorized by RCW 9.94A.729;

(b) An offender may leave a correctional facility pursuant to an authorized furlough or leave of absence. In addition, offenders may leave a correctional facility when in the custody of a corrections officer or officers;

(c)(i) The secretary may authorize an extraordinary medical placement for an offender when all of the following conditions exist:

(A) The offender has a medical condition that is serious and is expected to require costly care or treatment;

(B) The offender poses a low risk to the community because he or she is currently physically incapacitated due to age or the medical condition or is expected to be so at the time of release; and

(C) It is expected that granting the extraordinary medical placement will result in a cost savings to the state.

(ii) An offender sentenced to death or to life imprisonment without the possibility of release or parole is not eligible for an extraordinary medical placement.

(iii) The secretary shall require electronic monitoring for all offenders in extraordinary medical placement unless the electronic monitoring equipment interferes with the function of the offender's medical equipment or results in the loss of funding for the offender's medical care, in which case, an alternative type of monitoring shall be utilized. The secretary shall specify who shall provide the monitoring services and the terms under which the monitoring shall be performed.

(iv) The secretary may revoke an extraordinary medical placement under this subsection (1)(c) at any time.

(v) Persistent offenders are not eligible for extraordinary medical placement;

(d) The governor, upon recommendation from the clemency and pardons board, may grant an extraordinary release for reasons of serious health problems, senility, advanced age, extraordinary meritorious acts, or other extraordinary circumstances;

(e) No more than the final twelve months of the offender's term of confinement may be served in partial confinement for aiding the offender with: Finding work as part of the work release program under chapter 72.65 RCW; or reestablishing himself or herself in the community as part of the parenting program in RCW 9.94A.6551. This is in addition to that period of earned early release time that may be exchanged for partial confinement pursuant to RCW 9.94A.729(5)(d);

(f) No more than the final six months of the offender's term of confinement may

be served in partial confinement as home detention as part of the graduated reentry program developed by the department under RCW 9.94A.733;

(g) The governor may pardon any offender;

(h) The department may release an offender from confinement any time within ten days before a release date calculated under this section;

(i) An offender may leave a correctional facility prior to completion of his or her sentence if the sentence has been reduced as provided in RCW 9.94A.870;

(j) Notwithstanding any other provisions of this section, an offender sentenced for a felony crime listed in RCW 9.94A.540 as subject to a mandatory minimum sentence of total confinement shall not be released from total confinement before the completion of the listed mandatory minimum sentence for that felony crime of conviction unless allowed under RCW 9.94A.540; and

(k) Any person convicted of one or more crimes committed prior to the person's eighteenth birthday may be released from confinement pursuant to RCW 9.94A.730.

(2) Notwithstanding any other provision of this section, an offender entitled to vacation of a conviction or the recalculation of his or her offender score pursuant to *State v. Blake*, No. 96873-0 (Feb. 25, 2021), may be released from confinement pursuant to a court order if the offender has already served a period of confinement that exceeds his or her new standard range. This provision does not create an independent right to release from confinement prior to resentencing.

(3) Offenders residing in a juvenile correctional facility placement pursuant to RCW 72.01.410(1)(a) are not subject to the limitations in this section.

NEW SECTION. Sec. 11. The *State v. Blake* reimbursement 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 state and local government costs resulting from the supreme court's decision in *State v. Blake* and to reimburse individuals for legal financial obligations paid in connection with sentences that have been invalidated

as a result of the decision in *State v. Blake*.

PART IV

MISCELLANEOUS PROVISIONS

NEW SECTION. Sec. 12. Section 5 of this act expires July 1, 2022.

NEW SECTION. Sec. 13. Section 6 of this act takes effect July 1, 2022.

NEW SECTION. Sec. 14. Sections 1 through 5, and 7 through 11 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 immediately.

Correct the title."

Representatives Mosbrucker, Sutherland and Caldier spoke in favor of the adoption of the amendment to the committee amendment.

Representatives Harris-Talley and Goodman spoke against the adoption of the amendment to the committee amendment.

Amendment (766) to the committee amendment was not adopted.

The committee amendment, as amended, was adopted.

There being no objection, the rules were suspended, the second reading considered the third and the bill as amended by the House, was placed on final passage.

Representatives Davis, Klippert, Bateman, Taylor, Berg, Barkis, Harris-Talley, Dent, Goodman, Chambers and Mosbrucker spoke in favor of the passage of the bill.

Representatives Graham, Griffey, Walsh and Kraft spoke against the passage of the bill.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Engrossed Senate Bill No. 5476, as amended by the House.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Senate Bill No. 5476, as amended by the House, and the bill passed the House by the following vote: Yeas, 80; Nays, 18; Absent, 0; Excused, 0.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Callan, Chambers, Chapman, Cody, Corry, Davis, Dent, Dolan, Duerr, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Jacobsen, J. Johnson, Kirby,

Klicker, Klippert, Kloba, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Maycumber, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Slatter, Springer, Steele, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Volz, Walen, Wicks, Wylie, Ybarra and Mme. Speaker.

Voting nay: Representatives Caldier, Chandler, Chase, Chopp, Dufault, Graham, Hoff, Kraft, Macri, McCaslin, McEntire, Simmons, Stokesbary, Sutherland, Vick, Walsh, Wilcox and Young.

ENGROSSED SENATE BILL NO. 5476, as amended by the House, having received the necessary constitutional majority, was declared passed.

The Speaker assumed the chair.

ENGROSSED SUBSTITUTE SENATE BILL NO. 5084, by Senate Committee on Ways & Means (originally sponsored by Frockt, Mullet and C. Wilson)

Concerning state general obligation bonds and related accounts.

The bill was read the second time.

There being no objection, the rules were suspended, the second reading considered the third and the bill was placed on final passage.

Representatives Tharinger, Steele and Hackney spoke in favor of the passage of the bill.

Representative Kraft spoke against the passage of the bill.

The Speaker stated the question before the House to be the final passage of Engrossed Substitute Senate Bill No. 5084.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 5084, and the bill passed the House by the following vote: Yeas, 96; Nays, 2; Absent, 0; Excused, 0.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Klippert, Kloba, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McCaslin, McEntire, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Voting nay: Representatives Chase and Kraft.

ENGROSSED SUBSTITUTE SENATE BILL NO. 5084, having received the necessary constitutional majority, was declared passed.

There being no objection, the House advanced to the seventh order of business.

THIRD READING MESSAGE FROM THE SENATE

April 23, 2021

Madame Speaker:

The Senate has passed SUBSTITUTE HOUSE BILL NO. 1080 with the following amendment:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** (1) A capital budget is hereby adopted and, subject to the provisions set forth in this act, the several dollar amounts hereinafter specified, or so much thereof as shall be sufficient to accomplish the purposes designated, are hereby appropriated and authorized to be incurred for capital projects during the period beginning with the effective date of this act and ending June 30, 2023, out of the several funds specified in this act.

(2) The definitions in this subsection apply throughout this act unless the context clearly requires otherwise.

(a) "Fiscal year 2022" or "FY 2022" means the period beginning July 1, 2021, and ending June 30, 2022.

(b) "Fiscal year 2023" or "FY 2023" means the period beginning July 1, 2022, and ending June 30, 2023.

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

(d) "Provided solely" means the specified amount may be spent only for the specified purpose.

(3) 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.

(4) The amounts shown under the headings "Prior Biennia," "Future Biennia," and "Total" in this act are for

informational purposes only and do not constitute legislative approval of these amounts. "Prior biennia" typically refers to the immediate prior biennium for reappropriations, but may refer to multiple biennia in the case of specific projects. A "future biennia" amount is an estimate of what may be appropriated for the project or program in the 2023-2025 biennium and the following three biennia; an amount of zero does not necessarily constitute legislative intent to not provide funding for the project or program in the future.

(5) "Reappropriations" in this act are appropriations and, unless the context clearly provides otherwise, are subject to the relevant conditions and limitations applicable to appropriations. Reappropriations shall be limited to the unexpended balances remaining on June 30, 2021, from the 2019-2021 biennial appropriations for each project.

PART 1

GENERAL GOVERNMENT

NEW SECTION. Sec. 1001. FOR THE ADMINISTRATOR FOR THE COURTS

Trial Court Security Improvements (91000001)

Appropriation:

State Building Construction Account—
State \$750,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$750,000

NEW SECTION. Sec. 1002. FOR THE COURT OF APPEALS

Division III Roof Replacement and Maintenance (30000003)

Reappropriation:

State Building Construction Account—
State \$27,000

Prior Biennia (Expenditures)
\$235,000

Future Biennia (Projected Costs)
\$0

TOTAL \$262,000

NEW SECTION. Sec. 1003. FOR THE OFFICE OF THE SECRETARY OF STATE

Library-Archives Building (30000033)

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

(1) The reappropriation is subject to the provisions of section 1003, chapter 2, Laws of 2018.

(2) The secretary of state must enter into a financial contract for up to \$119,000,000, pursuant to section 7002(3) of this act.

Reappropriation:

State Building Construction Account—
State \$4,078,000

Prior Biennia (Expenditures)
\$1,222,000

Future Biennia (Projected Costs)
\$0

TOTAL \$5,300,000

NEW SECTION. Sec. 1004. FOR THE OFFICE OF THE SECRETARY OF STATE

State Archives Minor Works Projects (30000042)

Reappropriation:

State Building Construction Account—
State \$471,000

Prior Biennia (Expenditures)
\$102,000

Future Biennia (Projected Costs)
\$0

TOTAL \$573,000

NEW SECTION. Sec. 1005. FOR THE OFFICE OF THE SECRETARY OF STATE

WTBBL Security Improvements (30000043)

Appropriation:

Washington State Library Operations Account—

Federal \$510,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$510,000

NEW SECTION. Sec. 1006. FOR THE OFFICE OF THE SECRETARY OF STATE

Archives Minor Works (30000044)

Appropriation:

State Building Construction Account—
State \$325,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$325,000

NEW SECTION. Sec. 1007. FOR THE DEPARTMENT OF COMMERCE

Community Economic Revitalization Board (30000097)

Reappropriation:

Public Facility Construction Loan Revolving

Account—State \$8,020,000

Prior Biennia (Expenditures) \$10,000,000

Future Biennia (Projected Costs) \$0

TOTAL \$18,020,000

NEW SECTION. Sec. 1008. FOR THE DEPARTMENT OF COMMERCE

Public Works Assistance Account Program 2013 Loan List (30000184)

Reappropriation:

Public Works Assistance Account—State \$1,523,000

Prior Biennia (Expenditures) \$32,378,000

Future Biennia (Projected Costs) \$0

TOTAL \$33,901,000

NEW SECTION. Sec. 1009. FOR THE DEPARTMENT OF COMMERCE

Clean Energy and Energy Freedom Program (30000726)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 6003, chapter 4, Laws of 2017 3rd sp. sess.

Reappropriation:

State Building Construction Account—State \$6,302,000

State Taxable Building Construction Account—

State \$2,997,000

Subtotal Reappropriation \$9,299,000

Prior Biennia (Expenditures) \$31,101,000

Future Biennia (Projected Costs) \$0

TOTAL \$40,400,000

NEW SECTION. Sec. 1010. FOR THE DEPARTMENT OF COMMERCE

Building Communities Fund Program (30000803)

Reappropriation:

State Building Construction Account—State \$1,497,000

Prior Biennia (Expenditures) \$18,168,000

Future Biennia (Projected Costs) \$0

TOTAL \$19,665,000

NEW SECTION. Sec. 1011. FOR THE DEPARTMENT OF COMMERCE

Housing Trust Fund Appropriation (30000833)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1005, chapter 35, Laws of 2016 sp. sess.

Reappropriation:

State Taxable Building Construction Account—

State \$1,492,000

Prior Biennia (Expenditures) \$78,508,000

Future Biennia (Projected Costs) \$0

TOTAL \$80,000,000

NEW SECTION. Sec. 1012. FOR THE DEPARTMENT OF COMMERCE

2015-17 Community Economic Revitalization Board Program (30000834)

Reappropriation:

Public Facility Construction Loan Revolving

Account—State \$3,000,000

Prior Biennia (Expenditures) \$7,600,000

Future Biennia (Projected Costs) \$0

TOTAL \$10,600,000

NEW SECTION. Sec. 1013. FOR THE DEPARTMENT OF COMMERCE

Ultra-Efficient Affordable Housing Demonstration (30000836)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1006, chapter 35, Laws of 2016 sp. sess.

Reappropriation:

Washington Housing Trust Account—State \$600,000

Prior Biennia (Expenditures)
\$1,900,000

Future Biennia (Projected Costs)
\$0

TOTAL \$2,500,000

NEW SECTION. Sec. 1014. FOR THE DEPARTMENT OF COMMERCE

2017 Local and Community Projects (30000846)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 6004, chapter 4, Laws of 2017 3rd sp. sess.

Reappropriation:

State Building Construction Account—State \$1,750,000

Prior Biennia (Expenditures)
\$9,128,000

Future Biennia (Projected Costs)
\$0

TOTAL \$10,878,000

NEW SECTION. Sec. 1015. FOR THE DEPARTMENT OF COMMERCE

2017-19 Housing Trust Fund Program (30000872)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 6001, chapter 356, Laws of 2020.

Reappropriation:

State Building Construction Account—State \$5,716,000

State Taxable Building Construction Account—

State \$24,810,000

Washington Housing Trust Account—State \$1,578,000

Subtotal Reappropriation
\$32,104,000

Prior Biennia (Expenditures)
\$79,386,000

Future Biennia (Projected Costs)
\$0

TOTAL \$111,490,000

NEW SECTION. Sec. 1016. FOR THE DEPARTMENT OF COMMERCE

Economic Opportunity Grants (30000873)

Reappropriation:

Rural Washington Loan Account—State \$1,000,000

Prior Biennia (Expenditures)
\$5,750,000

Future Biennia (Projected Costs)
\$0

TOTAL \$6,750,000

NEW SECTION. Sec. 1017. FOR THE DEPARTMENT OF COMMERCE

2017-19 Youth Recreational Facilities Grant Program (30000875)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1008, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—State \$3,155,000

Prior Biennia (Expenditures)
\$3,752,000

Future Biennia (Projected Costs)
\$0

TOTAL \$6,907,000

NEW SECTION. Sec. 1018. FOR THE DEPARTMENT OF COMMERCE

2017-19 Building for the Arts Grant Program (30000877)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1009, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—
State \$1,000,000

Prior Biennia (Expenditures)
\$11,000,000

Future Biennia (Projected Costs)
\$0

TOTAL \$12,000,000

NEW SECTION. Sec. 1019. FOR THE DEPARTMENT OF COMMERCE

Public Works Assistance Account
Construction Loans (30000878)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1019, chapter 413, Laws of 2019.

Reappropriation:

State Taxable Building Construction Account—

State \$38,000,000

Prior Biennia (Expenditures)
\$39,220,000

Future Biennia (Projected Costs)
\$0

TOTAL \$77,220,000

NEW SECTION. Sec. 1020. FOR THE DEPARTMENT OF COMMERCE

Weatherization Plus Health Matchmaker Program (30000879)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1014, chapter 298, Laws of 2018.

Reappropriation:

State Taxable Building Construction Account—

State \$376,000

Prior Biennia (Expenditures)
\$23,124,000

Future Biennia (Projected Costs)
\$0

TOTAL \$23,500,000

NEW SECTION. Sec. 1021. FOR THE DEPARTMENT OF COMMERCE

Clean Energy Funds 3 (30000881)

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

are subject to the provisions of section 6006, chapter 413, Laws of 2019.

Reappropriation:

Energy Efficiency Account—State
\$5,362,000

State Building Construction Account—
State \$29,402,000

Subtotal Reappropriation
\$34,764,000

Prior Biennia (Expenditures)
\$11,336,000

Future Biennia (Projected Costs)
\$0

TOTAL \$46,100,000

NEW SECTION. Sec. 1022. FOR THE DEPARTMENT OF COMMERCE

Energy Efficiency and Solar Grants (30000882)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 6007, chapter 413, Laws of 2019.

Reappropriation:

Energy Efficiency Account—State
\$4,448,000

State Building Construction Account—
State \$3,279,000

Subtotal Reappropriation
\$7,727,000

Prior Biennia (Expenditures)
\$3,273,000

Future Biennia (Projected Costs)
\$0

TOTAL \$11,000,000

NEW SECTION. Sec. 1023. FOR THE DEPARTMENT OF COMMERCE

2017-19 Building Communities Fund Grant (30000883)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1015, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—
State \$1,700,000

Prior Biennia (Expenditures)
\$26,200,000

Future Biennia (Projected Costs)
 \$0
 TOTAL \$27,900,000

NEW SECTION. Sec. 1024. FOR THE DEPARTMENT OF COMMERCE

2018 Local and Community Projects (40000005)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 6002, chapter 356, Laws of 2020.

Reappropriation:

State Building Construction Account—
 State \$42,896,000
 Prior Biennia (Expenditures) \$87,441,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$130,337,000

NEW SECTION. Sec. 1025. FOR THE DEPARTMENT OF COMMERCE

Early Learning Facility Grants (40000006)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 1005, chapter 298, Laws of 2018.

Reappropriation:

Early Learning Facilities Development Account—
 State \$999,000
 Early Learning Facilities Revolving Account—
 State \$3,000,000
 Subtotal Reappropriation \$3,999,000
 Prior Biennia (Expenditures) \$11,501,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$15,500,000

NEW SECTION. Sec. 1026. FOR THE DEPARTMENT OF COMMERCE

Dental Clinic Capacity Grants (40000007)

The reappropriation in this section is subject to the following conditions and

limitations: The reappropriation is subject to the provisions of section 1002, chapter 356, Laws of 2020.

Reappropriation:

State Building Construction Account—
 State \$2,000,000
 Prior Biennia (Expenditures) \$13,534,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$15,534,000

NEW SECTION. Sec. 1027. FOR THE DEPARTMENT OF COMMERCE

PWAA Preconstruction and Emergency Loan Programs (40000009)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1027, chapter 413, Laws of 2019.

Reappropriation:

State Taxable Building Construction Account—
 State \$9,000,000
 Prior Biennia (Expenditures) \$10,000,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$19,000,000

NEW SECTION. Sec. 1028. FOR THE DEPARTMENT OF COMMERCE

Behavioral Health Community Capacity (40000018)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 6004, chapter 413, Laws of 2019.

Reappropriation:

State Building Construction Account—
 State \$30,000,000
 Prior Biennia (Expenditures) \$53,099,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$83,099,000

NEW SECTION. Sec. 1029. FOR THE DEPARTMENT OF COMMERCE

2019-21 Housing Trust Fund Program
(40000036)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 1003, chapter 356, Laws of 2020.

Reappropriation:

State Building Construction Account—
State \$22,388,000

State Taxable Building Construction
Account—

State \$116,348,000

Subtotal Reappropriation
\$138,736,000

Prior Biennia (Expenditures)
\$34,014,000

Future Biennia (Projected Costs)
\$0

TOTAL \$172,750,000

NEW SECTION. Sec. 1030. FOR THE DEPARTMENT OF COMMERCE

Public Works Board (40000038)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1020, chapter 356, Laws of 2020.

Reappropriation:

Public Works Assistance Account—State
\$61,800,000

Prior Biennia (Expenditures)
\$31,778,000

Future Biennia (Projected Costs)
\$0

TOTAL \$93,578,000

NEW SECTION. Sec. 1031. FOR THE DEPARTMENT OF COMMERCE

2019-21 Building for the Arts Grant
Program (40000039)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1032, chapter 413, Laws of 2019.

Reappropriation:

State Building Construction Account—
State \$3,724,000

Prior Biennia (Expenditures)
\$6,600,000

Future Biennia (Projected Costs)
\$0

TOTAL \$10,324,000

NEW SECTION. Sec. 1032. FOR THE DEPARTMENT OF COMMERCE

2019-21 Community Economic
Revitalization Board (40000040)

Reappropriation:

Public Facility Construction Loan
Revolving

Account—State \$18,600,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$18,600,000

NEW SECTION. Sec. 1033. FOR THE DEPARTMENT OF COMMERCE

2019-21 Youth Recreational Facilities
Grant Program (40000041)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1034, chapter 413, Laws of 2019.

Reappropriation:

State Building Construction Account—
State \$4,238,000

Prior Biennia (Expenditures)
\$1,642,000

Future Biennia (Projected Costs)
\$0

TOTAL \$5,880,000

NEW SECTION. Sec. 1034. FOR THE DEPARTMENT OF COMMERCE

Clean Energy Transition 4 (40000042)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 1005, chapter 356, Laws of 2020.

Reappropriation:

State Building Construction Account—
State \$20,881,000

State Taxable Building Construction
Account—

State \$11,249,000

Subtotal Reappropriation
 \$32,130,000
 Prior Biennia (Expenditures)
 \$470,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$32,600,000

NEW SECTION. Sec. 1035. FOR THE DEPARTMENT OF COMMERCE

2019-21 Building Communities Fund Program (40000043)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1036, chapter 413, Laws of 2019.

Reappropriation:

State Building Construction Account—State \$20,000,000
 Prior Biennia (Expenditures)
 \$16,785,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$36,785,000

NEW SECTION. Sec. 1036. FOR THE DEPARTMENT OF COMMERCE

2019-21 Early Learning Facilities (40000044)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 1006, chapter 356, Laws of 2020.

Reappropriation:

State Building Construction Account—State \$8,000,000
 Early Learning Facilities Revolving Account—
 State \$20,000,000
 Early Learning Facilities Development Account—
 State \$1,500,000
 Subtotal Reappropriation
 \$29,500,000
 Prior Biennia (Expenditures)
 \$5,520,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$35,020,000

NEW SECTION. Sec. 1037. FOR THE DEPARTMENT OF COMMERCE

2019-21 Weatherization (40000048)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1038, chapter 413, Laws of 2019.

Reappropriation:

State Building Construction Account—State \$11,970,000
 Prior Biennia (Expenditures)
 \$8,030,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$20,000,000

NEW SECTION. Sec. 1038. FOR THE DEPARTMENT OF COMMERCE

2019-21 Energy Efficiency and Solar Grants Program (40000049)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1023, chapter 356, Laws of 2020.

Reappropriation:

State Building Construction Account—State \$12,362,000
 Prior Biennia (Expenditures)
 \$138,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$12,500,000

NEW SECTION. Sec. 1039. FOR THE DEPARTMENT OF COMMERCE

Rural Rehabilitation Loan Program (40000052)

Reappropriation:

State Taxable Building Construction Account—
 State \$4,986,000
 Prior Biennia (Expenditures)
 \$14,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$5,000,000

NEW SECTION. Sec. 1040. FOR THE DEPARTMENT OF COMMERCE

2019-21 Behavioral Health Capacity Grants (40000114)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1010, chapter 356, Laws of 2020.

Reappropriation:

State Building Construction Account—
State \$90,000,000

Prior Biennia (Expenditures)
\$36,151,000

Future Biennia (Projected Costs)
\$0

TOTAL \$126,151,000

NEW SECTION. Sec. 1041. FOR THE DEPARTMENT OF COMMERCE

2020 Local and Community Projects (40000116)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1011, chapter 356, Laws of 2020.

Reappropriation:

State Building Construction Account—
State \$94,196,000

Prior Biennia (Expenditures)
\$73,011,000

Future Biennia (Projected Costs)
\$0

TOTAL \$167,207,000

NEW SECTION. Sec. 1042. FOR THE DEPARTMENT OF COMMERCE

Washington Broadband Program (40000117)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1012, chapter 356, Laws of 2020.

Reappropriation:

Statewide Broadband Account—State
\$20,500,000

Prior Biennia (Expenditures)
\$1,050,000

Future Biennia (Projected Costs)
\$0

TOTAL \$21,550,000

NEW SECTION. Sec. 1043. FOR THE DEPARTMENT OF COMMERCE

2019-21 Behavioral Rehabilitation Services Capacity Grants (40000124)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1044, chapter 413, Laws of 2019.

Reappropriation:

State Building Construction Account—
State \$1,975,000

Prior Biennia (Expenditures)
\$25,000

Future Biennia (Projected Costs)
\$0

TOTAL \$2,000,000

NEW SECTION. Sec. 1044. FOR THE DEPARTMENT OF COMMERCE

Housing for Farmworkers (91000457)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1065, chapter 19, Laws of 2013 2nd sp. sess.

Reappropriation:

State Taxable Building Construction Account—

State \$103,000

Prior Biennia (Expenditures)
\$26,947,000

Future Biennia (Projected Costs)
\$0

TOTAL \$27,050,000

NEW SECTION. Sec. 1045. FOR THE DEPARTMENT OF COMMERCE

Clean Energy and Energy Freedom Program (91000582)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1074, chapter 19, Laws of 2013 2nd sp. sess.

Reappropriation:

State Building Construction Account—
State \$625,000

Prior Biennia (Expenditures)
\$35,369,000

Future Biennia (Projected Costs)
\$0

TOTAL \$35,994,000

NEW SECTION. Sec. 1046. FOR THE DEPARTMENT OF COMMERCE

CERB Administered Broadband Infrastructure (91000943)

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

(1) The appropriation and reappropriations are subject to the provisions of section 1008, chapter 298, Laws of 2018.

(2) The appropriations must be used for projects that use a technology-neutral approach in order to expand access at the lowest cost to the most unserved or underserved residents.

Reappropriation:

Public Works Assistance Account—State \$3,450,000

State Taxable Building Construction Account—

State \$6,600,000

Subtotal Reappropriation \$10,050,000

Appropriation:

Coronavirus Capital Projects Account—Federal \$25,000,000

Prior Biennia (Expenditures) \$3,400,000

Future Biennia (Projected Costs) \$0

TOTAL \$38,450,000

NEW SECTION. Sec. 1047. FOR THE DEPARTMENT OF COMMERCE

2019 Local and Community Projects (91001157)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1017, chapter 356, Laws of 2020.

Reappropriation:

State Building Construction Account—State \$9,000,000

Prior Biennia (Expenditures) \$31,530,000

Future Biennia (Projected Costs)
\$0

TOTAL \$40,530,000

NEW SECTION. Sec. 1048. FOR THE DEPARTMENT OF COMMERCE

Library Capital Improvement Program (91001239)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1053, chapter 413, Laws of 2019.

Reappropriation:

State Building Construction Account—State \$6,000,000

Prior Biennia (Expenditures) \$6,838,000

Future Biennia (Projected Costs) \$0

TOTAL \$12,838,000

NEW SECTION. Sec. 1049. FOR THE DEPARTMENT OF COMMERCE

Dental Capacity Grants (91001306)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1056, chapter 413, Laws of 2019.

Reappropriation:

State Building Construction Account—State \$903,000

Prior Biennia (Expenditures) \$675,000

Future Biennia (Projected Costs) \$0

TOTAL \$1,578,000

NEW SECTION. Sec. 1050. FOR THE DEPARTMENT OF COMMERCE

Buy Clean, Buy Fair Washington Pilot (91001679)

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

(1) By June 15, 2021, the department must coordinate with the following projects: (a) University of Washington College of Engineering Interdisciplinary Education and Research Center (30000492); and (b) University of Washington UW Tacoma (20102002). The awarding authorities for these projects

must collaborate with the University of Washington college of built environments to test proposed methods and availability of environmental product declarations and working condition information, as defined in subsection (3) of this section.

(2) The awarding authority shall require the successful bidder for a contract to submit the following information for at least 90 percent of the cost of each covered product used in the project:

- (a) Product quantity;
- (b) A current environmental product declaration;
- (c) Health certifications, if any, completed for the product;
- (d) Manufacturer name and location, including state or province and country;
- (e) Measures taken, if any, to promote the international labor organization's four fundamental principles and rights at work within the manufacturer supply chain;
- (f) Names and locations, including state or province and country, of the actual production facilities; and
- (g) Working condition information for the actual production facilities for all employees.

(3) For the purposes of this section:

(a) "Actual production facilities" means the final manufacturing facility and the facilities at which production processes occur that contribute to 80 percent or more of the product's cradle-to-gate global warming potential, as reflected in the environmental product declaration.

(b) "Awarding authority" means the University of Washington capital planning and portfolio management.

(c) "Covered product" means structural concrete products, reinforcing steel products, structural steel products, and engineered wood products.

(d) "Environmental product declaration" means a supply chain specific type III environmental product declaration as defined by the international organization for standardization standard 14025 or similarly robust life-cycle assessment methods that have uniform standards in

data collection consistent with the international organization for standardization standard 14025, industry acceptance, and integrity.

(e) "Health certification" means a health product declaration, as reported in accordance with the health product declaration open standard, and any product certification that includes health-related criteria.

(f) "International labor organization's four fundamental principles and rights at work" means: Effective abolition of child labor; elimination of discrimination in respect of employment and occupation; elimination of all forms of forced or compulsory labor; and freedom of association and the effective recognition of the right to collective bargaining.

(g) "Working condition information" means the:

- (i) Average number of employees by employment type: Full time, part time, and temporary;
- (ii) Average hourly wage, including all nondiscretionary wages and bonuses, by quartiles;
- (iii) Hours worked by weekly hour bands: One-19 hours, 20-29 hours, 30-39 hours, 40-49 hours, 50-59 hours, and 60 or more hours;
- (iv) Maximum number of hours that an employee can be required to work per week; and
- (v) Percent of employees covered by a collective bargaining agreement.

(4) The department shall include the information collected in this section in their report to the legislature, the case study analysis of environmental and labor reporting requirements for state funded construction projects required in section 129, chapter . . . , Laws of 2021 (House Bill No. 1094).

Appropriation:

State Building Construction Account—	
State \$150,000	
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$150,000

NEW SECTION. Sec. 1051. FOR THE DEPARTMENT OF COMMERCE

Projects for Jobs & Economic Development (92000151)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 1058, chapter 413, Laws of 2019.

Reappropriation:

Public Facility Construction Loan Revolving

Account—State \$97,000

State Building Construction Account—State \$900,000

Subtotal Reappropriation \$997,000

Prior Biennia (Expenditures) \$35,640,000

Future Biennia (Projected Costs) \$0

TOTAL \$36,637,000

NEW SECTION. Sec. 1052. FOR THE DEPARTMENT OF COMMERCE

Projects that Strengthen Communities & Quality of Life (92000230)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 6006, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:

State Building Construction Account—State \$1,000,000

Prior Biennia (Expenditures) \$31,088,000

Future Biennia (Projected Costs) \$0

TOTAL \$32,088,000

NEW SECTION. Sec. 1053. FOR THE DEPARTMENT OF COMMERCE

Local & Community Projects 2016 (92000369)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 6009, chapter 413, Laws of 2019.

Reappropriation:

State Building Construction Account—State \$11,000,000

Prior Biennia (Expenditures) \$117,919,000

Future Biennia (Projected Costs) \$0

TOTAL \$128,919,000

NEW SECTION. Sec. 1054. FOR THE DEPARTMENT OF COMMERCE

Disaster Emergency Response (92000377)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1009, chapter 35, Laws of 2016 sp. sess.

Reappropriation:

State Building Construction Account—State \$24,000

Prior Biennia (Expenditures) \$1,785,000

Future Biennia (Projected Costs) \$0

TOTAL \$1,809,000

NEW SECTION. Sec. 1055. FOR THE DEPARTMENT OF COMMERCE

Seattle Vocational Institute (40000136)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 1009, chapter 356, Laws of 2020.

Reappropriation:

State Building Construction Account—State \$1,105,000

State Taxable Building Construction Account—

State \$175,000

Subtotal Reappropriation \$1,280,000

Prior Biennia (Expenditures) \$20,000

Future Biennia (Projected Costs) \$0

TOTAL \$1,300,000

NEW SECTION. Sec. 1056. FOR THE DEPARTMENT OF COMMERCE

2021-23 Youth Recreational Facilities Grant Program (40000139)

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

(1) The appropriation is subject to the provisions of RCW 43.63A.135.

(2) Except as directed otherwise prior to the effective date of this section, the department may not expend the appropriation in this section unless and until the nonstate share of project costs have been either expended or firmly committed, or both, in an amount sufficient to complete the project or a distinct phase of the project that is useable to the public for the purpose intended by this appropriation. This requirement does not apply to projects where a share of the appropriation is for design costs only.

(3) The appropriation is provided solely for the following list of projects:

- Plus Delta After School Studios \$16,000
- Boys & Girls Club of Lewis County \$14,000
- Multicultural Child and Family Hope Center \$250,000
- Coyote Central \$455,000
- MLK Family Arts Mentoring & Enrichment Community Center \$15,000
- Bellevue Boys & Girls Club \$156,000
- Northwest's Child \$16,000
- Bainbridge Island Child Care Centers \$200,000
- Animals as Natural Therapy \$33,000
- Seattle JazzED \$1,837,000
- Starfire Sports \$35,000
- Whitewater Aquatics Management \$62,000
- Boys & Girls Club of Spokane County \$600,000
- Appropriation:
 - State Building Construction Account—State \$3,689,000
 - Prior Biennia (Expenditures) \$0
 - Future Biennia (Projected Costs) \$0

TOTAL \$3,689,000

NEW SECTION. Sec. 1057. FOR THE DEPARTMENT OF COMMERCE

2021-23 Early Learning Facilities-School Districts Grant (40000140)

The appropriation in this section is subject to the following conditions and limitations: \$4,719,000 of the Ruth Lecocq Kagi early learning facilities development account—state appropriation is provided solely for the following list of early learning facility projects in the following amounts:

- Selah Robert Lince ELC and Kindergarten—Phase 2 \$856,000
- Pasco School District Lakeview ELC \$200,000
- Bethel Early Learning Center \$856,000
- Walla Walla Center for Children and Families \$55,000
- Bellingham Integrating Early Learning into New District Office \$456,000
- Evergreen Burton ECE Center: Expanding Access to Quality Care \$667,000
- Mount Baker Early Childhood Expansion \$434,000
- Soap Lake Elementary School Conversion to Early Learning Facility \$856,000
- Ridgefield ELC—Phase 2 \$339,000
- Appropriation:
 - Early Learning Facilities Development Account—
 - State \$4,719,000
 - Prior Biennia (Expenditures) \$0
 - Future Biennia (Projected Costs) \$0
- TOTAL \$4,719,000

NEW SECTION. Sec. 1058. FOR THE DEPARTMENT OF COMMERCE

2021-23 Public Works Assistance Account—Construction (40000141)

- Appropriation:
 - Public Works Assistance Account—State \$129,000,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$129,000,000

NEW SECTION. Sec. 1059. FOR THE DEPARTMENT OF COMMERCE

2021-23 Building Communities Fund Grant Program (40000142)

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

(1) The appropriation is subject to the provisions of RCW 43.63A.125.

(2) The department may not expend the appropriation in this section unless and until the nonstate share of project costs have been either expended or firmly committed, or both, in an amount sufficient to complete the project or a distinct phase of the project that is useable to the public for the purpose intended by this appropriation. This requirement does not apply to projects where a share of the appropriation is for design costs only.

(3) \$29,896,000 of the appropriation is provided solely for the following list of projects:

- Reliable Enterprises \$21,000
- Sauk-Suiattle Indian Tribe \$175,000
- Chief Seattle Club \$1,407,000
- YouthCare \$1,563,000
- Community Youth Services \$203,000
- Nisqually Indian Tribe \$3,500,000
- HealthPoint \$3,029,000
- NEW Health Programs Association \$970,000
- Rainier Valley Food Bank \$770,000
- Coastal Community Action Program \$2,990,000
- NATIVE Project \$1,438,000
- Eritrean Association in Greater Seattle \$514,000
- White Center Community Development Association \$2,700,000
- Lewis County Seniors \$300,000

- Volunteers of America of Eastern Washington and Northern Idaho \$2,500,000
- Ethiopian Community in Seattle \$745,000
- Seven Acres Foundation \$2,500,000
- Sea Mar Community Health \$1,700,000
- Asian Pacific Cultural Center \$1,539,000
- Sea Mar Community Health Centers \$1,332,000

(4) \$250,000 of the amount in this section is provided solely for the department to provide technical assistance to organizations interested in applying for the building communities fund grants.

Appropriation:

State Building Construction Account—State \$30,146,000
 Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$30,146,000

NEW SECTION. Sec. 1060. FOR THE DEPARTMENT OF COMMERCE

2021-23 Building for the Arts Grant Program (40000143)

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

(1) The appropriation is subject to the provisions of RCW 43.63A.750.

(2) Except as directed otherwise prior to the effective date of this section, the department may not expend the appropriation in this section unless and until the nonstate share of project costs have been either expended, or firmly committed, or both, in an amount sufficient to complete the project or a distinct phase of the project that is useable to the public for the purpose intended by this appropriation. This requirement does not apply to projects where a share of the appropriation is for design costs only.

(3) The appropriation is provided solely for the following list of projects:

Port Angeles Waterfront Center dba
Field Arts &

Events Hall \$2,000,000

Path with Art \$1,757,000

Classical 98.1 \$814,000

Hands On Children's Museum
\$1,600,000

Orcas Center \$133,000

Village Theatre's Francis Gaudette
Theatre \$257,000

Bellevue Arts Museum Capital
Improvements 243,000

Cornish College of the Arts
\$1,600,000

Roxy Bremerton Foundation
\$269,000

Pilchuck Glass School \$135,000

Sequim City Band \$250,000

Washington Center for the Performing
Arts \$1,464,000

Imagine Children's Museum
\$31,000

Confederated Tribes of the Chehalis
Reservation \$1,600,000

Seattle Symphony Orchestra
\$418,000

Bainbridge Performing Arts
\$1,600,000

Kirkland Arts Center \$220,000

Village Theatre's New Technical Studio
Warehouse \$409,000

Mini Mart City Park \$200,000

Museum of Northwest Art \$500,000

Harlequin Productions \$500,000

Appropriation:
State Building Construction Account—
State \$16,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$16,000,000

NEW SECTION. Sec. 1061. FOR THE DEPARTMENT OF COMMERCE

2021-23 CERB Capital Construction
(40000144)

Appropriation:

Public Facility Construction Loan
Revolving

Account—State \$10,000,000

State Taxable Building Construction
Account—

State \$15,000,000

Subtotal Appropriation \$25,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$25,000,000

NEW SECTION. Sec. 1062. FOR THE DEPARTMENT OF COMMERCE

2021-23 Pacific Tower Capital
Improvements (40000145)

Appropriation:
State Taxable Building Construction
Account—

State \$1,165,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$7,815,000

TOTAL \$8,980,000

NEW SECTION. Sec. 1063. FOR THE DEPARTMENT OF COMMERCE

2021-23 Library Capital Improvement
Program (LCIP) Grants (40000147)

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

(1) The appropriation in this section
is provided solely for a local library
capital improvement grant program for the
following list of projects:

- City of Colville \$264,000
- Sno-Isle Regional Inter-County
Libraries (Langley) \$700,000
- Stevens County Rural Library District
(Loon Lake) \$649,000
- Stevens County Rural Library District
(Chewelah) \$90,000
- North Olympic Library System (Sequim)
\$2,000,000
- Spokane County Library District
(Spokane Valley) \$2,000,000
- Jefferson County Rural Library
District (Port Hadlock) \$285,000

Stevens County Rural Library District
(Northport) \$50,000

North Central Regional Library
(Wenatchee) \$798,000

City of Seattle \$1,889,000

Pend Oreille County Library District
(Metaline Falls) \$40,000

Upper Skagit Library District
(Concrete) \$209,000

City of Cashmere \$14,000

Town of Coulee City \$760,000

Sno-Isle Regional Inter-County
Libraries (Darrington) \$250,000

Fort Vancouver Regional Library
Foundation (Woodland) \$2,000,000

City of Mount Vernon \$2,000,000

Sno-Isle Regional Inter-County
Libraries (Lake Stevens) \$1,100,000

Camas Library Improvements (Camas)
\$515,000

Ephrata Public Library (Ephrata)
\$91,000

Lake Stevens Early Learning Library
(Lake Stevens) \$2,000,000

(2) The department must establish a competitive process to solicit proposals for and prioritize projects whose primary objective is to assist libraries operated by governmental units, as defined in RCW 27.12.010, in acquiring, constructing, repairing, or rehabilitating facilities.

(3) The department must establish a committee to develop the grant program criteria and review proposals. The committee must be composed of five members as provided in this subsection. The committee must include: (a) A representative from the department of commerce; (b) a representative from the department of archaeology and historic preservation; (c) the state librarian; (d) a representative from a library district; and (e) a representative from a municipal library.

(4) The department must conduct a statewide solicitation of project applications. The department must evaluate and rank applications in consultation with the committee established in subsection (3) of this section, using objective criteria. The ranking of projects must prioritize library district facilities listed on a local, state, or federal register of

historic places and those located in distressed or rural counties. The evaluation and ranking process must also include an examination of existing assets that applicants propose to apply to projects. Grant assistance under this section may not exceed 50 percent of the total cost of the project. The nonstate portion of the total project cost may include cash, the value of real property when acquired solely for the purpose of the project, and in-kind contributions.

(5) The department must submit a prioritized list of recommended projects to the governor and the legislature by October 1, 2022, for inclusion in the department of commerce's 2023-2025 biennial capital budget request. The list must include a description of each project, the amount of recommended state funding, and documentation of nonstate funds to be used for the project. Individual grants may not exceed \$2,000,000. The total amount of recommended state funding for the projects on a biennial project list may not exceed \$10,000,000.

(6) In contracts for grants authorized under this section, the department must include provisions that require that capital improvements be held by the grantee for a specified period of time appropriate to the amount of the grant and that facilities be used for the express purpose of the grant. If the grantee is found to be out of compliance with provisions of the contract, the grantee must repay to the state general fund the principal amount of the grant plus interest calculated at the rate of interest on state of Washington general obligation bonds issued on the date most close in time to the date of authorization of the grant.

(7) The department must assist grant recipients under this section to apply for applicable competitive federal grant funding and, upon receipt of any such funding, an equal amount of the state building construction account—state appropriation must be placed in unallotted status.

Appropriation:

State Building Construction Account—
State \$17,704,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$30,000,000

TOTAL \$47,704,000

NEW SECTION. Sec. 1064. FOR THE DEPARTMENT OF COMMERCE

2021-23 Clean Energy V - Investing in Washington's Clean Energy (40000148)

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

(1) The appropriations in this section are provided solely for projects that provide a benefit to the public through development, demonstration, and deployment of clean energy technologies that save energy and reduce energy costs, reduce harmful air emissions, or increase energy independence for the state. Priority must be given to projects that benefit vulnerable populations and overburdened communities, including tribes and communities with high environmental or energy burdens.

(2) The 2021 state energy strategy must guide the department in the design of programs under this section, using an equity and environmental justice lens for program structure and participation. To the extent practicable, the department must prioritize projects that build upon Washington's existing strengths in communities, aerospace, maritime, information and communications technology (particularly data center infrastructure, artificial intelligence and machine learning), grid modernization, advanced materials, and decarbonizing the built environment.

(3) Subject to the availability of funds, the department must reconvene an advisory committee to support involvement of a broad range of stakeholders in the design and implementation of programs implemented under this section to encourage collaboration, leverage partners, and engage communities and organizations in improving the equitable distribution of benefits from the program.

(4) In soliciting and evaluating proposals, awarding contracts, and monitoring projects under this section, the department must:

(a) Ensure that competitive processes, rather than sole source contracting processes, are used to select all projects, except as otherwise noted in this section; and

(b) Conduct due diligence activities associated with the use of public funds

including, but not limited to, oversight of the project selection process, project monitoring, and ensuring that all applications and contracts fully comply with all applicable laws including disclosure and conflict of interest statutes.

(5) During project solicitation periods for grants funded with this appropriation, the department must maintain a list of applicants by grant program that scored competitively but did not receive a grant award due to lack of available funding. These applicants must be considered for funding during future grant award cycles. If the department submits a 2022 supplemental budget request for this program, the request must include a list of prioritized projects by grant type.

(6) (a) Pursuant to chapter 42.52 RCW, the ethics in public service act, the department must require a project applicant to identify in application materials any state of Washington employees or former state employees employed by the firm or on the firm's governing board during the past 24 months. Application materials must identify the individual by name, the agency previously or currently employing the individual, job title or position held, and separation date. If it is determined by the department that a conflict of interest exists, the applicant may be disqualified from further consideration for award of funding.

(b) If the department finds, after due notice and examination, that there is a violation of chapter 42.52 RCW, or any similar statute involving a grantee who received funding under this section, either in procuring or performing under the grant, the department in its sole discretion may terminate the funding grant by written notice. If the grant is terminated, the department must reserve its right to pursue all available remedies under law to address the violation.

(7) The requirements in subsections (4) and (6) of this section must be specified in funding agreements issued by the department.

(8) \$17,594,000 of the state building construction account—state appropriation is provided solely for grid modernization grants.

(a) (i) \$11,000,000 is provided solely for projects that: Advance community resilience, clean and renewable energy technologies and transmission and distribution control systems; support integration of renewable energy sources, deployment of distributed energy resources and sustainable microgrids; and support state decarbonization goals pursuant to the clean energy transformation act, including requirements placed upon retail electric utilities.

(ii) Projects must be implemented by community organizations, local governments, federally recognized tribal governments, or by public and private electrical utilities that serve retail customers in the state (retail electric utilities). Projects submitted by applicants other than retail electric utilities must demonstrate partnership with their load serving entity to apply. Priority must be given to:

(A) Projects that benefit vulnerable populations, including tribes and communities with high environmental or energy burden; and

(B) Projects that demonstrate partnerships between eligible applicants in applying for funding, including utilities, public and private sector research organizations, businesses, tribes, and nonprofit organizations.

(iii) The department shall develop a grant application process to competitively select projects for grant awards, to include scoring conducted by a group of qualified experts with application of criteria specified by the department. In development of the application criteria, the department shall, to the extent possible, develop program guidelines that encourage smaller utilities or consortia of small utilities to apply for funding. Where suitable, this may include funding for projects consisting solely of planning, predesign and/or predevelopment activities.

(iv) Applications for grants must disclose all sources of public funds invested in a project.

(b) \$3,550,000 of the appropriation in this section is provided solely for a grant to the Public Utility District No. 1 of Lewis county for land acquisition and construction of the Winlock Industrial Park and South County Substation and Transmission facility,

located on North Military Road in Winlock.

(c) \$3,044,000 of the appropriation in this section is provided solely for a grant to the Klickitat County Public Hospital District #1 for the Electrical Upgrade and Smart Grid project at the Klickitat Valley Health Hospital in Goldendale.

(9) \$10,830,000 of the state building construction account—state appropriation is provided solely for grants for strategic research and development for new and emerging clean energy technologies. These grants must be used to match federal or other nonstate funds to research, develop, and demonstrate clean energy technologies, focusing on areas that help develop technologies to meet the state's climate goals, offer opportunities for economic and job growth, and strengthen technology supply chains. The program may include, but is not limited to: Solar technologies, advanced bioenergy and biofuels, development of new earth abundant materials or lightweight materials, advanced energy storage, recycling energy system components, and new renewable energy and energy efficiency technologies.

(a) \$5,000,000 of the appropriation in this section is provided solely for competitive grants.

(b) \$4,800,000 of the appropriation in this section is provided solely for a grant to the Pacific Northwest National Laboratory for a renewable energy platform to support ocean energy research and development testbeds for the Marine and Coastal Research Laboratory in Sequim.

(c) \$1,030,000 of the appropriation in this section is provided solely for a grant to the Chelan County Public Utility District for the hydroelectric turbine hub project at Rocky Reach dam near Wenatchee.

(10) (a) \$2,500,000 of the state taxable building construction account—state appropriation is provided solely as grants to nonprofit lenders to create a revolving loan fund to support the widespread use of proven energy efficiency and renewable energy technologies by households, or for the benefit of households, with high energy burden or environmental health risk now inhibited by lack of access to capital.

(b) The department shall provide grant funds to one or more competitively selected nonprofit lenders that must provide matching private capital and administer the loan fund. The department shall select the loan fund administrator or administrators through a competitive process, with scoring conducted by a group of qualified experts, applying criteria specified by the department.

(c) The department must establish guidelines that specify applicant eligibility, the screening process, and evaluation and selection criteria. The guidelines must be used by the nonprofit lenders.

(11) \$5,550,000 of the state building construction account—state appropriation is provided solely for grants to demonstrate innovative approaches to electrification of transportation systems.

(a) (i) \$3,000,000 of the appropriation is provided solely for competitive grants, prioritizing projects that:

(A) Demonstrate meaningful and enduring benefits to communities and populations disproportionately burdened by air pollution, climate change, or lack of transportation investments;

(B) Beneficially integrate load using behavioral, software, hardware, or other demand-side management technologies, such as demand response, time-of-use rates, or behavioral programming;

(C) Accelerate the transportation electrification market in Washington using market transformation principles; or

(D) Develop electric vehicle charging and hydrogen fueling infrastructure along highways, freeways, and other heavily trafficked corridors across the state to support long-distance travel.

(ii) Projects must be implemented by local governments, federally recognized tribal governments, by public and private electrical utilities that serve retail customers in the state, or state agencies. Eligible parties may partner with other public and private sector research organizations and businesses in applying for funding. The department shall consult and coordinate with the Washington state department of transportation on project selection and implementation. The department shall also coordinate with other state agencies

that have other electrification programs, in order to determine to optimally accomplish each agency's respective policy and program goals.

(iii) Projects must be related to on-road end-uses and nonmaritime off-road uses.

(iv) Eligible technologies for these projects include, but are not limited to:

(A) Battery electric vehicle supply equipment;

(B) On-site generation or storage, where the technology directly supplies electricity to the electric vehicle supply equipment;

(C) Electric grid distribution system infrastructure upgrades, where the upgrade is needed as a result of the installed electric vehicle supply equipment;

(D) Hydrogen refueling station infrastructure that:

(I) Dispenses renewable hydrogen or hydrogen produced in Washington with electrolysis; and

(II) Aligns with the 2021 state energy strategy's recommended uses of hydrogen in the transportation sector.

(v) \$2,000,000 of the state building construction account—state appropriation is provided solely for federally recognized tribal governments and for local governments in rural communities, for projects aligning with the above objectives and addressing electric vehicle supply infrastructure gaps in rural communities.

(b) \$2,550,000 of the appropriation in this section is provided solely for a grant to the Lewis Public Transportation Benefit Area to construct a hydrogen fueling station that dispenses renewable hydrogen or hydrogen produced in Washington with electrolysis for electric vehicles at Exit 74 on Interstate 5, near Chehalis.

(12) (a) \$10,000,000 of the state building construction account—state appropriation is provided solely for the purpose of building electrification projects that advance the goals of the 2021 state energy strategy to demonstrate grid-enabled, high-efficiency, all electric buildings.

(b) The program may include, but is not limited to: Shifting from fossil

fuels to high-efficiency electric heat pumps and other electric equipment, control systems that enable grid integration or demand control, and on-site renewable generation and efficiency measures that significantly reduce building energy loads.

(c) Preference must be given to projects based on total greenhouse gas emissions reductions, accelerating the path to zero-energy, or that demonstrate early adoption of grid integration technology.

(d) Program funding may be administered to entities also receiving incentives provided according to RCW 19.27A.220 for buildings covered by the state energy performance standard, RCW 19.27A.210.

(e) \$5,000,000 of the appropriation in this section is provided solely for the purpose of supporting the transition of residential and commercial buildings away from fossil fuels through the installation of high-efficiency electric heat pumps and other electric equipment.

(13) \$4,924,000 of the state building construction account—state appropriation is provided solely for maritime electrification grants.

(a) \$4,450,000 of the appropriation in this section is provided solely for a grant to the Northwest Seaport Alliance to upgrade the reefer plug capacity at the Port of Seattle's Terminal 5, located in west Seattle.

(b) \$474,000 of the appropriation in this section is provided solely for a grant to the Skagit County Public Works Department for electric ferry charging infrastructure in Anacortes.

(14) \$4,900,000 of the state building construction account—state appropriation is provided solely for the department to develop targeted rural clean energy innovation projects as provided in this subsection (14).

(a) \$150,000 of the appropriation is provided solely for the department to develop targeted rural clean energy strategies informed by rural community and business engagement, outreach, and research. The department must convene a rural energy work group to identify investments, programs, and policy changes that align with the 2021 state energy strategy and increase access to clean energy opportunities in rural

communities and agricultural and forestry management practices. The group must identify existing federal funding opportunities and strategies to leverage these funds with state capital investment. By June 30, 2022, the department shall report recommendations and findings from the rural energy work group to the office of financial management, the governor, and the appropriate legislative committees and present a strategic plan for state rural clean energy investment.

(b) \$4,750,000 of the appropriation is provided solely for rural clean energy innovation grants.

(i) The department must award at least 40 percent of the funding to projects that enhance the viability of dairy digester bioenergy projects through advanced resource recovery systems that produce renewable natural gas and value-added biofertilizers, reduce greenhouse gas emissions, and improve soil health and air and water quality.

(ii) Grants may also be awarded to other clean energy innovation projects in rural communities, including, but not limited to, projects that enhance energy efficiency, demand response, energy storage, renewable energy, beneficial electrification, resilience, organic waste management, and biological carbon sequestration.

(iii) Grants may fund project predevelopment, research, and development, pilot projects, strategic implementation, field trials, and data dashboards and tools to inform rural project development.

(c) The department is encouraged to make 20 percent of the funds under (b) of this subsection (14) to tribal governments, designated subdivisions, and agencies.

(d) If a grant is awarded to purchase heating devices or systems, the agency must, whenever possible and most cost effective, select devices and systems that do not use fossil fuels.

Appropriation:

State Building Construction Account—
State \$53,798,000

State Taxable Building Construction
Account—

State \$2,500,000

Subtotal Appropriation \$56,298,000
 Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs)
 \$100,000,000
 TOTAL \$156,298,000

NEW SECTION. Sec. 1065. FOR THE DEPARTMENT OF COMMERCE

2021-23 Energy Retrofits for Public Buildings Grant Program (40000149)

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

(1) \$4,000,000 of the appropriation in this section is provided solely for grants to local governments, public higher education institutions, school districts, federally recognized tribal governments, and state agencies for operational cost savings improvements to facilities and related projects that result in energy and operational cost savings.

(a) (i) \$3,000,000 of the appropriation in this section is provided solely for grants awarded in competitive rounds.

(ii) At least 20 percent of each competitive grant round is designated for award to eligible projects in small cities or towns with a population of 5,000 or fewer residents.

(iii) In each competitive round, a higher energy savings to investment ratio must result in a higher project ranking. Priority consideration must be given to applicants that have not received grant awards for this purpose in prior biennia.

(iv) The department must determine a minimum match ratio to maximize the leverage of nonstate funds.

(b) \$450,000 of the appropriation in this section is provided solely for a grant to Western Washington University for the heating system conversion feasibility study.

(c) \$550,000 of the appropriation in this section is provided solely for a grant to Whidbey Island Public Hospital District for energy upgrades at WhidbeyHealth Medical Center in Coupeville.

(2) (a) \$1,000,000 of the appropriation in this section is provided solely for grants to be awarded in competitive rounds to local governments, public higher education institutions, school

districts, federally recognized tribal governments, and state agencies for projects that involve the purchase and installation of solar energy systems, including solar modules and inverters, with a preference for products manufactured in Washington.

(b) At least 20 percent of each competitive grant round is designated for award to eligible projects in small cities or towns with a population of 5,000 or fewer residents.

(c) In each competitive round, a higher energy savings to investment ratio must result in a higher project ranking. Priority consideration must be given to applicants that have not received grant awards for this purpose in prior biennia.

(d) The department must determine a minimum match ratio to maximize the leverage of nonstate funds.

(3) \$4,500,000 of the appropriation in this section is provided solely for the energy efficiency and environmental performance improvements to minor works, stand-alone, and emergency projects at facilities owned by agencies named by the state efficiency and environmental performance office executive order 20-01 that repair or replace existing building systems and reduce greenhouse gas emissions from state operations, including, but not limited to, HVAC, lighting, insulation, windows, and other mechanical systems. Eligibility for this funding is dependent on an analysis using the office of financial management's life-cycle cost tool that compares project design alternatives for initial and long-term cost-effectiveness. Assuming a reasonable return on investment, the department shall provide grants in the amount required to improve the project's energy efficiency compared to the original project request. Prior to awarding funds, the department shall submit to the office of financial management a list of all proposed awards for review and approval.

(4) The department shall develop metrics that indicate the performance of energy efficiency efforts.

(5) \$457,000 of the appropriation provided in this section is provided solely for photovoltaic panels for the capitol campus child care center.

(6) If a grant is provided in subsection (1) or (3) of this section to purchase heating devices or systems, the

agency must, whenever possible and most cost effective, select devices and systems that do not use fossil fuels.

Appropriation:

State Building Construction Account—
State \$9,957,000

Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$9,957,000

NEW SECTION. Sec. 1066. FOR THE DEPARTMENT OF COMMERCE

2021-23 Weatherization Plus Health
(40000150)

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

(1) \$5,000,000 of the appropriation in this section is provided solely for grants for the Washington State University energy extension community energy efficiency program (CEEP) to support homeowners, tenants, and small business owners in making sound energy efficiency investments by providing consumer education and marketing, workforce support through training and lead generation, and direct consumer incentives for upgrades to existing homes and small commercial buildings. This is the maximum amount the department may expend for this purpose.

(2) The department, in collaboration with the Washington State University, shall make recommendations to the appropriate committees of the legislature on strategies to expand and align the weatherization program and the rural rehabilitation loan program. The department shall report the recommendations to the appropriate committees of the legislature and the governor by November 1, 2022. The recommendations must include strategies to:

(a) Recruit community energy efficiency program sponsors that are community-based organizations located in geographic areas of the state that have not received funding for low-income weatherization programs, targeting hard to reach market segments;

(b) Leverage funding from community energy efficiency program sponsors in an amount greater than or equal to the

amount provided by the state through the weatherization program;

(c) Ensure that community energy efficiency program utility sponsors work with non-profit community-based organizations to deliver community energy efficiency program services; and

(d) Identify community energy efficiency program sponsors that support the conversion of space and water heating from fossil fuels to electricity, as part of a set of energy efficiency investments.

(3) If funding from this appropriation is used to purchase heating devices or systems, the agency shall, whenever possible and most cost effective, select devices and systems that do not use fossil fuels.

Appropriation:

State Building Construction Account—
State \$10,000,000

Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$50,000,000
TOTAL	\$60,000,000

NEW SECTION. Sec. 1067. FOR THE DEPARTMENT OF COMMERCE

2021-23 PWB Broadband Infrastructure
(40000152)

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

The appropriations in this section are provided solely for the public works board broadband grant and loan program. Of the amounts appropriated in this section:

(1) \$14,000,000 of the statewide broadband account—state appropriation in this section is provided solely for loans and administrative expenses related to implementation of the broadband program; and

(2) \$46,000,000 of the coronavirus capital projects account—federal appropriation in this section is provided solely for grants and administrative expenses related to implementation of the broadband program.

(3) The appropriations must be used for projects that use a technology-neutral approach in order to expand

access at the lowest cost to the most unserved or underserved residents.

Appropriation:

Coronavirus Capital Projects Account— Federal	\$46,000,000
Statewide Broadband Account—State	\$14,000,000
Subtotal Appropriation	\$60,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$120,000,000
TOTAL	\$180,000,000

NEW SECTION. Sec. 1068. FOR THE DEPARTMENT OF COMMERCE

2021-23 Housing Trust Fund Investment in Affordable Housing (40000153)

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

(1) \$129,903,000 of the state taxable building construction account—state appropriation and \$20,000,000 of the state building construction account—state appropriation are provided solely for production and preservation of affordable housing projects that serve and benefit low-income and special needs populations including, but not limited to, people with chronic mental illness, people with developmental disabilities, farmworkers, people who are homeless, and people in need of permanent supportive housing. The department shall strive to allocate at least 30 percent of these funds to projects located in rural areas of the state, as defined by the department.

(a) In addition to the definition of "first-time home buyer" in RCW 43.185A.010, for the purposes of awarding homeownership projects during the 2021-2023 fiscal biennium "first-time home buyer" also includes:

(i) A single parent who has only owned a home with a former spouse while married;

(ii) An individual who is a displaced homemaker as defined in 24 C.F.R. Sec. 93.2 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, and who has only owned a home with a spouse;

(iii) An individual who has only owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations; or

(iv) An individual who has only owned a property that is discerned by a licensed building inspector as being uninhabitable.

(b) \$5,000,000 of the appropriation provided in this subsection (1) is provided solely for housing that serves people with developmental disabilities;

(c) (i) \$20,000,000 of the appropriation in this subsection (1) is provided solely for housing preservation grants or loans to be awarded competitively.

(ii) The funds may be provided for major building improvements, preservation, and system replacements, necessary for the existing housing trust fund portfolio to maintain long-term viability. The department must require a capital needs assessment be provided prior to contract execution. Funds may not be used to add or expand the capacity of the property.

(iii) To allocate preservation funds, the department must review applications and evaluate projects based on the following criteria:

(A) The age of the property, with priority given to buildings that are more than 15 years old;

(B) The population served, with priority given to projects with at least 50 percent of the housing units being occupied by families and individuals at or below 50 percent area median income;

(C) The degree to which the applicant demonstrates that the improvements will result in a reduction of operating or utilities costs, or both;

(D) The potential for additional years added to the affordability period of the property; and

(E) Other criteria that the department considers necessary to achieve the purpose of this program.

(2) \$10,000,000 of the state building construction account—state appropriation is provided solely for grant awards for the development of community housing and cottage

communities to shelter individuals or households experiencing homelessness.

(a) \$8,775,000 of the state building construction account—state appropriation is provided solely for competitive grant awards. This funding must be awarded to projects that develop a minimum of four individual structures in the same location. Individual structures must contain insulation, electricity, overhead lights, and heating. Kitchens and bathrooms may be contained within the individual structures or offered as a separate facility that is shared with the community. When evaluating applications for this grant program, the department must prioritize projects that demonstrate:

- (i) The availability of land to locate the community;
- (ii) A strong readiness to proceed to construction;
- (iii) A longer term of commitment to maintain the community;
- (iv) A commitment by the applicant to provide, directly or through a formal partnership, case management and employment support services to the tenants;
- (v) Access to employment centers, health care providers, and other services; and
- (vi) A community engagement strategy.

(b) \$1,225,000 of the state building construction account—state appropriation is provided solely for Eagle Haven Cottage Village located in Bellingham.

(3) (a) \$11,500,000 of the state taxable building construction account—state appropriation is provided solely for the following list of projects:

Bellwether (Seattle)	Affordable Housing	\$4,000,000
Didgwalic (Anacortes)	Transitional Housing	\$4,500,000
Redondo Heights	TOD (Federal Way)	\$3,000,000

(b) \$3,497,000 of the state building construction account—state appropriation is provided solely for the following list of projects:

Habitat for Humanity (North Bend)	\$250,000
Manette Affordable Housing Project (Bremerton)	\$515,000
OlyCAP Port Townsend Affordable Housing and Child (Port Townsend)	\$412,000
Shelton Young Adult Transitional Housing (Shelton)	\$515,000
Willapa Center (Raymond)	\$1,805,000

(4) In evaluating projects in this section, the department must give preference for applications based on some or all of the criteria in RCW 43.185.070(5).

(5) The appropriations in this section are subject to the following reporting requirements:

(a) By June 30, 2023, the department must report on its website the following for every previous funding cycle: The number of homeownership and multifamily rental projects funded by housing trust fund moneys; the percentage of housing trust fund investments made to homeownership and multifamily rental projects; and the total number of households being served at up to 80 percent of the area median income, up to 50 percent of the area median income, and up to 30 percent of the area median income, for both homeownership and multifamily rental projects.

(b) Beginning December 1, 2021, and continuing annually, the department must provide the legislature with a report of its final cost data for each project under this section. Such cost data must, at a minimum, include total development cost per unit for each project completed within the past year, descriptive statistics such as average and median per unit costs, regional cost variation, and other costs that the department deems necessary to improve cost controls and enhance understanding of development costs. The department must coordinate with the housing finance commission to identify relevant development costs data and ensure that the measures are consistent across relevant agencies.

(6) \$100,000 of the state building construction account—state appropriation is provided solely for the department of social and health services to complete a study of the community-

based housing needs of adults with intellectual and developmental disabilities. The department of social and health services shall collaborate with appropriate stakeholders and the department in completing this study and the study shall:

(a) Estimate the number of adults with intellectual and developmental disabilities who are facing housing insecurity;

(b) Make recommendations for how to improve housing stability for adults with intellectual and developmental disabilities who are facing housing insecurity;

(c) Make recommendations for how to increase the capacity of developers to support increasing the supply of housing that meets the needs of the intellectual and developmental disabilities population; and

(d) Be submitted to the appropriate committees of the legislature no later than December 1, 2022.

(7) The legislature finds that there are insufficient data sources to identify adults with intellectual and developmental disabilities facing housing insecurity in Washington state and that the absence of reliable data limits the ability for the legislature to make informed decisions that will improve the outcomes of these individuals. The legislature further finds that reliable, current information about the unmet housing needs of this population will position Washington state to leverage community-based partnerships and funding to establish greater housing choice and increased community integration of individuals with intellectual and developmental disabilities.

Appropriation:

State Building Construction Account—
State \$33,597,000

State Taxable Building Construction Account—

State \$141,403,000

Subtotal Appropriation \$175,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$620,000,000

TOTAL \$795,000,000

NEW SECTION. Sec. 1069. FOR THE DEPARTMENT OF COMMERCE

2021-23 Behavioral Health Community Capacity Grants (40000219)

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

(1) The appropriation in this section is provided solely for the department to issue grants to community hospitals or other community providers to expand and establish new capacity for behavioral health services in communities. The department must consult an advisory group consisting of representatives from the department of social and health services, the health care authority, one representative from a managed care organization, one representative from an accountable care organization, and one representative from the association of county human services. Amounts provided in this section may be used for construction and equipment costs associated with establishment of the facilities. The department may approve funding for the acquisition of a facility if the project will result in increased behavioral health capacity. Amounts provided in this section may not be used for operating costs associated with the treatment of patients using these services.

(2) The department must establish criteria for the issuance of the grants, which must include:

(a) Evidence that the application was developed in collaboration with one or more regional behavioral health entities that administer the purchasing of services;

(b) Evidence that the applicant has assessed and would meet gaps in geographical behavioral health services needs in their region;

(c) Evidence that the applicant is able to meet applicable licensing and certification requirements in the facility that will be used to provide services;

(d) A commitment by applicants to serve persons who are publicly funded and persons detained under the involuntary treatment act under chapter 71.05 RCW;

(e) A commitment by the applicant to maintain and operate the beds or facility for a time period commensurate to the

state investment, but for at least a 15-year period;

(f) The date upon which structural modifications or construction would begin and the anticipated date of completion of the project;

(g) A detailed estimate of the costs associated with opening the beds;

(h) A financial plan demonstrating the ability to maintain and operate the facility; and

(i) The applicant's commitment to work with local courts and prosecutors to ensure that prosecutors and courts in the area served by the hospital or facility will be available to conduct involuntary commitment hearings and proceedings under chapter 71.05 RCW.

(3) In awarding funding for projects in subsection (5) of this section, the department, in consultation with the advisory group established in subsection (1) of this section, must strive for geographic distribution and allocate funding based on population and service needs of an area. The department must consider current services available, anticipated services available based on projects underway, and the service delivery needs of an area.

(4) The department must prioritize projects that increase capacity in unserved and underserved areas of the state.

(5) \$71,400,000 of the appropriation in this section is provided solely for a competitive process for each category listed and is subject to the criteria in subsections (1), (2), (3), and (4) of this section:

(a) \$11,600,000 of the appropriation in this section is provided solely for at least six enhanced service facilities for long-term placement of patients discharged or diverted from the state psychiatric hospitals and that are not subject to federal funding restrictions that apply to institutions of mental diseases;

(b) \$10,000,000 of the appropriation in this section is provided solely for enhanced adult residential care facilities for long-term placements of dementia discharged or diverted from the state psychiatric hospitals and are not subject to federal funding restrictions that apply to institutions of mental diseases;

(c) \$2,000,000 of the appropriation in this section is provided solely for at least one facility with secure withdrawal management and stabilization treatment beds that are not subject to federal funding restrictions that apply to institutions of mental diseases;

(d) \$2,000,000 of the appropriation in this section is provided solely for at least one crisis triage and stabilization facility that is not subject to federal funding restrictions that apply to institutions of mental diseases;

(e) \$12,000,000 of the appropriation in this section is provided solely for two 16-bed crisis triage and stabilization facilities in the King county region, one within the city of Seattle and one in south King county, consistent with the settlement agreement in *A.B. by and through Trueblood, et al., v. DSHS, et al.*, No. 15-35462, and that are not subject to federal funding restrictions that apply to institutions of mental disease;

(f) \$2,000,000 of the appropriation in this section is provided solely for at least two mental health peer respite centers that are not subject to federal funding restrictions that apply to institutions of mental diseases. No more than one mental health peer respite center should be funded in each of the nine regions;

(g) \$18,000,000 of the appropriation in this section is provided solely for the department to provide grants to community hospitals, freestanding evaluation and treatment providers, or freestanding psychiatric hospitals to develop capacity for beds to serve individuals on 90-day or 180-day civil commitments as an alternative to treatment in the state hospitals. In awarding this funding, the department must coordinate with the department of social and health services, the health care authority, and the department of health and must only select facilities that meet the following conditions:

(i) The funding must be used to increase capacity related to serving individuals who will be transitioned from or diverted from the state hospitals;

(ii) The facility is not subject to federal funding restrictions that apply to institutions of mental diseases;

(iii) The provider has submitted a proposal for operating the facility to the health care authority;

(iv) The provider has demonstrated to the department of health and the health care authority that it is able to meet the applicable licensing and certification requirements for the facility that will be used to provide services; and

(v) The health care authority has confirmed that it intends to contract with the facility for operating costs within funds provided in the operating budget for these purposes;

(h) \$2,400,000 of the appropriation in this section is provided solely for competitive community behavioral health grants to address regional needs;

(i) \$9,400,000 of the appropriation in this section is provided solely for at least three intensive behavioral health treatment facilities for long-term placement of behavioral health patients with complex needs and that are not subject to federal funding restrictions that apply to institutions of mental diseases; and

(j) \$2,000,000 of the appropriation in this section is provided solely for grants to community providers to increase behavioral health services and capacity for children and minor youth including, but not limited to, services for substance use disorder treatment, sexual assault and traumatic stress, anxiety, or depression, and interventions for children exhibiting aggressive or depressive behaviors in facilities that are not subject to federal funding restrictions. Consideration must be given to programs that incorporate outreach and treatment for youth dealing with mental health or social isolation issues.

(6) (a) \$15,648,000 of the appropriation in this section is provided solely for the following list of projects and is subject to the criteria in subsection (1) of this section:

Astria Toppenish Hospital (Toppenish)
\$1,648,000

Compass Health Broadway (Everett)
\$14,000,000

(b) \$8,116,000 of the appropriation in this section is provided solely for the following list of projects and is subject to the criteria in subsection (1) of this

section, except that the following projects are not required to establish new capacity:

Family Solutions (Vancouver)
\$2,050,000

Renovation Youth Evaluation &
Treatment Facility
(Bremerton) \$316,000

Sound Enhanced Services Facility
(Auburn) \$3,000,000

Three Rivers Behavioral Health
Recovery Center
(Kennewick) \$2,750,000

(7) The department must notify all applicants that they may be required to have a construction review performed by the department of health.

(8) To accommodate the emergent need for behavioral health services, the department and the department of health, in collaboration with the health care authority and the department of social and health services, must establish a concurrent and expedited process to assist grant applicants in meeting any applicable regulatory requirements necessary to operate inpatient psychiatric beds, freestanding evaluation and treatment facilities, enhanced services facilities, triage facilities, crisis stabilization facilities, or secure detoxification/secure withdrawal management and stabilization facilities.

(9) The department must strive to allocate all of the amounts appropriated within subsection (5) of this section in the manner prescribed. However, if upon review of applications, the department determines, in consultation with the advisory group established in subsection (1) of this section, that there are not adequate suitable projects in a category of projects under subsection (5) of this section, the department may allocate funds to other behavioral health capacity project categories within subsection (5) of this section, prioritizing projects under subsections (5) (a), (g), and (i) of this section. Underserved areas of the state may also be considered.

(10) The department must provide a progress report by November 1, 2022. The report must include:

(a) The total number of applications and amount of funding requested;

(b) A list and description of the projects approved for funding including state funding, total project cost, services anticipated to be provided, bed capacity, and anticipated completion date; and

(c) A status report of projects that received funding in prior funding rounds, including details about the project completion and the date the facility began providing services.

Appropriation:

State Building Construction Account—
State \$95,164,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$120,000,000

TOTAL \$215,164,000

**NEW SECTION. Sec. 1070. FOR THE
DEPARTMENT OF COMMERCE**

2019-21 Housing Trust Fund Investment
from Operating (40000220)

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

(1) (a) \$37,651,000 of the appropriation in this section is provided solely for production and preservation of affordable housing.

(b) In evaluating projects in this subsection (1), the department must give preference for applications based on some or all of the criteria in RCW 43.185.070(5).

(c) The appropriations in this subsection are subject to the reporting requirements in section 1029 (3) and (4), chapter 413, Laws of 2019.

(2) (a) \$9,790,000 of the appropriation in this section is provided solely for the preservation of affordable multifamily housing at risk of losing affordability due to expiration of use restrictions that otherwise require affordability including, but not limited to, United States department of agriculture funded multifamily housing.

(b) Within the amount provided in this subsection (2), the department must implement the necessary procedures to enable rapid commitment of funds on a first-come, first-served basis to qualifying project proposals that satisfy the goal of long-term preservation of Washington's affordable

multifamily housing stock, particularly in rural areas of the state.

(c) The department must adhere to the following award terms and procedures for the rapid response program created under (b) of this subsection:

(i) The funding is not subject to the 90-day application periods in RCW 43.185.070 or 43.185A.050.

(ii) Awards must be in the form of a recoverable grant with a 40-year low-income housing covenant on the land.

(iii) If a capital needs assessment is required, the department must work with the applicant to ensure that this does not create an unnecessary impediment to rapidly accessing these funds.

(iv) Awards may be used for acquisition or for acquisition and rehabilitation of properties to preserve the affordable housing units beyond existing use restrictions and keep them in Washington's housing portfolio.

(v) No single award may exceed \$2,500,000, although the department must consider waivers of this award cap if an applicant demonstrates sufficient need.

(vi) The award limit in (c) (v) of this subsection (2) may only be applied to the use of awards provided under this subsection. The amount awarded under this subsection may not be calculated in award limitations for other housing trust fund awards.

(vii) If the department receives simultaneous applications for funding under this program, proposals that provide the greatest public benefit, as defined by the department, must be prioritized. For purposes of this subsection (2) (c) (vii), "greatest public benefit" includes, but is not limited to:

(A) The number of units that will be preserved;

(B) Whether the project has federally funded rental assistance tied to it;

(C) The scarcity of the affordable housing applied for compared to the number of available affordable housing units in the same geographic location; and

(D) The program's established funding priorities under RCW 43.185.070(5).

(d) The appropriations in this subsection are subject to the reporting

requirements in section 1029 (3)(b) and (4)(b), chapter 413, Laws of 2019.

Appropriation:

Washington Housing Trust Account—
State \$47,441,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$47,441,000

**NEW SECTION. Sec. 1071. FOR THE
DEPARTMENT OF COMMERCE**

2021-23 Rapid Capital Housing
Acquisition (4000222)

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

(1) Except as provided in subsections (7) through (9) of this section, the appropriation in this section is provided solely for the department to issue competitive financial assistance to eligible organizations under RCW 43.185A.040 to acquire or rent real property for a rapid conversion into enhanced emergency shelters, permanent supportive housing, transitional housing, permanent housing, youth housing, drop-in center, or shelter for extremely low-income people, as well as individuals, families, unaccompanied youth, and young people experiencing sheltered and unsheltered homelessness. Amounts provided in this section may be also used for renovation and building update costs associated with establishment of the acquired or rented facilities. For youth housing, drop-in centers, and shelter projects, renovation of existing properties is an allowable activity. The department may only approve funding for projects resulting in increased shelter or housing capacity. Amounts provided in this section may not be used for operating or maintenance costs associated with providing housing, supportive services, or debt service.

(2) Funds may also be used for permanent financing for real estate acquired using other short term acquisition sources. To expand availability of permanent housing, financing of acquisition of unoccupied multifamily housing is a priority. Funds must also be provided specifically for the city of Seattle to move people experiencing unsheltered homelessness

into safe spaces, including, but not limited to, tiny homes, hotels, enhanced emergency shelters, or other rapid housing alternatives.

(3) While emphasizing the rapid deployment of the amounts appropriated under this section to alleviate the immediate crisis of homelessness throughout the state, the department shall establish criteria for the issuance of the grants, which may include provisions that require that capital improvements be held by the grantee for a specified period of time appropriate to the amount of the grant, during which time the property must be used for the express purpose of the grant. If the grantee is found to be out of compliance with provisions of the contract, the grantee shall repay to the state general fund the principal amount of the grant plus interest calculated at the rate of interest on state of Washington general obligation bonds issued on the date most close in time to the date of authorization of the grant. The criteria must include:

(a) The date upon which structural modifications or construction would begin and the anticipated date of completion of the project;

(b) A detailed estimate of the costs associated with the acquisition and any updates or improvements necessary to make the property habitable for its intended use;

(c) A detailed estimate of the costs associated with opening the beds or units; and

(d) A financial plan demonstrating the ability to maintain and operate the property and support its intended tenants throughout the end of the grant contract.

(4) The department must provide a progress report on its website by December 1, 2022. The report must include:

(a) The total number of applications and amount of funding requested; and

(b) A list and description of the projects approved for funding including state funding, total project cost, services anticipated to be provided, housing units, and anticipated completion date.

(5) The funding provided under this section is not subject to the 90-day application periods in RCW 43.185.070 or

43.185A.050. The department of commerce shall dispense funds to the city of Seattle and other qualifying applicants within 45 days of receipt of documentation from the applicant for qualifying uses and execution of any necessary contracts with the department in order to effect the purpose of rapid deployment of funds under this section.

(6) If the department receives simultaneous applications for funding under this program, proposals that reach the greatest public benefit, as defined by the department, must be prioritized. For purposes of this subsection (6), "greatest public benefit" must include, but is not limited to:

(a) The greatest number of accommodations or increased shelter capacity that will benefit extremely low-income people, as well as individuals, families, and youth experiencing homelessness.

(b) Whether the project has federally funded rental assistance tied to it;

(c) The scarcity of the affordable housing or shelter capacity applied for compared to the number of available affordable housing units or shelter capacity in the same geographic location; and

(d) The program's established funding priorities under RCW 43.185.070(5).

(7) \$900,000 of the state building construction account—state appropriation in this section is provided solely for the public building conversion pilot program. The pilot program must be implemented in Grays Harbor county in collaboration with Community House on Broadway, in partnership with CORE Health.

(a) The appropriation may be used only for costs related to rehabilitation, retrofitting, and conversion of the publicly owned building for use as housing for homeless persons.

(b) The appropriation may not be used for staffing or maintaining buildings converted to housing for homeless persons. Costs for staffing and maintenance must be borne by the county or the contractor.

(c) In the contract for the pilot program, the department shall include provisions that require that capital improvements be held by the grantee for a specified period of time appropriate to

the amount of the grant and that facilities be used for the express purpose of the grant. If the grantee is found to be out of compliance with provisions of the contract, the grantee shall repay to the state general fund the principal amount of the grant plus interest calculated at the rate of interest on state of Washington general obligation bonds issued most closely to the date of authorization of the grant.

(d) The pilot program should help inform the development of a public building conversion grant program to encourage counties to convert unused, publicly owned buildings into housing for homeless persons. The department must report to the office of financial management and fiscal committees of the legislature by November 1, 2022, regarding the establishment of the pilot program and any recommendations related to implementation of a public building conversion grant program.

(8) \$17,800,000 of the state building construction account—state appropriation is provided solely for the following list of projects:

\$5,000,000 for the Tacoma Housing Authority affordable housing acquisition;

\$4,000,000 for the Keiro nursing home acquisition in Seattle;

\$1,500,000 for the Parkland/Spanaway homeless shelter;

\$300,000 for the Concord apartments acquisition in Seattle;

\$2,000,000 for the Eastgate supportive housing in Bellevue; and

\$5,000,000 for the City of Seattle for the acquisition of the Clay Apartments in partnership with a low-income housing provider.

(9) (a) \$7,903,000 of the coronavirus capital projects account—federal appropriation is provided solely for the following list of youth housing projects identified by the office of homeless youth protection and prevention programs:

FYRE's Village: Housing Stability for Young Adults

(Omak) \$3,350,000

NWYS Young Adult Shelter Services (Bellingham) \$438,000

OlyCap Pfeiffer House (Port Townsend)
 \$127,000

Ryan's House for Youth Campus
 (Coupeville) \$1,015,000

Shelton Young Adult Transitional
 Housing (Shelton) \$773,000

Volunteers of America Crosswalk 2.0
 (Spokane) \$2,200,000

(b) If funding provided in (a) of this subsection needs to be reallocated, the department shall consult with the office of homeless youth prevention and protection programs to identify other eligible youth housing projects.

Appropriation:

State Building Construction Account—
 State \$90,000,000

Coronavirus Capital Projects Account—
 Federal \$30,435,000

Subtotal Appropriation \$120,435,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
 \$0

TOTAL \$120,435,000

NEW SECTION. Sec. 1072. FOR THE DEPARTMENT OF COMMERCE

Continuing Affordability in Current Housing (91001659)

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

\$10,000,000 of the appropriation in this section is provided solely for the preservation of affordable multifamily housing at risk of losing affordability due to expiration of use restrictions that otherwise require affordability including, but not limited to, United States department of agriculture funded multifamily housing.

(1) Within the amount provided in this section, the department must implement necessary procedures to enable rapid commitment of funds on a first-come, first-served basis to qualifying project proposals that satisfy the goal of long-term preservation of Washington's affordable multifamily housing stock, particularly in rural areas of the state.

(2) The department must adhere to the following award terms and procedures for the rapid response program created under this section:

(a) The funding is not subject to the 90-day application periods in RCW 43.185.070 or 43.185A.050.

(b) Awards must be in the form of a recoverable grant with a 40-year low-income housing covenant on the land.

(c) If a capital needs assessment is required, the department must work with the applicant to ensure that this does not create an unnecessary impediment to rapidly accessing these funds.

(d) Awards may be used for acquisition or for acquisition and rehabilitation of properties to preserve the affordable housing units beyond existing use restrictions and keep them in Washington's housing portfolio.

(e) No single award may exceed \$2,500,000, although the department must consider waivers of this award cap if an applicant demonstrates sufficient need.

(f) The award limit in (e) of this subsection (2) may only be applied to the use of awards provided under this section. The amount awarded under this section may not be calculated in award limitations for other housing trust fund awards.

(g) If the department receives simultaneous applications for funding under this program, proposals that reach the greatest public benefit, as defined by the department, must be prioritized.

(3) For purposes of this section, "greatest public benefit" includes, but is not limited to:

(a) The number of units that will be preserved;

(b) Whether the project has federally funded rental assistance tied to it;

(c) The scarcity of the affordable housing applied for compared to the number of available affordable housing units in the same geographic location; and

(d) The program's established funding priorities under RCW 43.185.070 (5).

Appropriation:

State Building Construction Account—
 State \$10,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
 \$0

TOTAL \$10,000,000

NEW SECTION. Sec. 1073. FOR THE DEPARTMENT OF COMMERCE

2021-23 Rural Rehabilitation Loan Program (40000223)

Appropriation:

State Taxable Building Construction Account—

State \$5,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL \$5,000,000

NEW SECTION. Sec. 1074. FOR THE DEPARTMENT OF COMMERCE

Grants for Affordable Housing Development Connections (91001685)

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

(1) The appropriation in this section is provided solely for grants to local governments and public utility districts for system development charges and utility improvements for new affordable housing projects that serve and benefit low-income households. Where applicable, the extension must be consistent with the approved comprehensive plans under the growth management act and must be within the established boundaries of the urban growth area.

(2) \$7,600,000 of the state building construction account—state appropriation and \$16,300,000 of the coronavirus state fiscal recovery fund—federal appropriation in this section are provided solely for grants to local governments or public utilities located within a jurisdiction that imposed a sales and use tax under RCW 82.14.530(1)(a)(ii), 82.14.530(1)(b)(i)(B), 82.14.540, or 84.52.105.

(3) \$10,700,000 of the coronavirus state fiscal recovery fund—federal appropriation in this section is provided solely for grants to local governments or public utilities located within:

(a) A city or county with a population of 150,000 or less; and

(b) A jurisdiction that imposed a sales and use tax under RCW 82.14.530(1)(a)(ii) or 82.14.530(1)(b)(i)(B).

(4) The department shall coordinate with the office of financial management and the governor's office to develop a process for project submittal, project selection criteria, review, and monitoring, and tracking the housing development projects that receive affordable housing development connections grants under this section. To be eligible for funding under this section, an applicant must demonstrate, at minimum:

(a) That affordable housing development will begin construction within 24 months of the grant award; and

(b) A strong probability of serving the original target group or income level for a period of at least 25 years.

(5) \$1,700,000 of the state building construction account—state appropriation in this section is provided solely for the Port Townsend Utility Connection Project.

(6) \$5,700,000 of the state building construction account—state appropriation in this section is provided solely for the Chelan municipal airport extension.

(7) To ensure compliance with conditions of the federal coronavirus state fiscal recovery fund, all expenditures from the coronavirus state fiscal recovery account—federal appropriation in this section must be incurred by December 31, 2024.

(8) For purposes of this section, the following definitions apply.

(a) "Affordable housing" and has the same meaning as in RCW 43.185A.010.

(b) "Low-income household" has the same meaning as in RCW 43.185A.010.

(c) "System development charges" means charges for new drinking water, wastewater, or stormwater connections when a local government or public utility has waived standard fees normally applied to developers for connection charges on affordable housing projects.

(d) "Utility improvements" means drinking water, wastewater, or stormwater utility improvements.

Appropriation:

Coronavirus State Fiscal Recovery Account—

Federal \$27,000,000

State Building Construction Account—
State \$15,000,000

Subtotal Appropriation \$42,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$42,000,000

**NEW SECTION. Sec. 1075. FOR THE
DEPARTMENT OF COMMERCE**

2022 Local & Community Projects
(40000230)

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

(1) The department may not expend the appropriation in this section unless and until the nonstate share of project costs have been either expended or firmly committed, or both, in an amount sufficient to complete the project or a distinct phase of the project that is useable to the public for the purpose intended by the legislature. This requirement does not apply to projects where a share of the appropriation is for design costs only.

(2) Prior to receiving funds, project recipients must demonstrate that the project site is under control for a minimum of 10 years, either through ownership or a long-term lease. This requirement does not apply to appropriations for preconstruction activities or appropriations in which the sole purpose is to purchase real property that does not include a construction or renovation component.

(3) Projects funded in this section may be required to comply with Washington's high-performance building standards as required by chapter 39.35D RCW.

(4) Project funds are available on a reimbursement basis only, and may not be advanced under any circumstances.

(5) In contracts for grants authorized under this section, the department must include provisions that require that capital improvements be held by the grantee for a specified period of time appropriate to the amount of the grant and that facilities be used for the express purpose of the grant. If the grantee is found to be out of compliance with provisions of the contract, the grantee shall repay to the state general

fund the principal amount of the grant plus interest calculated at the rate of interest on state of Washington general obligation bonds issued most closely to the date of authorization of the grant.

(6) Projects funded in this section, including those that are owned and operated by nonprofit organizations, are generally required to pay state prevailing wages.

(7) The department must comply with the requirements set forth in executive order 21-02 and must consult with the department of archaeology and historic preservation and affected tribes on the potential effects of these projects on cultural resources and historic properties. Consultation with the department of archaeology and historic preservation and affected tribes must be initiated before project funds are made available.

(8) (a) The appropriation is provided solely for the following list of projects:

- Adams County Property/Evidence Processing Facility
(Othello) \$900,000
- Amara 29 Acre Opportunity in Pierce County (Tacoma) \$246,000
- American Lake Park ADA Improvement Project (Lakewood) \$258,000
- American Legion Building Renovation (Goldendale) \$262,000
- American Legion Veterans Housing & Resource Ctr (Raymond) \$88,000
- Arlington Innovation Center (Arlington) \$372,000
- Ashley House (Spokane) \$552,000
- Aurora Commons Acquisition (Seattle) \$2,500,000
- Ballinger Park - Hall Creek Restoration
(Mountlake Terrace) \$824,000
- Battle Ground HealthCare Free Clinic Relocation
(Battle Ground) \$1,000,000
- Bellevue High School Automotive Dynamometer Install
(Bellevue) \$277,000
- Bigelow House Museum Preservation (Olympia) \$52,000

BIPOC Artist Installation at Kraken
Training Center

(Seattle) \$155,000

Brewery Park Visitor Center (Tumwater)
\$1,200,000

Bridges To Home (Shoreline)
\$2,000,000

Camp Kilworth - YMCA Day
Camp/Environmental Educ

(Federal Way) \$1,030,000

Campus Towers Roofing Project
(Longview) \$301,000

Capitol Theatre Curtains/Soft Goods
Replacement (Yakima) \$250,000

Central Klickitat County Parks
Improvements (Goldendale) \$25,000

Chehalis Centralia Steam Locomotive
Repair/Restore

(Chehalis) \$123,000

Children's Village Neurodevelopmental
Center Expansion

(Yakima) \$750,000

City of Wenatchee Community Center
(Wenatchee) \$2,500,000

Civic Park Mika's Playground (Edmonds)
\$258,000

Clallam Joint Emergency Services (Port
Angeles) \$1,200,000

Class A Biosolids Dryer (Yelm)
\$850,000

Clemans View Park (Naches)
\$442,000

Coastal Community Action Program
Service Ctr (Aberdeen) \$500,000

Communications Tower (Ocean Shores)
\$77,000

Community Action Resource and Training
Center (Omak) \$400,000

Community Multi-Use Center (Carnation)
\$1,030,000

Cornforth Campbell Demolition &
Infrastructure

(Puyallup) \$330,000

Coulee City Medical Clinic (Coulee
City) \$846,000

Coulon North Water Walk Repair and
Enhancement

(Renton) \$1,339,000

Coupeville Boys & Girls Club
(Coupeville) \$1,030,000

Cow Skull Creek and Rushingwater Creek
Acclimation Ponds

(Orting) \$690,000

Craft Beverage Lab & Instrumentation
(Tumwater) \$773,000

Cross Park Trail and Picnic Shelter
(Tacoma) \$206,000

CSML Food Bank Facility (Moses Lake)
\$1,900,000

Cultural Anchor Village (Tukwila)
\$1,500,000

Curran House Museum (University Place)
\$85,000

Dawson Place Facilities (Everett)
\$258,000

Day/Night House Exhibit Rebuild -
Design Phase

(Seattle) \$300,000

Daybreak Star Indian Cultural Center
(Seattle) \$2,600,000

Delridge Wetland Park (Seattle)
\$244,000

Des Moines North Marina Bulkhead
Replacement Ph II

(Des Moines) \$2,000,000

Doris Morrison Learning Center
(Greenacres) \$1,030,000

Downtown Puyallup Redevelopment
Infrastructure

(Puyallup) \$257,000

Downtown Revitalization (Blaine)
\$500,000

Duffy's Pond Pathway Completion
(Kennewick) \$38,000

Early Learning Facility Project for
Licensed Childcare

(Hoquiam) \$721,000

East County Family Resource Center
Renovation

(Washougal) \$721,000

Edmonds Marsh Restoration (Edmonds)
\$258,000

Edmonds Waterfront Center (Edmonds)
\$250,000

Ejido Farm Project (Everson)
\$200,000

Ellensburg Masonic Temple (Ellensburg) \$258,000	Immigrant and Refugee Community Hub (Tukwila) \$960,000
Ellensburg Rodeo Grandstands (Ellensburg) \$1,500,000	Island County Criminal Justice Renovation (Coupeville) \$600,000
Ephrata Rec Center Upgrade (Ephrata) \$621,000	IT3 Discovery Center (Ridgefield) \$1,350,000
Esther's Home (Pasco) \$1,000,000	Japanese Gulch Daylighting (Mukilteo) \$206,000
Ethiopian Community Affordable Housing (Seattle) \$3,000,000	Jim Kaemingk Sr. Trail (Lynden) \$200,000
Extruded Curb Improvements (Kirkland) \$515,000	Joya Child & Family Development Center (Spokane) \$1,200,000
Family Engagement Center (Seattle) \$1,030,000	JV Memorial Pool Roof (Oak Harbor) \$250,000
Felts Field Gateway Project (Spokane) \$400,000	Kitsap Lake Park Renovation & Accessibility (Bremerton) \$258,000
Ferry County Airport Runway Lighting System (Republic) \$450,000	Kittitas Valley Healthcare Laboratory Services Reno (Ellensburg) \$397,000
Flag Plaza Redevelopment (Kennewick) \$46,000	La Center City Hall Improvements (La Center) \$1,236,000
FOE Meeting and Dance Hall (Puyallup) \$77,000	Lake Lawrence Fire Station (Yelm) \$515,000
Fourth Plain Community Commons (Vancouver) \$1,236,000	Lake Sacajawea Renovation Project (Longview) \$900,000
Franklin Pierce Farm Agricultural Resource Center (Tacoma) \$3,900,000	Lake Stevens Civic Center Phase 3 (Lake Stevens) \$2,100,000
Frontier Park - Goat Barn Roof (Graham) \$89,000	Lakefront Property Acquisition (Lake Forest Park) \$432,000
Frontier Park-Horse Arena Cover (Graham) \$1,811,000	LASA Client Services Center (Lakewood) \$515,000
Garfield Pool Upgrade (Garfield) \$500,000	Leavenworth Ski Hill ADA Restroom (Leavenworth) \$52,000
Gas Station Park Improvements (Tacoma) \$515,000	Lewis County Public Safety Radio Infrastructure (Chehalis) \$129,000
Gold Mountain Communications Zone - Upgraded Telecomm (Bremerton) \$835,000	Lewis County Youth Services Renovation and Addition (Chehalis) \$824,000
Granger Historical Society Museum (Granger) \$300,000	LGBTQ-Affirming Senior Center (Seattle) \$1,030,000
Green Lake Community Boathouse (Seattle) \$100,000	Links to Opportunity (Tacoma) \$2,000,000
Grounds Improvement Proposal (Ritzville) \$150,000	Little League Field Improvement (Federal Way) \$200,000
Health Care Kiosk Deployment (Federal Way) \$75,000	Longview Hospice Care Center Renovation (Longview) \$765,000
Historic Downtown Chelan Infrastructure Predesign (Chelan) \$150,000	

Lopez Island Swim Center (Lopez Island)	\$245,000	North Clear Zone Land Acquisition (Lakewood)	\$1,400,000
Lynnwood Neighborhood Center (Lynnwood)	\$500,000	North Creek Trail (Bothell)	\$618,000
Maddie's Place (Spokane)	\$644,000	North Seattle Boys & Girls Club Safety Upgrades (Seattle)	\$361,000
Madrona Day Treatment School (Bremerton)	\$321,000	Northwest Kidney Centers Clinic (Port Angeles)	\$900,000
Magnuson Park Hangar 2 (Seattle)	\$1,130,000	Ocean Beach Medical Group - Ilwaco Clinic (Ilwaco)	\$309,000
Main Street Phase 2 (Mountlake Terrace)	\$1,200,000	Panther Lake Community Park (Kent)	\$2,000,000
Mariner Community Campus (Everett)	\$1,670,000	Patterson Park Preservation & Upgrade (Republic)	\$300,000
Martin Luther King Center Improvements (Pasco)	\$1,000,000	Pedestrian Overcrossing Replacement (Kalama)	\$2,250,000
Mary's Place Shelter Renovation (Burien)	\$352,000	Perfect Passage (Tonasket)	\$1,698,000
Marysville Trail Connector (Marysville)	\$515,000	Perry Technical Institute Auditorium Renovation (Yakima)	\$1,550,000
Mason County Veterans Memorial Hall Refurbishment (Shelton)	\$62,000	Peter Kirk Community Center Roof and Retrofitted Emerg (Kirkland)	\$773,000
McKinney Center Renovations (Seattle)	\$1,000,000	Phase 1 Master Plan - COVID Mitigation (Lake Stevens)	\$103,000
Meadowglen Community Park (Spokane)	\$77,000	Phase 1 of Trails Plan Improvements (Issaquah)	\$251,000
Medical Examiner's Facility Upgrades (Spokane)	\$600,000	Planning & Upgrades Edmonds Boys & Girls Club (Edmonds)	\$200,000
Miller Park (Yakima)	\$642,000	Point Hudson Breakwater (Port Townsend)	\$1,000,000
MLK Community Center Roof Replacement (Spokane)	\$1,380,000	Police Station Renovations - City of Duvall (Duvall)	\$107,000
Moses Lake Business Incubator (Moses Lake)	\$1,313,000	Port of Olympia Marine Center (Olympia)	\$250,000
Mountain Rescue Center (North Bend)	\$222,000	Port of Vancouver Waterfront T1 Building Demo/Deconst (Vancouver)	\$1,000,000
Nelson Dam Removal Project (Naches)	\$1,325,000	Port Susan Trail (Stanwood)	\$742,000
New Ground Kirkland (Kirkland)	\$258,000	Port Townsend Affordable Housing Development (Port Townsend)	\$1,400,000
Next Chapter Morgan Shelter (Tacoma)	\$16,000	Proclaim Liberty Affordable Housing (Spokane)	\$2,000,000
NJROTC/NNDCC Program Peninsula School District (Gig Harbor)	\$170,000		
North Bend Depot Rehab (North Bend)	\$151,000		

Project Chairlift: Lifting Up	Shipley Senior Center (Sequim)
Washington State Chair 1	\$463,000
(Mead) \$750,000	Shoreline Parks Restrooms (Shoreline)
Pts of Ilwaco/Chinook Nav	\$412,000
Infrastructure	SIHB Thunderbird Treatment Center
(Ilwaco & Chinook) \$634,000	(Seattle) \$309,000
Public Pavilion for Shoreline Park	Silver Crest Park (Mill Creek)
(Shoreline) \$361,000	\$90,000
Puyallup Recreation Center (Puyallup)	Skabob House Cultural Center Art
\$1,030,000	Studio (Skokomish) \$500,000
Puyallup Valley Cultural Heritage	Skagit County Morgue (Mount Vernon)
Center (Puyallup) \$335,000	\$139,000
Rainier View Covered Court (Sumner)	Sky Valley Teen Center (Sultan)
\$245,000	\$773,000
Ramstead Regional Park (Everson)	Snohomish County Food and Farming
\$1,500,000	Center (Everett) \$2,550,000
Redmond Senior and Community Center	Snoqualmie Valley Youth Activity
(Redmond) \$1,250,000	Center (North Bend) \$361,000
Redondo Fishing Pier (Des Moines)	Soap Lake City Hall Reactivation (Soap
\$900,000	Lake) \$157,000
Replacement Hospice House (Richland)	SoCo Park (Covington) \$1,300,000
\$900,000	South Bend School Multi-Use Field
Resource Center Planning (Pasco)	Upgrades (South Bend) \$361,000
\$250,000	South Kitsap Community Events Center
Ridgefield I-5 Pedestrian Screen	(Port Orchard) \$1,236,000
(Ridgefield) \$335,000	South Kitsap HS Phys Ed Support (Port
Ridgefield YMCA (Ridgefield)	Orchard) \$15,000
\$258,000	Southwest Washington Grain Project
Ridgetop DNR Trust Land Purchase	(Chehalis) \$1,750,000
(Silverdale) \$2,050,000	Spokane Public Radio (Spokane)
Ritzville Downtown Improvements	\$1,000,000
(Ritzville) \$105,000	Spokane Valley Boys & Girls Club
Sargent Oyster House Restoration	(Spokane Valley) \$1,030,000
(Allyn) \$344,000	Spokane Valley Fairgrounds Exhibition
School Based Health Care Clinic	Center
(Tacoma) \$750,000	(Spokane Valley) \$750,000
SE 168th St. Bike Lanes/Safe Crossings	Sprinker Recreation Center Outdoor
(Renton) \$500,000	Improvements
Seattle Aquarium Expansion (Seattle)	(Tacoma) \$400,000
\$2,000,000	Squire's Landing Park Waterfront &
Seattle Kraken Multisport Courts	Open Space Access Pr
(Seattle) \$103,000	(Kenmore) \$927,000
Selah-Moxee Irrigation District	Steilacoom Tribal Cultural Center
(Moxee) \$300,000	(Steilacoom) \$814,000
Seminary Hill Natural and Heritage	Stonehenge Memorial Public Restroom
Trail Project	Project (Maryhill) \$129,000
(Centralia) \$52,000	Sultan Basin Park Design (Sultan)
Sheffield Trail (Fife) \$1,030,000	\$26,000

Sumas Sidewalks and Trails (Sumas)
\$75,000

Teaching & Commercial Kitchen (Kent)
\$515,000

The Campaign for Wesley Des Moines
(Des Moines) \$500,000

The Eli's Park Project (Seattle)
\$900,000

The Ethiopian Village (Seattle)
\$515,000

The Hilltop (Tacoma) \$1,545,000

The Landing (Redmond) \$258,000

The Millworks (Bellingham)
\$1,000,000

The Podium (Spokane) \$774,000

The Way Station (Bellingham)
\$4,050,000

Therapeutic Play Spaces (Spokane)
\$108,000

Tiny Homes (Seattle) \$2,000,000

Together Center (Redmond)
\$1,030,000

Toppenish Junior Livestock Facility
Planning (Toppenish) \$21,000

Trails End Community Meeting Space
(Tumwater) \$155,000

Treatment Plant Remodel (Duvall)
\$742,000

Turf Field Lighting (Yakima)
\$500,000

Turning Pointe Youth Advocacy Addition
(Shelton) \$82,000

Twisp Civic Center (Twisp)
\$1,500,000

United Way of King County Building
Restoration
(Seattle) \$566,000

University Heights Center Renovation
(Seattle) \$595,000

Upper Kittitas County Medic One -
Station 99 (Cle Elum) \$784,000

Vaughn Library Hall Restoration
(Vaughn) \$103,000

Wards Lake Park Improvement Project
(Lakewood) \$258,000

Water Efficiency Improvements (Royal
City) \$193,000

Wenas Creek Screening, Passage
Engineering Design
(Selah) \$150,000

West Biddle Lake Dam Restoration
(Vancouver) \$1,881,000

Whatcom County Integrated Public
Safety Radio System
(Bellingham) \$400,000

Woodland Scott Hill Park & Sports
Complex (Woodland) \$600,000

Yakima County Fire Communications
Radio Repeaters
(Yakima) \$103,000

Yakima Valley Fair (Grandview)
\$235,000

Yelm Senior Center Repairs (Yelm)
\$36,000

Youth Resource Center (Federal Way)
\$82,000

(b) The funding for the Magnuson Park Historic Hanger 2 (Seattle) project is contingent on the contribution of at least \$6,000,000 for the Magnuson Park Center For Excellence. If the Magnuson Park Center For Excellence has not certified to the department of commerce that the project has secured at least \$6,000,000 in total funding for the capital phase of the project by July 31, 2022, the funds in this subsection (8)(b) shall lapse. The lapse date of July 31, 2022, must be extended to the same extent that the city of Seattle grants an extension, if any, beyond that date for the same project, provided that no further extension may be granted past July 31, 2023. The Magnuson Park Center For Excellence must ensure that the long-term lease with Seattle Parks and Recreation stipulates meaningful public benefits that prioritize low-income, black, indigenous, and people of color youth and families of the Magnuson park and neighborhood and Northeast Seattle. The lease must include provisions to proactively recruit and provide no-cost access to the residents as well as the creation of a scholarship fund dedicated to the residents for the center's events and programming. Additional public benefits to improve accessibility for Magnuson Park residents must be considered in the lease negotiations.

Appropriation:

State Building Construction Account—
 State \$160,910,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
 \$0

TOTAL \$160,910,000

NEW SECTION. Sec. 1076. FOR THE DEPARTMENT OF COMMERCE

2021 Local and Community Projects (40000130)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1013, chapter 356, Laws of 2020.

Reappropriation:

State Building Construction Account—
 State \$23,419,000

Prior Biennia (Expenditures)
 \$9,253,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$32,672,000

NEW SECTION. Sec. 1077. FOR THE DEPARTMENT OF COMMERCE

2021-23 Landlord Mitigation Account (40000224)

The appropriation in this section is subject to the following conditions and limitations: \$5,000,000 of the appropriation in this section must be deposited in the landlord mitigation program account.

Appropriation:

State Taxable Building Construction Account—

State \$5,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
 \$0

TOTAL \$5,000,000

NEW SECTION. Sec. 1078. FOR THE DEPARTMENT OF COMMERCE

Rapid Response Community Preservation Pilot Program (91001278)

Reappropriation:

State Building Construction Account—
 State \$1,518,000

Prior Biennia (Expenditures)
 \$482,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$2,000,000

NEW SECTION. Sec. 1079. FOR THE DEPARTMENT OF COMMERCE

Port Hadlock Wastewater Facility Project (91001545)

Reappropriation:

Public Works Assistance Account—State
 \$900,000

Prior Biennia (Expenditures)
 \$522,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$1,422,000

NEW SECTION. Sec. 1080. FOR THE DEPARTMENT OF COMMERCE

Pacific Hospital Preservation and Development Plan (91001544)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1021, chapter 356, Laws of 2020.

Reappropriation:

State Building Construction Account—
 State \$48,000

Prior Biennia (Expenditures) \$2,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$50,000

NEW SECTION. Sec. 1081. FOR THE DEPARTMENT OF COMMERCE

2021-23 Dental Capacity Grants (91001660)

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

(1) Funding provided in this section must be used for the construction and equipment directly associated with dental facilities. The funding provided in this section is for projects that are maintained for at least a 10-year period and provide capacity to address unmet patient need and increase efficiency in dental access.

(2) \$5,355,000 of the amount provided in this section is provided solely for the following list of projects:

- Dental Expansion for Maple Street Clinic (Spokane) \$309,000
- HealthPoint (Auburn) \$721,000
- HealthPoint (Renton) \$309,000
- ICHS Holly Park (Seattle) \$106,000
- ICHS International District (Seattle) \$106,000
- International Community Health Services (Bellevue) \$106,000
- International Community Health Services (Shoreline) \$106,000
- NEW Health CHC Dental Expansion (Newport) \$1,900,000
- Peninsula Community Health Services (Gig Harbor) \$490,000
- Sea Mar Community Health Center (Kent) \$1,042,000
- Yakima Valley Farm Workers Clinic (Kennewick) \$1,030,000

Appropriation:

- State Building Construction Account—State \$6,225,000
- Prior Biennia (Expenditures) \$0
- Future Biennia (Projected Costs) \$0
- TOTAL \$6,225,000

NEW SECTION. Sec. 1082. FOR THE DEPARTMENT OF COMMERCE

Substance Use Disorder Recovery Housing (91001675)

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

(1) The appropriation in this section is provided solely for an agreement with Catholic Community Services/Catholic Housing Services to fund a master planning process for the development of a family-centered drug treatment and housing program in western Washington that supports families staying together while they recover from addiction and rebuild their lives. Housing developers, service providers, and other stakeholders must be included in this master planning process.

(2) The master planning process under this section must model the project to be developed after Rising Strong in Spokane and must include units for families that are experiencing substance use disorder and that are involved in the child welfare system. The site must include living quarters for families, space for services, play areas for children, and space for child care. The program services located at the site must include, but are not limited to, case management, counseling, substance use disorder treatment, and parenting skills classes. The site must be located in King County, or located near King county, to provide services to families in the western area of the state.

(3) The master plan developed under this section must be submitted to the appropriate committees of the legislature by December 31, 2021.

Appropriation:

- State Building Construction Account—State \$150,000
- Prior Biennia (Expenditures) \$0
- Future Biennia (Projected Costs) \$0
- TOTAL \$150,000

NEW SECTION. Sec. 1083. FOR THE DEPARTMENT OF COMMERCE

2021-23 Early Learning Facilities (91001677)

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

(1) \$1,089,000 of the state building construction account—state appropriation in this section is provided solely for the following list of early learning facility projects in the following amounts:

- Monroe ECEAP Facility (Monroe) \$361,000
- Petah Villages Outdoor Preschool (Renton) \$370,000
- Site Study and Predesign for Two ECEAP Classrooms (Spokane) \$40,000
- Willapa Center (Raymond) \$318,000

(2) \$23,911,000 of the Ruth Lecocq Kagi early learning facilities

development account—state appropriation in this section is provided solely for the early learning facility grant and loan program, subject to the provisions of RCW 43.31.573 through 43.31.583 and 43.84.092, to provide state assistance for designing, constructing, purchasing, expanding, or modernizing public or private early learning education facilities for eligible organizations. Up to four percent of the funding in this subsection may be used by the department of children, youth, and families to provide technical assistance to early learning providers interested in applying for the early learning facility grant or loan program.

(3)(a) \$7,500,000 of the Ruth Lecocq Kagi early learning facilities revolving account—state appropriation in this section is provided solely for the Washington early learning loan fund. Up to four percent of the funding in this appropriation may be used by the contractor to provide technical assistance to early learning providers interested in applying for the early learning facility grant or loan program.

(b) In addition to the reporting requirements in RCW 43.31.573(5), the department must require the contractor to include the following information in the annual reports due to the department:

(i) Audited financial statements or reports independently verified by an accountant showing operating costs, including a clear delineation of the operating costs incurred due to administering grants and loans under this subsection (3);

(ii) Independently verified information regarding the interest rates and terms of all loans provided to early learning facilities under this subsection (3);

(iii) Independently verified or audited information showing all private matching dollars, public matching dollars, and revenues received by the contractor from the repayment of loans, clearly delineating revenues received from the repayment of loans provided under this subsection (3); and

(iv) A forward-looking financial plan that projects the timing and public funding level at which the Washington early learning loan fund will become self-sustaining and will no longer need state matching dollars to provide loans

to early learning facilities. The plan must include scenarios based upon a range of state investment in the fund.

(4) The department of children, youth, and families must develop methodology to identify, at the school district boundary level, the geographic locations of where early childhood education and assistance program slots are needed to meet the entitlement specified in RCW 43.216.556. This methodology must be linked to the caseload forecast produced by the caseload forecast council and must include estimates of the number of slots needed at each school district. This methodology must inform any early learning facilities needs assessment conducted by the department and the department of children, youth, and families. This methodology must be included as part of the budget submittal documentation required by RCW 43.88.030.

(5) When prioritizing areas with the highest unmet need for early childhood education and assistance program slots, the committee of early learning experts convened by the department pursuant to RCW 43.31.581 must first consider those areas at risk of not meeting the entitlement specified in RCW 43.216.556.

(6) The department must track the number of slots being renovated separately from the number of slots being constructed and, within these categories, must track the number of slots separately by program for the working connections child care program and the early childhood education and assistance program.

(7) When prioritizing applications for projects pursuant to RCW 43.31.581, the department must award priority points to applications from a rural county or from extreme child care deserts as defined by the department of children, youth, and families.

(8) The department shall, in consultation with the department of children, youth, and families, prepare a report to the office of financial management and the fiscal committees of the legislature regarding the geographical diversity of early learning facilities grants. The report must be submitted by December 1, 2022, and must provide the following information:

(a) Geographical disbursement of school district early learning grants, early learning facilities grants to eligible organizations, and early

learning loans or grants provided by a nongovernmental private-public partnership contracted by the department, including type of grant, size of award, number of early childhood education and assistance program or working connections child care program slots added, and any other information that the department deems relevant;

(b) Disbursement of early learning grants or loans to providers in rural and nonrural counties, including type of grant, size of award, number of early childhood education and assistance program or working connections child care program slots added, and any other information that the department deems relevant; and

(c) Disbursement of early learning grants or loans to providers by type of provider, including school district, child care center, licensed family home, or other, including type of grant, size of award, number of early childhood education and assistance program or working connections child care program slots added, and any other information that the department deems relevant.

Appropriation:

State Building Construction Account—
State \$1,089,000

Early Learning Facilities Revolving Account—

State \$7,500,000

Early Learning Facilities Development Account—

State \$23,911,000

Subtotal Appropriation \$32,500,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$32,500,000

NEW SECTION. Sec. 1084. FOR THE DEPARTMENT OF COMMERCE

Food Banks (91001690)

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

(1) The department may not expend the appropriation in this section unless and until the nonstate share of project costs have been either expended or firmly committed, or both, in an amount

sufficient to complete the project or a distinct phase of the project that is useable to the public for the purpose intended by the legislature. This requirement does not apply to projects where a share of the appropriation is for design costs only.

(2) Prior to receiving funds, project recipients must demonstrate that the project site is under control for a minimum of 10 years, either through ownership or a long-term lease. This requirement does not apply to appropriations for preconstruction activities or appropriations in which the sole purpose is to purchase real property that does not include a construction or renovation component.

(3) Projects funded in this section may be required to comply with Washington's high-performance building standards as required by chapter 39.35D RCW.

(4) Project funds are available on a reimbursement basis only, and may not be advanced under any circumstances.

(5) In contracts for grants authorized under this section, the department must include provisions that require that capital improvements be held by the grantee for a specified period of time appropriate to the amount of the grant and that facilities be used for the express purpose of the grant. If the grantee is found to be out of compliance with provisions of the contract, the grantee shall repay to the state general fund the principal amount of the grant plus interest calculated at the rate of interest on state of Washington general obligation bonds issued most closely to the date of authorization of the grant.

(6) Projects funded in this section, including those that are owned and operated by nonprofit organizations, are generally required to pay state prevailing wages.

(7) The department must comply with the requirements set forth in executive order 21-02 and must consult with the department of archaeology and historic preservation and affected tribes on the potential effects of these projects on cultural resources and historic properties. Consultation with the department of archaeology and historic preservation and affected tribes must be initiated before project funds are made available.

(8) The appropriation in this section is provided solely for the following list of projects:

FISH Community Food Bank and Food Pantry

(Ellensburg) \$1,545,000

Gig Harbor Peninsula FISH New Facility Construction (Gig Harbor) \$2,050,000

Hunger Solution Center Cold Storage Expansion

(Seattle) \$827,000

Issaquah Food Bank Expansion (Issaquah) \$1,030,000

La Center Community Center Repairs and Improvements (La Center) \$515,000

Port Angeles Food Bank (Port Angeles) \$1,050,000

Puyallup Food Bank Capital Campaign (Puyallup) \$257,000

White Center Food Bank Relocation (Seattle) \$1,030,000

Appropriation:

State Building Construction Account—State \$8,304,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL \$8,304,000

NEW SECTION. Sec. 1085. FOR THE DEPARTMENT OF COMMERCE

Infrastructure Projects (91001687)

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

(1) The department may not expend the appropriation in this section unless and until the nonstate share of project costs have been either expended or firmly committed, or both, in an amount sufficient to complete the project or a distinct phase of the project that is useable to the public for the purpose intended by the legislature. This requirement does not apply to projects where a share of the appropriation is for design costs only.

(2) Prior to receiving funds, project recipients must demonstrate that the

project site is under control for a minimum of 10 years, either through ownership or a long-term lease. This requirement does not apply to appropriations for preconstruction activities or appropriations in which the sole purpose is to purchase real property that does not include a construction or renovation component.

(3) Projects funded in this section may be required to comply with Washington's high-performance building standards as required by chapter 39.35D RCW.

(4) Project funds are available on a reimbursement basis only, and may not be advanced under any circumstances.

(5) In contracts for grants authorized under this section, the department must include provisions that require that capital improvements be held by the grantee for a specified period of time appropriate to the amount of the grant and that facilities be used for the express purpose of the grant. If the grantee is found to be out of compliance with provisions of the contract, the grantee shall repay to the state general fund the principal amount of the grant plus interest calculated at the rate of interest on state of Washington general obligation bonds issued most closely to the date of authorization of the grant.

(6) Projects funded in this section, including those that are owned and operated by nonprofit organizations, are generally required to pay state prevailing wages.

(7) The department must comply with the requirements set forth in executive order 21-02 and must consult with the department of archaeology and historic preservation and affected tribes on the potential effects of these projects on cultural resources and historic properties. Consultation with the department of archaeology and historic preservation and affected tribes must be initiated before project funds are made available.

(8) To ensure compliance with conditions of the federal coronavirus state fiscal recovery fund, all expenditures of amounts appropriated in this section must be incurred by December 31, 2024.

(9) The appropriation in this section is provided solely for the following list of projects:

Airway Heights Water Resources Replacement (Airway Heights) \$14,950,000

Anderson Road Project Design (Chelan) \$258,000

Belfair Water Reclamation Facility (Belfair) \$500,000

Boat Haven Stormwater Improvement (Port Townsend) \$2,050,000

Centralia School District - Gemini & LTE (Centralia) \$1,529,000

Cheney Purple Pipe Project (Cheney) \$11,050,000

City of Fircrest Water Meter Replacement (Fircrest) \$171,000

City of Ilwaco - Drinking Water Source Protection (Ilwaco) \$721,000

Crusher Canyon Sewer Line (Selah) \$1,000,000

Dryden Wastewater Improvement Project (Dryden) \$1,030,000

Fall City Waste Management System (Fall City) \$6,500,000

Fry Creek Pump Station (Aberdeen) \$8,975,000

Index Phased Water Line Replacement (Index) \$1,351,000

Lacamas Lake Management Plan (Camas) \$155,000

Leach Creek Interceptor Extension (University Place) \$2,100,000

Louis Thompson Road Tightline (Sammamish) \$3,000,000

Malaga Industrial Park Waterline Extension (Malaga) \$1,545,000

Malden USDA Water (Malden) \$247,000

Mill Creek Flood Control Channel (Walla Walla) \$1,545,000

NE 92nd Avenue Pump Station & Force Main (Battle Ground) \$2,050,000

New Well for the Community of Peshastin (Peshastin) \$1,100,000

Omak Water Reservoir (Omak) \$4,300,000

Othello Water Conservation System (Othello) \$515,000

Packwood Sewer System (Packwood) \$8,050,000

PFAS Treatment at City of DuPont Water Wells (DuPont) \$5,950,000

Port Hadlock Wastewater Facility (Port Hadlock) \$20,175,000

Port of Mattawa Wastewater Infrastructure (Mattawa) \$618,000

Reservoir No. 2, Water Supply & Distribution (Bridgeport) \$3,200,000

Shelton: Well 1 Water Main (Shelton) \$2,050,000

Skamania County Well Installation (Stevenson) \$52,000

Vader Wastewater Treatment Plant Improvements (Vader) \$1,850,000

Wallula Dodd Water System Ph2 (Wallula) \$2,050,000

Wanapum Indian Village Fiber infrastructure Project (Mattawa) \$155,000

Water Main Infrastructure Extension Project (George) \$155,000

WWTP Reclaimed Water (Shelton) \$2,050,000

Appropriation:
 Coronavirus State Fiscal Recovery Account—
 Federal \$112,997,000
 Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$112,997,000

NEW SECTION. Sec. 1086. FOR THE DEPARTMENT OF COMMERCE

2021-23 Broadband Office (92000953)

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

(1)(a) The appropriations in this section are provided solely to the statewide broadband office for qualifying broadband infrastructure projects.

(b) Unless otherwise stated, eligible applicants for grants awarded under subsections (2) and (3) of this section are:

(i) Local governments, including ports and public utility districts;

(ii) Federally recognized tribes;

(iii) Nonprofit organizations;

(iv) Nonprofit cooperative organizations; and

(v) Multiparty entities comprised of a combination of public entity members or private entity members. A multiparty entity cannot be solely comprised of private entities.

(c) Projects receiving grants under this section must:

(i) Demonstrate that the project site is under the applicant's control for a minimum of 25 years, either through ownership or a long-term lease; and

(ii) Commit to using the infrastructure funded by the grant for the purposes of providing broadband connectivity for a minimum of 25 years.

(d) Unless otherwise stated, priority must be given to projects:

(i) Located in unserved areas of the state, which for the purposes of this section means areas of Washington in which households and businesses lack access to broadband service of speeds at a minimum of 100 megabits per second download and at a minimum 20 megabits per second upload;

(ii) Located in geographic areas of greatest priority for the deployment of broadband infrastructure to achieve the state's broadband goals, as provided in RCW 43.330.536, identified with department and board mapping tools; or

(iii) That construct last mile infrastructure, as defined in RCW 43.330.530.

(e) Unless otherwise stated, appropriations may not be used for projects where a broadband provider currently provides, or has begun construction to provide, broadband service to end users in the proposed project area at speeds equal to or greater than the state speed goals provided in RCW 43.330.536.

(f) The appropriations must be used for projects that use a technology-neutral approach in order to expand access at the lowest cost to the most unserved or underserved residents.

(g)(i) The statewide broadband office must act as fiscal agent for the grants authorized in subsections (2) and (3) of this section.

(ii) No more than 1.5 percent of the funds appropriated for the program may be expended by the statewide broadband office for administration purposes.

(2)(a) \$50,000,000 of the state building construction account—state appropriation is provided solely to the statewide broadband office to award as grants to eligible applicants as match funds to leverage federal broadband infrastructure program funding.

(b)(i) For the purposes of this subsection (2), "state broadband infrastructure funders" are the state broadband office, the public works board, and the community economic revitalization board.

(ii) The statewide broadband office must develop a project evaluation process to assist in coordination among state broadband infrastructure funders to maximize opportunities to leverage federal funding and ensure efficient state investment. The project evaluation process must help determine whether a project is a strong candidate for a known federal funding opportunity and if a project can be packaged as part of a regional or other coordinated federal grant proposal. The state broadband infrastructure funders are encouraged to enter into a memorandum of understanding outlining how coordination will take place so that the process can help with a coordinated funding strategy across these entities.

(3)(a) \$260,003,000 of the coronavirus state fiscal recovery fund—federal appropriation and \$16,000,000 of the coronavirus capital projects account—federal appropriation are provided

solely for grants to eligible applicants for qualifying broadband infrastructure projects.

(b)(i) Projects that receive grant funding under this subsection (3) must be eligible for funds under section 9901 of the American rescue plan act.

(ii) To ensure compliance with conditions of the federal coronavirus state fiscal recovery fund, all expenditures of amounts appropriated in this subsection (3) must be incurred by December 31, 2024.

(c)(i) \$5,000,000 of the appropriation in this subsection is provided for broadband equity and affordability grants.

(ii) Grants must be provided to eligible applicants located in areas:

(A) With existing broadband service with speeds at a minimum of 100 megabits per second download and at a minimum 20 megabits per second upload; and

(B) Where the state broadband office, in consultation with the department of equity, determine that access to existing broadband service is not affordable or equitable.

(iii) Eligible applicants for grants awarded under this subsection (3)(c) are:

(A) Local governments, including ports and public utility districts;

(B) Federally recognized tribes;

(C) Public school districts;

(D) Nonprofit organizations; and

(E) Multiparty entities comprised of public entity members to fund broadband deployment.

(d) \$258,000 of the coronavirus capital projects account—federal appropriation in this subsection is provided solely for the Precision Agriculture and Broadband pilot project.

(4) By January 30, 2022, and January 30, 2023, the statewide broadband office must develop and submit a report regarding the grants established in subsections (2) and (3) of this section to the office of financial management and appropriate fiscal committees of the legislature. The report must include:

(a) The total number of applications and amount of funding requested;

(b) A list and description of projects approved for grant funding in the preceding fiscal year;

(c) The total amount of grant funding that was disbursed during the preceding fiscal year;

(d) The total amount of funds obligated and timing of when the funds were obligated in the preceding fiscal year; and

(e) For projects funded in the prior biennium, the outcomes achieved by the approved projects.

(5) For eligible applicants providing service outside of their jurisdictional boundary, no more than three percent of the award amount may be expended for administration purposes.

Appropriation:

State Building Construction Account—
State \$50,000,000

Coronavirus State Fiscal Recovery
Account—

Federal \$260,003,000

Coronavirus Capital Projects Account—
Federal \$16,000,000

Subtotal Appropriation \$326,003,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$326,003,000

**NEW SECTION. Sec. 1087. FOR THE
DEPARTMENT OF COMMERCE**

2021-23 Community Relief (92000957)

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

(1) \$500,000 of the state taxable building construction account—state appropriation is provided solely for the department to contract with the Communities of Concern Commission for development of a list of community-led capital projects that serve underserved communities. Eligible expenses include costs incurred by the Communities of Concern Commission in conducting outreach, developing an application process, providing technical assistance, assisting project proponents with project readiness, and assisting the department with identifying barriers faced in accessing capital grant

programs. The department must present the list prepared by the Communities of Concern Commission to the fiscal committees of the legislature for consideration for funding in the 2022 supplemental capital budget with the list of identified projects. \$2,500,000 of the appropriation in this subsection (1) shall remain in unallotted status for purposes of legislative review of the joint list prepared by the Communities of Concern Commission and the department until the legislature appropriates funds for these projects in the budget process. The legislature retains the right to review and consider all such funding as it does with other requests for project funding. The intent of the legislature is to only provide funding in the 2021-2023 fiscal biennium in order to inform the department's comprehensive equity review required in the operating budget and allow the opportunity for the department to implement the steps necessary to improve equitable delivery of all of their capital grant programs. The department must submit an interim report to the legislature by December 31, 2021, on the barriers identified and lessons learned through projects identified through this section and in section 1093 of this act and the connection to the equity review required in the operating budget.

(2)(a) The appropriation is provided solely for the following list of projects:

- ?al?al (means "Home" in Lushootseed) (Seattle) \$900,000
- Asberry Historic Home Site Acquisition (Tacoma) \$919,000
- Be'er Sheva Park Improvements and Shoreline Restoration (Seattle) \$500,000
- Cham Community Center (CCC) (Seattle) \$515,000
- Communities of Concern Commission (Seattle) \$3,000,000
- Elevate Youngstown Capital Project (Seattle) \$515,000
- Feast Collective Capital Request (Spokane) \$103,000
- Feeding Change Campaign (Seattle) \$1,000,000
- Khmer Community Center & Cultural Hub (Seattle) \$309,000

- Neighborhood House Early Learning Facilities (Seattle) \$2,050,000
- Shiloh Baptist Housing Development Project (Tacoma) \$2,100,000
- Skyway Resource Center Renovation Project (Seattle) \$400,000
- Wadajir Residences & Souq (Tukwila) \$1,339,000

(b) For the Asberry Historic Home Site Acquisition, the department must work with the department of archaeology and historic preservation and the grantee to develop a historic preservation easement. The easement must be held through the department of archaeology and historic preservation and must be placed on the title in perpetuity.

Appropriation:

State Building Construction Account—	
State	\$13,150,000
State Taxable Building Construction Account—	
State	\$500,000
Subtotal Appropriation	\$13,650,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$13,650,000

NEW SECTION. Sec. 1088. FOR THE DEPARTMENT OF COMMERCE

Reimann Roads, Telecomm and Utility Relocation (Pasco) (92001004)

The appropriation in this section is subject to the following conditions and limitations: The department shall not release funds to reimburse the port of Pasco for infrastructure development at the Reimann industrial park unless the port has signed an agreement with a large-scale food processor. If the port has not signed an agreement for use of the Reimann industrial park by December 31, 2022, the amount provided in this section shall lapse.

Appropriation:

State Building Construction Account—	
State	\$7,500,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$7,500,000

NEW SECTION. Sec. 1089. FOR THE DEPARTMENT OF COMMERCE

Child Care Minor Renovation Grants (92001109)

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

\$10,000,000 of the appropriation is provided solely for the department to provide grants to child care providers for minor renovations and small capital purchases and projects. The grants are intended to support child care providers so that they may maintain operations or expand operations during and after the COVID-19 public health emergency.

(1) The department shall collaborate with the department of children, youth, and families to conduct outreach to licensed family homes to ensure they are made aware of the grant opportunity.

(2) The department shall give priority to projects that make minor renovations without adding capacity and are therefore ineligible for the early learning facilities program.

(3) All grants provided in this section must be awarded by September 30, 2022.

(4) Of the amounts provided in this section, no more than four percent may be retained by the department for administrative purposes.

Appropriation:

General Fund—Federal	\$10,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$10,000,000

NEW SECTION. Sec. 1090. FOR THE DEPARTMENT OF COMMERCE

Increasing Housing Inventory (92001122)

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

(1)(a) The appropriation in this section is provided solely for grants to cities to facilitate transit-oriented development and may be used to pay for the costs associated with the preparation of state environmental policy act environmental impact statements, planned action ordinances, subarea plans, costs

associated with the use of other tools under the state environmental policy act, and the costs of local code adoption and implementation of such efforts.

(b) Grant awards may only fund efforts that address environmental impacts and consequences, alternatives, and mitigation measures in sufficient detail to allow the analysis to be adopted in whole or in part by applicants for development permits within the geographic area analyzed in the plan.

(2) The department shall prioritize applications for grants to facilitate transit-oriented development that maximize the following policy objectives in the area covered by a proposal:

(a) The total number of housing units authorized for new development;

(b) The proximity and quality of transit access in the area;

(c) Plans that authorize up to six stories of building height;

(d) Plans that authorize ground floor retail with housing above;

(e) Plans in areas that minimize or eliminate on-site parking requirements;

(f) Existence or establishment of incentive zoning, mandatory affordability, or other tools to promote low-income housing in the area;

(g) Plans that include dedicated policies to support public or nonprofit funded low-income or workforce housing; and

(h) Plans designed to maximize and increase the variety of allowable housing types and expected sale or rental rates.

(3) For purposes of this section, "transit access" includes walkable access to:

(a) Light rail and other fixed guideway rail systems;

(b) Bus rapid transit;

(c) High frequency bus service; or

(d) Park and ride lots.

Appropriation:

State Building Construction Account—	
State	\$2,500,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0

TOTAL \$2,500,000

NEW SECTION. Sec. 1091. FOR THE DEPARTMENT OF COMMERCE

Enhanced Shelter Capacity Grants (92000939)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1022, chapter 356, Laws of 2020.

Reappropriation:

State Building Construction Account—
State \$6,318,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$6,318,000

NEW SECTION. Sec. 1092. FOR THE DEPARTMENT OF COMMERCE

Work, Education, Health Monitoring Projects (91001686)

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

(1) The department may not expend the appropriation in this section unless and until the nonstate share of project costs have been either expended or firmly committed, or both, in an amount sufficient to complete the project or a distinct phase of the project that is useable to the public for the purpose intended by the legislature. This requirement does not apply to projects where a share of the appropriation is for design costs only.

(2) Prior to receiving funds, project recipients must demonstrate that the project site is under control for a minimum of 10 years, either through ownership or a long-term lease. This requirement does not apply to appropriations for preconstruction activities or appropriations in which the sole purpose is to purchase real property that does not include a construction or renovation component.

(3) Projects funded in this section may be required to comply with Washington's high-performance building standards as required by chapter 39.35D RCW.

(4) Project funds are available on a reimbursement basis only, and may not be advanced under any circumstances.

(5) In contracts for grants authorized under this section, the department must include provisions that require that capital improvements be held by the grantee for a specified period of time appropriate to the amount of the grant and that facilities be used for the express purpose of the grant. If the grantee is found to be out of compliance with provisions of the contract, the grantee shall repay to the state general fund the principal amount of the grant plus interest calculated at the rate of interest on state of Washington general obligation bonds issued most closely to the date of authorization of the grant.

(6) Projects funded in this section, including those that are owned and operated by nonprofit organizations, are generally required to pay state prevailing wages.

(7) The department must comply with the requirements set forth in executive order 21-02 and must consult with the department of archaeology and historic preservation and affected tribes on the potential effects of these projects on cultural resources and historic properties. Consultation with the department of archaeology and historic preservation and affected tribes must be initiated before project funds are made available.

(8) \$926,000 of the coronavirus capital projects account—federal appropriation is provided solely for the following list of projects:

Camp Waskowitz Restrooms (North Bend)
\$250,000

Mary's Place Burien Shelter COVID Updates

(Seattle) \$550,000

Nordic Heritage Museum HVAC Renovation (Seattle) \$26,000

Sherwood COVID Mitigation (Lake Stevens) \$100,000

Appropriation:

Coronavirus Capital Projects Account—
Federal \$926,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$926,000

NEW SECTION. Sec. 1093. FOR THE DEPARTMENT OF COMMERCE

Capital Grant Program Equity (91001688)

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

The appropriation in this section is provided solely for the department to provide planning, technical assistance, and predesign grants for projects that would directly benefit populations and communities that have been historically underserved by capital grant policies and programs. It is the intent of the legislature that these grants be available for: (1) Early action on, and in response to, the comprehensive equity review required of the department during the 2021-2023 fiscal biennium; and (2) for reduction of barriers to participation in capital grant programs administered by the department due to race, ethnicity, religion, income, geography, disability, or educational attainment. In awarding grants under this section, the department shall prioritize applications that would directly benefit racially diverse neighborhoods within dense urban areas and small, rural communities where these grants would redress historic and systemic barriers to these communities' participation in capital grant programs. In ranking and sizing grants directly benefiting these groups, the department shall also consider the financial capacity of the applicant and of the community that the grant would benefit. The intent of the legislature is to only provide funding in the 2021-2023 fiscal biennium in order to inform the department's comprehensive equity review required in the operating budget and allow the opportunity for the department to implement the steps necessary to improve equitable delivery of all of their capital grant programs.

Appropriation:

State Building Construction Account— State \$5,000,000
Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$0
TOTAL \$5,000,000

NEW SECTION. Sec. 1094. FOR THE DEPARTMENT OF COMMERCE

Early Learning COVID-19 Renovation Grants (91001681)

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

(1) \$8,500,000 of the coronavirus capital projects account—federal appropriation is provided solely for the Washington early learning loan fund to provide grants to early learning facilities for emergency renovation and remodeling changes in response to the public health emergency with respect to the coronavirus disease.

(2) The grants may not be used for operating expenditures, but must be used for capital needs to:

(a) Support increased social distancing requirements;

(b) Support increased health and safety measures;

(c) Provide increased outdoor space; or

(d) Increase or preserve early learning slots within a facility or community.

(3) Grant recipients must meet the requirements in RCW 43.31.575.

(4) Up to four percent of the funding in this appropriation may be used by the contractor to provide technical assistance to early learning providers interested in applying for the early learning facility grant or loan program.

Appropriation:

Coronavirus Capital Projects Account— Federal \$8,500,000
Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$0
TOTAL \$8,500,000

NEW SECTION. Sec. 1095. FOR THE OFFICE OF FINANCIAL MANAGEMENT

Cowlitz River Dredging (20082856)

The appropriations in this section are subject to the following conditions and limitations: The appropriation in this section is provided solely for the office of financial management to acquire land and rights of way along the Cowlitz river for the United States army corps of engineers to dredge. The land is necessary for dredged material deposit

sites for the Mt. St. Helen's flood protection project.

Reappropriation:

State Building Construction Account—
State \$800,000

Appropriation:

State Building Construction Account—
State \$1,200,000

Prior Biennia (Expenditures)
\$700,000

Future Biennia (Projected Costs)
\$0

TOTAL \$2,700,000

NEW SECTION. Sec. 1096. FOR THE OFFICE OF FINANCIAL MANAGEMENT

Oversight of State Facilities
(30000039)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for the office of financial management to cover staffing costs of the facilities oversight team.

Appropriation:

Thurston County Capital Facilities—
State \$2,610,000

Prior Biennia (Expenditures)
\$4,769,000

Future Biennia (Projected Costs)
\$10,440,000

TOTAL \$17,819,000

NEW SECTION. Sec. 1097. FOR THE OFFICE OF FINANCIAL MANAGEMENT

OFM Capital Budget Staff (30000040)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for the office of financial management to cover staffing costs of the capital budget team.

Appropriation:

Thurston County Capital Facilities—
State \$1,315,000

Prior Biennia (Expenditures)
\$2,469,000

Future Biennia (Projected Costs)
\$5,260,000

TOTAL \$9,044,000

NEW SECTION. Sec. 1098. FOR THE OFFICE OF FINANCIAL MANAGEMENT

Emergency Repairs (30000041)

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

(1) Emergency repair funding is provided solely to address unexpected building or grounds failures that will impact public health and safety and the day-to-day operations of the facility. To be eligible for funds from the emergency repair pool, a request letter for emergency funding signed by the affected agency director must be submitted to the office of financial management and the appropriate legislative fiscal committees. The request must include a statement describing the health and safety hazard and impacts to facility operations, the possible cause, the proposed scope of emergency repair work and related cost estimate, and identification of other funding that may be applied to the project.

(2) For emergencies occurring during a legislative session, an agency must notify the legislative fiscal committees before requesting emergency funds from the office of financial management.

(3) The office of financial management must notify the legislative evaluation and accountability program committee and the legislative fiscal committees as emergency projects are approved for funding and include what funded level was approved.

(4) The office of financial management must report quarterly, beginning October 1, 2021, on the funding approved by agency and by emergency to the fiscal committees of the legislature.

Appropriation:

State Building Construction Account—
State \$4,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$16,000,000

TOTAL \$20,000,000

NEW SECTION. Sec. 1099. FOR THE OFFICE OF FINANCIAL MANAGEMENT

Construction Cost Assessment
(40000002)

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

(1) The appropriation in this section is provided solely for the office of financial management to review the existing formulas for state agency cost estimating to ensure they accurately reflect project costs for standard and alternative public works project delivery. The scope of the review must include, at a minimum, construction cost escalation, project management fees, the architectural and engineering fee schedule, consultant extra services, and project contingencies. The office of financial management shall confer with legislative staff, agencies with public works contracting authority, and the capital projects advisory review board on the scope and elements of the review.

(2) Before implementing the recommendations, the office of financial management shall report to the senate ways and means committee and the house capital budget committee by May 31, 2022, on recommended changes to the cost estimating methodology as a result of the construction cost assessment and the potential impact to future agency capital budget requests. A preliminary report must be submitted by January 31, 2022.

Appropriation:

Thurston County Capital Facilities—
State \$300,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$300,000

NEW SECTION. Sec. 1100. FOR THE OFFICE OF FINANCIAL MANAGEMENT

Fircrest School Land Use Assessment
(92000035)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is provided solely for a contract with the independent consultant that conducted the land use assessment to assist the department of social and health services in their land use negotiations with the city of Shoreline.

Reappropriation:

State Building Construction Account—
State \$211,000

Prior Biennia (Expenditures)
\$289,000

Future Biennia (Projected Costs)
\$0

TOTAL \$500,000

NEW SECTION. Sec. 1101. FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Capitol Lake Long-Term Management
Planning (30000740)

The appropriations in this section are subject to the following conditions and limitations: The appropriations and reappropriation are subject to the provisions of section 1026, chapter 356, Laws of 2020.

Reappropriation:

General Fund—Private/Local
\$156,000

State Building Construction Account—
State \$1,663,000

Subtotal Reappropriation
\$1,819,000

Appropriation:

State Building Construction Account—
State \$715,000

Prior Biennia (Expenditures)
\$4,165,000

Future Biennia (Projected Costs)
\$0

TOTAL \$6,699,000

NEW SECTION. Sec. 1102. FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Elevator Modernization (30000786)

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

(1) The reappropriation is subject to the provisions of section 1075, chapter 413, Laws of 2019.

(2) The appropriation is provided solely for elevator modernizations. The funding is to modernize one elevator, which must be selected and prioritized based on safety and security.

Reappropriation:

State Building Construction Account—
State \$2,102,000

Appropriation:

Thurston County Capital Facilities
 Account—State \$1,300,000

Prior Biennia (Expenditures)
 \$989,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$4,391,000

NEW SECTION. Sec. 1103. FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Campus Physical Security & Safety Improvements (30000812)

Reappropriation:

Capitol Building Construction
 Account—State \$1,462,000

State Building Construction Account—
 State \$2,500,000

Thurston County Capital Facilities
 Account—State \$1,710,000

Subtotal Reappropriation
 \$5,672,000

Prior Biennia (Expenditures)
 \$604,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$6,276,000

NEW SECTION. Sec. 1104. FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Statewide Minor Works - Preservation Projects (30000825)

Reappropriation:

State Building Construction Account—
 State \$170,000

Prior Biennia (Expenditures)
 \$3,416,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$3,586,000

NEW SECTION. Sec. 1105. FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Facility Professional Services:
 Staffing (40000225)

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

(1) The appropriations in this section are provided solely for architectural and engineering services to manage public

works contracting for all state facilities pursuant to RCW 43.19.450.

(2) At the end of each fiscal year, the department must report to the office of financial management and the fiscal committees of the legislature on performance, including the following:

(a) The number of projects managed by each manager by fiscal year;

(b) The number of projects managed by each manager compared to the prior fiscal year by the same manager;

(c) The number of project predesigns completed on time, reported by project, by fiscal year, by manager, and in total;

(d) The number of project designs completed on time, reported by project, by fiscal year, by manager, and in total;

(e) The number of project constructions completed on time, reported by project, by fiscal year, by manager, and in total;

(f) Projects that were not completed on schedule, how many months delayed they were, and the reasons for the delays;

(g) The number and cost of the change orders and the reason for each change order;

(h) The number of facility professional staff by classification assigned by project to include the budget, actual staffing used, and the number of vacancies by classification; and

(i) A list of the interagency agreements executed with state agencies during the 2021-2023 fiscal biennium to provide staff support to state agencies that is over and above the allocation provided in this section. The list must include the agency, the amount of dollars by fiscal year, and the rationale for the additional service.

(3) At least twice per year, the department shall convene a group of private sector architects, contractors, state agency facilities personnel, and legislative fiscal staff to share, at a minimum, information on high performance methods, ideas, operating and maintenance issues, and costs. The facilities personnel must be from the community and technical colleges, the four-year institutions of higher education, and any other state agencies that have recently completed a new

building or are currently in the design or construction phase.

Appropriation:

State Building Construction Account—
State \$20,215,000

Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$60,000,000
TOTAL	\$80,215,000

NEW SECTION. Sec. 1106. FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Legislative Building Exterior
Preservation Cleaning (40000033)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1083(1), chapter 413, Laws of 2019.

Reappropriation:

State Building Construction Account—
State \$1,470,000

Prior Biennia (Expenditures)	\$1,930,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$3,400,000

NEW SECTION. Sec. 1107. FOR THE DEPARTMENT OF ENTERPRISE SERVICES

2019-21 Statewide Minor Works -
Programmatic Projects (40000141)

Reappropriation:

State Building Construction Account—
State \$481,000

Prior Biennia (Expenditures)	\$15,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$496,000

NEW SECTION. Sec. 1108. FOR THE DEPARTMENT OF ENTERPRISE SERVICES

SEEP: EVSE at State Facilities
(40000161)

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

(1) The reappropriation is provided solely for electric vehicle service equipment infrastructure on the capitol campus to accommodate charging station

installation. The electric vehicle charging equipment works toward state efficiency and environmental performance and the department must prioritize locations to complete work by June 30, 2022.

(2) The department must report where the equipment was installed, by address, in fiscal year 2020, fiscal year 2021, and where it will be installed in fiscal years 2022 and 2023, to the fiscal committees of the legislature by June 30, 2023.

Reappropriation:

Thurston County Capital Facilities—
State \$285,000

Prior Biennia (Expenditures)	\$215,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$500,000

NEW SECTION. Sec. 1109. FOR THE DEPARTMENT OF ENTERPRISE SERVICES

21-31 Statewide Minor Works -
Preservation (40000180)

Appropriation:

State Building Construction Account—
State \$887,000

Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$11,442,000
TOTAL	\$12,329,000

NEW SECTION. Sec. 1110. FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Capitol Campus Security & Safety
Enhancements (40000226)

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

(1) \$1,155,000 of the state building construction account—state appropriation is provided solely for security improvements to exterior doors. The exterior doors must be prioritized based on safety and security. The department must keep senate and house security informed and must coordinate on plans and schedule with them for, at least, west capitol campus.

(2) \$1,885,000 of the state building construction account—state appropriation is provided solely for

security improvements to the fencing, gates, and bollards surrounding the executive residence.

(3) \$2,017,000 of the state building construction account—state appropriation is provided solely for security improvements to the video surveillance and lighting surrounding the executive residence.

(4) \$1,000,000 of the state building construction account—state appropriation is provided solely for vehicle access control and must be used only for:

(a) A hydraulic wedge barrier on Sid Snyder; and

(b) A hydraulic wedge barrier on Water Street.

Appropriation:

State Building Construction Account—
State \$6,057,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$6,057,000

NEW SECTION. Sec. 1111. FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Legislative Campus Modernization
(92000020)

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

(1) The reappropriations are subject to the provisions of section 6024 of this act.

(2) The department must consult with the senate facilities and operations committee or its designee(s) and the house of representatives executive rules committee or its designee(s) at least every other month.

(3) \$11,585,000 of the Thurston county capital facilities account—state appropriation is provided solely for the global legislative campus modernization subproject, which includes, but is not limited to, modular building leases or purchases and associated costs, site development work on campus to include Columbia street, stakeholder outreach, and historic mitigation for the project.

(4) \$69,037,000 of the amount provided in this section is provided solely for

Irv Newhouse building replacement design and construction on opportunity site six.

(a) The department must:

(i) Have a design contractor selected by September 1, 2021;

(ii) Start design validation by October 1, 2021; and

(iii) Start design by December 1, 2021.

(b) The design and construction must result in:

(i) A high performance building that meets net-zero-ready energy standards, with an energy use intensity of no greater than 35;

(ii) Sufficient program space required to support senate offices and support functions;

(iii) A building façade similar to the American neoclassical style with a base, shaft, and capitol expression focus with some relief expressed in modern construction methods to include adding more detailing and depth to the exterior so that it will fit with existing legislative buildings on west capitol campus, like the John Cherberg building;

(iv) Member offices of similar size as member offices in the John A. Cherberg building;

(v) Demolition of the buildings located on opportunity site six;

(vi) Consultation with the leadership of the senate, or their designee(s), at least every month, effective July 1, 2021; and

(vii) Ensure the subproject meets legislative intent to complete design by April 30, 2023, and start construction by September 1, 2023.

(5) \$8,538,000 of the amount provided in this section is provided solely for Pritchard building design. The design contractor must be selected by January 1, 2023, and the design must result in:

(a) A high performance building that meets net-zero-ready energy standards, with an energy use intensity of no greater than 35;

(b) Sufficient program space required to support house of representatives offices and support functions; and

(c) Additional office space necessary to offset house of representatives

members and staff office space that may be eliminated in the renovation of the third and fourth floors of the John L. O'Brien building.

(6) All appropriations must be coded and tracked as separate discrete subprojects in the agency financial reporting system.

(7) The state capitol committee, in consultation with capitol campus design advisory committee, may review architectural design proposals for continuity with the 2006 master plan for the capitol of the state of Washington and 2009 west capitol campus historic landscape preservation and vegetation management plan. As part of planning efforts, the state capitol committee may conduct a review of current design criteria and standards.

(8) The Irv Newhouse building replacement and Pritchard building designs should include an analysis of comprehensive impacts to the campus and the surrounding neighborhood, an evaluation of future workforce projections and an analysis of traffic impacts, parking needs, visual buffers, and campus aesthetics. The designs should include a public engagement process including the capitol campus design advisory committee and state capitol committee.

(9) \$180,000 of the appropriation in this section is provided solely for the department to conduct a preservation study of the Pritchard building as a continuation of the predesign in section 6024 of this act. The study must include an analysis of seismic, geotechnical, building codes, constructability, and costs associated with renovation and expansion of the Pritchard building to accommodate tenant space needs. The department shall contract with a third-party historic preservation specialist to ensure the study is in compliance with the secretary of the interior's standards and any other applicable standards for historic rehabilitation. The study must include a public engagement process including the capitol campus design advisory committee and state capitol committee. The study is subject to review and approval by the state capitol committee by March 31, 2022, to inform the design of a renovation, expansion, or replacement of the Pritchard building.

(10) The department may sell by auction the Ayers and Carlyon houses,

known as the press houses, separate and apart from the underlying land, subject to the following conditions:

(a) The purchaser, at its sole cost and expense, must remove the houses by December 31, 2021;

(b) The state is not responsible for any costs or expenses associated with the sale, removal, or relocation of the buildings from opportunity site six; and

(c) Any sale proceeds must be deposited into the Thurston county capital facilities account.

(11) Implementation of subsections (7) through (10) of this section is not intended to delay the design and construction of any of the subprojects included in the legislative campus modernization project.

Reappropriation:

State Building Construction Account—
State \$9,900,000

Appropriation:

State Building Construction Account—
State \$67,855,000

Thurston County Capital Facilities
Account—State

\$11,585,000

Subtotal Appropriation \$79,440,000

Prior Biennia (Expenditures)
\$596,000

Future Biennia (Projected Costs)
\$90,812,000

TOTAL \$180,748,000

**NEW SECTION. Sec. 1112. FOR THE
DEPARTMENT OF ENTERPRISE SERVICES**

Legislative Building Cleaning
(92000028)

The appropriations in this section are subject to the following conditions and limitations: The appropriation and reappropriation are subject to the provisions of section 1091, chapter 413, Laws of 2019. The funding provided in the 2021-2023 fiscal biennium must be used for the John A. Cherberg building.

Reappropriation:

State Building Construction Account—
State \$987,000

Appropriation:

Thurston County Capital Facilities
 Account—State
 \$1,593,000
 Prior Biennia (Expenditures)
 \$513,000
 Future Biennia (Projected Costs)
 \$7,537,000
 TOTAL \$10,630,000

NEW SECTION. Sec. 1113. FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Insurance Commissioner Office Building
 Predesign (92000029)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1028, chapter 356, Laws of 2020.

Reappropriation:

Insurance Commissioner's Regulatory
 Account—
 State \$14,000
 Prior Biennia (Expenditures)
 \$286,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$300,000

NEW SECTION. Sec. 1114. FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Temple of Justice HVAC, Lighting &
 Water Systems (92000040)

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

(1)(a) To assist in funding this project, the department must work with the office of financial management to access federal funding for the total project cost.

(b) If the agency receives more than \$26,000,000 in federal funds, an amount of the state building construction account—state appropriation equal to the additional federal funds must be placed in unallotted status.

(c) For purposes of this subsection, "additional federal funds" means the difference between the total amount of federal funds received under (a) of this subsection and \$26,000,000.

(2) The department must:

(a) Submit the final predesign to the office of financial management by June 1, 2021;

(b) Submit the final energy services proposal to the senate ways and means committee and the house capital budget committee prior to the department starting the design phase; and

(c) Start design by August 31, 2021.

Appropriation:

State Building Construction Account—
 State \$4,000,000

Coronavirus Capital Projects Account—
 Federal \$26,000,000

Subtotal Appropriation \$30,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
 \$0

TOTAL \$30,000,000

NEW SECTION. Sec. 1115. FOR THE MILITARY DEPARTMENT

Joint Force Readiness Center:
 Replacement (30000591)

Appropriation:

State Building Construction Account—
 State \$300,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
 \$43,485,000

TOTAL \$43,785,000

NEW SECTION. Sec. 1116. FOR THE MILITARY DEPARTMENT

King County Area Readiness Center
 (30000592)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation in this section is provided solely to acquire land in King county for a readiness center and to complete a predesign. The predesign must include identification of water supply mitigation that may be used to offset water supply impacts to the city of North Bend that would result from the water use of the future readiness center. If the department has not signed a purchase and sale agreement by June 30, 2023, the amounts provided in this section shall lapse. The department must work to secure federal funding to cover a portion of the costs for design and construction.

Reappropriation:

State Building Construction Account—
 State \$7,030,000

Prior Biennia (Expenditures)
 \$25,000

Future Biennia (Projected Costs)
 \$100,500,000

TOTAL \$107,555,000

NEW SECTION. Sec. 1117. FOR THE MILITARY DEPARTMENT

Tactical Unmanned Aircraft System (TUAS) (30000596)

Appropriation:

General Fund—Federal \$14,800,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL \$14,800,000

NEW SECTION. Sec. 1118. FOR THE MILITARY DEPARTMENT

Tri-Cities Readiness Center (30000808)

Reappropriation:

General Fund—Federal \$10,500,000

State Building Construction Account—
 State \$3,200,000

Subtotal Reappropriation
 \$13,700,000

Prior Biennia (Expenditures)
 \$3,464,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$17,164,000

NEW SECTION. Sec. 1119. FOR THE MILITARY DEPARTMENT

Kent Readiness Center (30000917)

Reappropriation:

General Fund—Federal \$4,150,000

State Building Construction Account—
 State \$380,000

Subtotal Reappropriation
 \$4,530,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
 \$0

TOTAL \$4,530,000

NEW SECTION. Sec. 1120. FOR THE MILITARY DEPARTMENT

Snohomish Readiness Center (30000930)

Appropriation:

General Fund—Federal \$3,562,000

State Building Construction Account—
 State \$1,188,000

Subtotal Appropriation \$4,750,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
 \$0

TOTAL \$4,750,000

NEW SECTION. Sec. 1121. FOR THE MILITARY DEPARTMENT

Anacortes Readiness Center Major Renovation (40000004)

Reappropriation:

Military Department Capital Account—
 State \$75,000

Appropriation:

General Fund—Federal \$3,551,000

State Building Construction Account—
 State \$3,551,000

Subtotal Appropriation \$7,102,000

Prior Biennia (Expenditures)
 \$75,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$7,252,000

NEW SECTION. Sec. 1122. FOR THE MILITARY DEPARTMENT

Minor Works Preservation 2019-21 Biennium (40000036)

Reappropriation:

General Fund—Federal \$4,400,000

State Building Construction Account—
 State \$2,100,000

Subtotal Reappropriation
 \$6,500,000

Prior Biennia (Expenditures)
 \$1,336,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$7,836,000

**NEW SECTION. Sec. 1123. FOR THE
MILITARY DEPARTMENT**

Minor Works Program 2019-21 Biennium
(40000037)

Reappropriation:

General Fund—Federal \$20,000,000

State Building Construction Account—
State \$2,200,000

Military Department Capital Account—
State \$109,000

Subtotal Reappropriation
\$22,309,000

Prior Biennia (Expenditures)
\$691,000

Future Biennia (Projected Costs)
\$0

TOTAL \$23,000,000

**NEW SECTION. Sec. 1124. FOR THE
MILITARY DEPARTMENT**

Camp Murray Soldiers Memorial Park
(40000062)

Reappropriation:

Military Department Capital Account—
State \$500,000

Prior Biennia (Expenditures)
\$56,000

Future Biennia (Projected Costs)
\$0

TOTAL \$556,000

**NEW SECTION. Sec. 1125. FOR THE
MILITARY DEPARTMENT**

Stryker Canopies Kent Site (40000073)

Reappropriation:

General Fund—Federal \$3,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$3,000,000

**NEW SECTION. Sec. 1126. FOR THE
MILITARY DEPARTMENT**

Stryker Canopies Bremerton Site
(40000077)

Reappropriation:

General Fund—Federal \$1,500,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$1,500,000

**NEW SECTION. Sec. 1127. FOR THE
MILITARY DEPARTMENT**

Montesano Field Maintenance Shop (FMS)
Addition (40000095)

Reappropriation:

General Fund—Federal \$3,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$3,000,000

**NEW SECTION. Sec. 1128. FOR THE
MILITARY DEPARTMENT**

Field Maintenance Shop Addition—Sedro
Woolley FMS (40000104)

Appropriation:

General Fund—Federal \$1,376,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$1,376,000

**NEW SECTION. Sec. 1129. FOR THE
MILITARY DEPARTMENT**

Minor Works Program 21-23 Biennium
(40000185)

Appropriation:

General Fund—Federal \$6,382,000

State Building Construction Account—
State \$2,280,000

Subtotal Appropriation \$8,662,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$8,662,000

**NEW SECTION. Sec. 1130. FOR THE
MILITARY DEPARTMENT**

Minor Works Preservation 2021-23
Biennium (40000188)

Appropriation:

General Fund—Federal \$7,180,000

State Building Construction Account—
State \$2,352,000

Subtotal Appropriation \$9,532,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$9,532,000

NEW SECTION. Sec. 1131. FOR THE MILITARY DEPARTMENT

Camp Murray Bldg. 20 Roof Top Unit Upgrade (40000189)

Appropriation:

State Building Construction Account—State \$313,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs)
 \$1,200,000
 TOTAL \$1,513,000

NEW SECTION. Sec. 1132. FOR THE MILITARY DEPARTMENT

Camp Murray Bldg 47 and 48 Barracks Replacement (40000190)

Appropriation:

General Fund—Federal \$2,147,000
 Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$2,147,000

NEW SECTION. Sec. 1133. FOR THE MILITARY DEPARTMENT

Camp Murray Bldg 65 Barracks Replacement (40000191)

Appropriation:

General Fund—Federal \$2,236,000
 Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$2,236,000

NEW SECTION. Sec. 1134. FOR THE MILITARY DEPARTMENT

Ephrata Field Maintenance Shop Addition (40000193)

Appropriation:

General Fund—Federal \$1,194,000
 Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$1,194,000

NEW SECTION. Sec. 1135. FOR THE MILITARY DEPARTMENT

JBLM Non-Organizational (POV) Parking Expansion (40000196)

Appropriation:

General Fund—Federal \$1,245,000
 Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$1,245,000

NEW SECTION. Sec. 1136. FOR THE MILITARY DEPARTMENT

YTC Dining Facility: Transient Training (40000197)

Appropriation:

General Fund—Federal \$486,000
 Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs)
 \$5,000,000
 TOTAL \$5,486,000

NEW SECTION. Sec. 1137. FOR THE MILITARY DEPARTMENT

Olympia Armory Transfer (91000011)

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

The appropriation in this section must be deposited in the military department capital account to facilitate the transfer of the Olympia Armory to the city of Olympia. The military department must transfer the Olympia Armory to the city of Olympia for use as a community asset dedicated to using the arts to support community development, arts education, and economic development initiatives for a minimum of 10 years. By May 30, 2023, the department must reach a memorandum of understanding to transfer the property for these purposes at no cost to the city, except for the city's assumption of closing costs. The memorandum must be reported to the house of representatives capital budget committee, the senate ways and means committee, and the governor's office by June 30, 2023.

Appropriation:

State Building Construction Account—State \$2,000,000
 Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$2,000,000

NEW SECTION. Sec. 1138. FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION

Rehabilitation of Beverly Bridge (30000022)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 1111, chapter 413, Laws of 2019.

Reappropriation:

General Fund—Private/Local
\$429,000

State Building Construction Account—
State \$4,740,000

Subtotal Reappropriation
\$5,169,000

Prior Biennia (Expenditures)
\$406,000

Future Biennia (Projected Costs)
\$0

TOTAL \$5,575,000

NEW SECTION. Sec. 1139. FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION

2019-21 Historic County Courthouse Grants Program (30000023)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1112, chapter 413, Laws of 2019.

Reappropriation:

State Building Construction Account—
State \$1,035,000

Prior Biennia (Expenditures)
\$84,000

Future Biennia (Projected Costs)
\$0

TOTAL \$1,119,000

NEW SECTION. Sec. 1140. FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION

2019-21 Heritage Barn Preservation Program (30000024)

Reappropriation:

State Building Construction Account—
State \$383,000

Prior Biennia (Expenditures)
\$62,000

Future Biennia (Projected Costs)
\$0

TOTAL \$445,000

NEW SECTION. Sec. 1141. FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION

2019-21 Historic Cemetery Grant Program (40000001)

Reappropriation:

State Building Construction Account—
State \$340,000

Prior Biennia (Expenditures)
\$175,000

Future Biennia (Projected Costs)
\$0

TOTAL \$515,000

NEW SECTION. Sec. 1142. FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION

Ebey's National Historic Reserve (40000003)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1115, chapter 413, Laws of 2019.

Reappropriation:

State Building Construction Account—
State \$655,000

Appropriation:

State Building Construction Account—
State \$320,000

Prior Biennia (Expenditures)
\$345,000

Future Biennia (Projected Costs)
\$0

TOTAL \$1,320,000

NEW SECTION. Sec. 1143. FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION

21-23 Heritage Barn Grants (40000005)

Appropriation:

State Building Construction Account—
State \$1,000,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs)
 \$4,000,000
 TOTAL \$5,000,000

NEW SECTION. Sec. 1144. FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION

21-23 Historic County Courthouse Rehabilitation Program (40000006)

The appropriation in this section is provided solely for the following list of projects:

Okanogan \$265,000
 Walla Walla \$1,197,000
 Lewis \$400,000

Appropriation:

State Building Construction Account—State \$1,862,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs)
 \$8,000,000
 TOTAL \$9,862,000

NEW SECTION. Sec. 1145. FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION

21-23 Historic Cemetery Grant Program (40000007)

Appropriation:

State Building Construction Account—State \$300,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs)
 \$2,060,000
 TOTAL \$2,360,000

NEW SECTION. Sec. 1146. FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION

21-23 Historic Theater Capital Grant Program (40000012)

The appropriations in this section are subject to the following conditions and limitations: The funding in this section is intended to fund activities that preserve the historic character of theaters and not maintenance and upkeep.

Appropriation:

State Building Construction Account—State \$300,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs)
 \$2,060,000
 TOTAL \$2,360,000

PART 2 HUMAN SERVICES

NEW SECTION. Sec. 2001. FOR THE CRIMINAL JUSTICE TRAINING COMMISSION

Training Facility Capital and Functional Needs Assessment (91000002)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 2002, chapter 356, Laws of 2020.

Reappropriation:

State Building Construction Account—State \$200,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$200,000

NEW SECTION. Sec. 2002. FOR THE DEPARTMENT OF LABOR AND INDUSTRIES

L&I HQ Elevators (30000018)

Reappropriation:

Accident Account—State \$425,000

Medical Aid Account—State \$425,000

Subtotal Reappropriation \$850,000

Prior Biennia (Expenditures) \$3,084,000

Future Biennia (Projected Costs) \$0

TOTAL \$3,934,000

NEW SECTION. Sec. 2003. FOR THE DEPARTMENT OF LABOR AND INDUSTRIES

Minor Works Preservation Projects (30000035)

Appropriation:

Accident Account—State \$1,075,000

Medical Aid Account—State \$1,072,000

Subtotal Appropriation \$2,147,000

Prior Biennia (Expenditures)
 \$2,483,000
 Future Biennia (Projected Costs)
 \$7,842,000
 TOTAL \$12,472,000

NEW SECTION. Sec. 2004. FOR THE DEPARTMENT OF LABOR AND INDUSTRIES

Modernize Lab and Training Facility (30000043)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 2005, chapter 413, Laws of 2019.

Reappropriation:

Accident Account—State \$42,478,000
 Medical Aid Account—State \$7,496,000
 Subtotal Reappropriation \$49,974,000

Prior Biennia (Expenditures)
 \$3,229,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$53,203,000

NEW SECTION. Sec. 2005. FOR THE DEPARTMENT OF LABOR AND INDUSTRIES

Air Handler Retrofit and Cooling Tower Replacement (30000059)

Appropriation:

Accident Account—State \$2,369,000
 Medical Aid Account—State \$2,369,000
 Subtotal Appropriation \$4,738,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$4,738,000

NEW SECTION. Sec. 2006. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital New Kitchen and Commissary Building (20081319)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 2003, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—State \$2,358,000

Prior Biennia (Expenditures)
 \$27,832,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$30,190,000

NEW SECTION. Sec. 2007. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Special Commitment Center: Kitchen & Dining Room Upgrades (20081506)

Reappropriation:

State Building Construction Account—State \$848,000

Prior Biennia (Expenditures)
 \$152,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$1,000,000

NEW SECTION. Sec. 2008. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Fircrest School-Back-Up Power & Electrical Feeders (30000415)

Reappropriation:

State Building Construction Account—State \$2,029,000

Prior Biennia (Expenditures)
 \$3,171,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$5,200,000

NEW SECTION. Sec. 2009. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Eastern State Hospital: New Boiler Plant (30000468)

Reappropriation:

State Building Construction Account—State \$12,032,000

Prior Biennia (Expenditures)
 \$1,297,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$13,329,000

NEW SECTION. Sec. 2010. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Minor Works Preservation Projects: Statewide (30002235)

Reappropriation:

State Building Construction Account—
State \$3,575,000

Prior Biennia (Expenditures)
\$23,110,000

Future Biennia (Projected Costs)
\$0

TOTAL \$26,685,000

**NEW SECTION. Sec. 2011. FOR THE
DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Rainier School - Multiple Buildings:
Roofing Replacement & Repairs (30002752)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 2005, chapter 356, Laws of 2020.

Reappropriation:

State Building Construction Account—
State \$1,908,000

Prior Biennia (Expenditures)
\$722,000

Future Biennia (Projected Costs)
\$0

TOTAL \$2,630,000

**NEW SECTION. Sec. 2012. FOR THE
DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Fircrest School-Nursing Facilities:
Replacement (30002755)

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

(1) It is the intent of the legislature to further the recommendations of the December 2019 report from the William D. Ruckleshaus center to redesign the intermediate care facility of the Fircrest Residential Habilitation Center to function as short-term crisis stabilization and intervention. It is also the intent of the legislature to concentrate the footprint of the Fircrest Residential Habilitation Center on the northern portion of the property. As a result, \$7,750,000 of the appropriation in this section is provided solely for design of a 120-bed nursing facility.

(2) \$2,243,000 of the appropriation is provided solely to relocate the adult training program to a different location on the Fircrest Rehabilitation Center campus. The department must consider the proposal to redesign the facility as a

short-term crisis stabilization and intervention when devising options for relocation of the adult training program and submit a report of these options to the legislature no later than December 1, 2022.

(3) The department must seek input from individuals with intellectual and developmental disabilities, including the residents at Fircrest and their families or guardians, in design of a nursing facility.

Appropriation:

State Building Construction Account—
State \$9,993,000

Prior Biennia (Expenditures)
\$242,000

Future Biennia (Projected Costs)
\$0

TOTAL \$10,235,000

**NEW SECTION. Sec. 2013. FOR THE
DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Lakeland Village: Code Required Campus
Infrastructure Upgrades (30002238)

Reappropriation:

State Building Construction Account—
State \$5,143,000

Prior Biennia (Expenditures)
\$6,057,000

Future Biennia (Projected Costs)
\$0

TOTAL \$11,200,000

**NEW SECTION. Sec. 2014. FOR THE
DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Eastern State Hospital-Westlake: New
HVAC DDC Controls (30002759)

Reappropriation:

State Building Construction Account—
State \$1,227,000

Appropriation:

Coronavirus Capital Projects Account—
Federal \$1,450,000

Prior Biennia (Expenditures)
\$1,173,000

Future Biennia (Projected Costs)
\$0

TOTAL \$3,850,000

**NEW SECTION. Sec. 2015. FOR THE
DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

Western State Hospital-Forensic Services: Two Wards Addition (30002765)

Reappropriation:

State Building Construction Account—State \$23,572,000

Prior Biennia (Expenditures) \$6,928,000

Future Biennia (Projected Costs) \$0

TOTAL \$30,500,000

NEW SECTION. Sec. 2016. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

DOC/DSHS McNeil Island-Infrastructure: Repairs & Upgrades (30003211)

Reappropriation:

State Building Construction Account—State \$1,234,000

Prior Biennia (Expenditures) \$36,000

Future Biennia (Projected Costs) \$0

TOTAL \$1,270,000

NEW SECTION. Sec. 2017. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

DOC/DSHS McNeil Island-Infrastructure: Water System Replacement (30003213)

Reappropriation:

State Building Construction Account—State \$1,535,000

Prior Biennia (Expenditures) \$973,000

Future Biennia (Projected Costs) \$0

TOTAL \$2,508,000

NEW SECTION. Sec. 2018. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Child Study and Treatment Center: CLIP Capacity (30003324)

Reappropriation:

State Building Construction Account—State \$4,064,000

Prior Biennia (Expenditures) \$8,880,000

Future Biennia (Projected Costs) \$0

TOTAL \$12,944,000

NEW SECTION. Sec. 2019. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Special Commitment Center-King County SCTF: Expansion (30003564)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 2010, chapter 298, Laws of 2018.

Reappropriation:

State Building Construction Account—State \$227,000

Prior Biennia (Expenditures) \$2,383,000

Future Biennia (Projected Costs) \$0

TOTAL \$2,610,000

NEW SECTION. Sec. 2020. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

State Psychiatric Hospitals: Compliance with Federal Requirements (30003569)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 2015, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—State \$322,000

Prior Biennia (Expenditures) \$1,678,000

Future Biennia (Projected Costs) \$0

TOTAL \$2,000,000

NEW SECTION. Sec. 2021. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital: Master Plan Update (30003571)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 2016, chapter 2, Laws of 2018.

Reappropriation:

Charitable, Educational, Penal, and Reformatory

Institutions Account—State \$154,000

Prior Biennia (Expenditures)
 \$371,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$525,000

NEW SECTION. Sec. 2022. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Yakima Valley School-Multiple Buildings: Safety Improvements (30003573)

Reappropriation:

State Building Construction Account—State \$975,000

Prior Biennia (Expenditures)
 \$900,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$1,875,000

NEW SECTION. Sec. 2023. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Special Commitment Center-Community Facilities: New Capacity (30003577)

The appropriations in this section are subject to the following conditions and limitations: The department must consult with the communities that are potential sites for these facilities.

Reappropriation:

Charitable, Educational, Penal, and Reformatory

Institutions Account—State
 \$388,000

Appropriation:

State Building Construction Account—State \$6,000,000

Prior Biennia (Expenditures)
 \$112,000

Future Biennia (Projected Costs)
 \$7,000,000

TOTAL \$13,500,000

NEW SECTION. Sec. 2024. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital-East Campus: New Security Fence (30003578)

Reappropriation:

State Building Construction Account—State \$479,000

Prior Biennia (Expenditures)
 \$1,241,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$1,720,000

NEW SECTION. Sec. 2025. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital-Multiple Buildings: Fire Suppression (30003579)

Reappropriation:

State Building Construction Account—State \$105,000

Prior Biennia (Expenditures)
 \$895,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$1,000,000

NEW SECTION. Sec. 2026. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital-Multiple Buildings: Elevator Modernization (30003582)

Reappropriation:

State Building Construction Account—State \$4,821,000

Prior Biennia (Expenditures)
 \$279,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$5,100,000

NEW SECTION. Sec. 2027. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital-Multiple Buildings: Windows Security (30003585)

Reappropriation:

State Building Construction Account—State \$446,000

Prior Biennia (Expenditures)
 \$2,104,000

Future Biennia (Projected Costs)
 \$10,000,000

TOTAL \$12,550,000

NEW SECTION. Sec. 2028. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Fircrest School: Campus Master Plan & Rezone (30003601)

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

(1) The appropriations are subject to the provisions of section 2012, chapter 298, Laws of 2018.

(2) The department shall collaborate with the city of Shoreline on the future siting of three 16-bed behavioral health facilities on the northeast corner of the campus and a 120-bed nursing facility on the northwest portion of the campus.

(3) The department shall collaborate with the city to rezone portions of the Fircrest campus that are under used and not necessary for department operations, including the southwest corner, for long-term, revenue-generating opportunities.

Reappropriation:

Charitable, Educational, Penal, and Reformatory

Institutions Account—State
\$102,000

Appropriation:

Charitable, Educational, Penal, and Reformatory

Institutions Account—State
\$125,000

Prior Biennia (Expenditures)
\$98,000

Future Biennia (Projected Costs)
\$0

TOTAL \$325,000

NEW SECTION. Sec. 2029. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital-Forensic Services: Roofing Replacement (30003603)

Reappropriation:

State Building Construction Account—State \$487,000

Prior Biennia (Expenditures)
\$1,468,000

Future Biennia (Projected Costs)
\$0

TOTAL \$1,955,000

NEW SECTION. Sec. 2030. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Eastern State Hospital: Emergency Electrical System Upgrades (30003616)

Reappropriation:

State Building Construction Account—State \$876,000

Appropriation:

State Building Construction Account—State \$1,055,000

Prior Biennia (Expenditures)
\$124,000

Future Biennia (Projected Costs)
\$0

TOTAL \$2,055,000

NEW SECTION. Sec. 2031. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Behavioral Health: Compliance with Systems Improvement Agreement (30003849)

Reappropriation:

State Building Construction Account—State \$265,000

Prior Biennia (Expenditures)
\$8,635,000

Future Biennia (Projected Costs)
\$0

TOTAL \$8,900,000

NEW SECTION. Sec. 2032. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital: Wards Renovations for Forensic Services (40000026)

Reappropriation:

State Building Construction Account—State \$1,770,000

Prior Biennia (Expenditures)
\$8,790,000

Future Biennia (Projected Costs)
\$0

TOTAL \$10,560,000

NEW SECTION. Sec. 2033. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Minor Works Preservation Projects: Statewide 2019-21 (40000381)

Reappropriation:

Charitable, Educational, Penal, and Reformatory

Institutions Account—State
\$1,333,000

State Building Construction Account—State \$10,043,000

Subtotal Reappropriation
 \$11,376,000
 Prior Biennia (Expenditures)
 \$3,674,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$15,050,000

NEW SECTION. Sec. 2034. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Minor Works Program Projects:
 Statewide 2019-21 (40000382)

Reappropriation:

Charitable, Educational, Penal, and Reformatory

Institutions Account—State
 \$825,000

State Building Construction Account—
 State \$1,649,000

Subtotal Reappropriation
 \$2,474,000

Prior Biennia (Expenditures)
 \$281,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$2,755,000

NEW SECTION. Sec. 2035. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital-Multiple
 Buildings: Fire Doors Replacement
 (40000392)

Reappropriation:

State Building Construction Account—
 State \$5,046,000

Prior Biennia (Expenditures)
 \$54,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$5,100,000

NEW SECTION. Sec. 2036. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

DSHS & DCYF Fire Alarms (91000066)

The appropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions section 2009, chapter 356, Laws of 2020.

Reappropriation:

State Building Construction Account—
 State \$10,777,000

Appropriation:

State Building Construction Account—
 State \$5,000,000

Prior Biennia (Expenditures)
 \$1,042,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$16,819,000

NEW SECTION. Sec. 2037. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital: New Forensic Hospital (91000067)

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

(1) The reappropriation is subject to the provisions of section 2040, chapter 413, Laws of 2019.

(2) The department must complete the design funded in this section in a manner that will consider ways to reduce costs associated with the construction of the new forensic hospital.

Reappropriation:

State Building Construction Account—
 State \$2,000

Appropriation:

State Building Construction Account—
 State \$51,000,000

Prior Biennia (Expenditures)
 \$998,000

Future Biennia (Projected Costs)
 \$560,163,000

TOTAL \$612,163,000

NEW SECTION. Sec. 2038. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Eastern State Hospital Elevators (91000068)

Reappropriation:

Charitable, Educational, Penal, and Reformatory

Institutions Account—State
 \$2,395,000

Prior Biennia (Expenditures)
 \$305,000

Future Biennia (Projected Costs)
\$0

TOTAL \$2,700,000

NEW SECTION. Sec. 2039. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Special Commitment Center: Strategic Master Plan (40000394)

Appropriation:

Charitable, Educational, Penal, and Reformatory

Institutions Account—State
\$250,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$250,000

NEW SECTION. Sec. 2040. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Eastern State Hospital-Eastlake & Westlake: Fire & Smoke Controls (40000404)

Reappropriation:

State Building Construction Account—State \$1,933,000

Prior Biennia (Expenditures)
\$117,000

Future Biennia (Projected Costs)
\$0

TOTAL \$2,050,000

NEW SECTION. Sec. 2041. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Eastern State Hospital-Westlake: Fire Stops (40000405)

Reappropriation:

State Building Construction Account—State \$1,991,000

Prior Biennia (Expenditures)
\$139,000

Future Biennia (Projected Costs)
\$0

TOTAL \$2,130,000

NEW SECTION. Sec. 2042. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Child Study and Treatment Center-Ketron: LSA Expansion (40000411)

Appropriation:

State Building Construction Account—State \$1,618,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$1,618,000

NEW SECTION. Sec. 2043. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Special Commitment Center-Fire House: Electrical Upgrades (40000422)

Reappropriation:

State Building Construction Account—State \$1,112,000

Prior Biennia (Expenditures)
\$423,000

Future Biennia (Projected Costs)
\$0

TOTAL \$1,535,000

NEW SECTION. Sec. 2044. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Eastern State Hospital-EL & WL: HVAC Compliance & Monitoring (40000492)

Reappropriation:

State Building Construction Account—State \$1,816,000

Prior Biennia (Expenditures)
\$99,000

Future Biennia (Projected Costs)
\$0

TOTAL \$1,915,000

NEW SECTION. Sec. 2045. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Maple Lane-Columbia Cottage: Behavioral Health Expansion (40000567)

Appropriation:

State Building Construction Account—State \$5,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$5,000,000

NEW SECTION. Sec. 2046. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Minor Works Program Projects: Statewide 2021-23 (40000569)

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

limitations: \$250,000 of the appropriation in this section is provided solely for the department to complete a comprehensive review and plan of the water system on the Fircrest campus.

Appropriation:

State Building Construction Account—
State \$2,755,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$13,750,000

TOTAL \$16,505,000

NEW SECTION. Sec. 2047. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Minor Works Preservation Projects:
Statewide 2021-23 (40000571)

Appropriation:

State Building Construction Account—
State \$6,950,000

Charitable, Educational, Penal, and
Reformatory

Institutions Account—State
\$1,845,000

Subtotal Appropriation \$8,795,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$21,000,000

TOTAL \$29,795,000

NEW SECTION. Sec. 2048. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Transitional Care Center—Main
Building: Patient Rooms Cooling
(40000574)

Appropriation:

Coronavirus Capital Projects Account—
Federal \$2,335,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$2,335,000

NEW SECTION. Sec. 2049. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Statewide—Behavioral Health: Patient
Safety Improvements 2021-23 (40000578)

Appropriation:

State Building Construction Account—
State \$7,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$28,000,000

TOTAL \$35,000,000

NEW SECTION. Sec. 2050. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital—Building 29:
Roofing Replacement (40000589)

Appropriation:

State Building Construction Account—
State \$2,285,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$2,285,000

NEW SECTION. Sec. 2051. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital—Building 27:
Roofing Replacement (40000888)

Appropriation:

State Building Construction Account—
State \$1,200,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$1,200,000

NEW SECTION. Sec. 2052. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

ESH and WSH—All Wards: Patient Safety
Improvements (91000019)

Reappropriation:

State Building Construction Account—
State \$8,076,000

Prior Biennia (Expenditures)
\$10,593,000

Future Biennia (Projected Costs)
\$40,000,000

TOTAL \$58,669,000

NEW SECTION. Sec. 2053. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital & CSTC Power
Upgrades (91000070)

Reappropriation:

State Building Construction Account—
State \$2,081,000

Prior Biennia (Expenditures)
 \$219,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$2,300,000

NEW SECTION. Sec. 2054. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

BH: State Owned, Mixed Use Community Civil 48-Bed Capacity (91000074)

Reappropriation:

State Building Construction Account—
 State \$168,000

Prior Biennia (Expenditures)
 \$182,000

Future Biennia (Projected Costs)
 \$55,274,000

TOTAL \$55,624,000

NEW SECTION. Sec. 2055. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

BH: State Operated Community Civil 16-Bed Capacity (91000075)

Reappropriation:

State Building Construction Account—
 State \$4,131,000

Appropriation:

State Building Construction Account—
 State \$15,190,000

Prior Biennia (Expenditures)
 \$869,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$20,190,000

NEW SECTION. Sec. 2056. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

BH: State Owned, Mixed Use Community Civil 48-Bed Capacity (91000077)

The appropriations in this section are subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 2054, chapter 413, Laws of 2019.

Reappropriation:

State Building Construction Account—
 State \$18,235,000

Appropriation:

State Building Construction Account—
 State \$37,700,000

Prior Biennia (Expenditures)
 \$1,765,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$57,700,000

NEW SECTION. Sec. 2057. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Rainier School-Pats E,C Cottage Cooling Upgrades (91000078)

Reappropriation:

State Building Construction Account—
 State \$1,362,000

Prior Biennia (Expenditures)
 \$6,638,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$8,000,000

NEW SECTION. Sec. 2058. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Western State Hospital Treatment & Recovery Center (91000080)

Reappropriation:

State Building Construction Account—
 State \$7,464,000

Appropriation:

State Building Construction Account—
 State \$16,600,000

Prior Biennia (Expenditures)
 \$536,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$24,600,000

NEW SECTION. Sec. 2059. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Community Nursing Care Homes (92000042)

(1) It is the intent of the legislature to further the recommendations of the December 2019 report from the William D. Ruckleshaus center to redesign intermediate care facilities of the residential habilitation centers to function as short-term crisis stabilization and intervention by constructing smaller, nursing care homes in community settings to care for individuals with intellectual and developmental disabilities.

(2) \$300,000 of the appropriation in this section is provided solely to

complete a predesign of community nursing care homes to provide nursing facility level of care to individuals with intellectual and developmental disabilities. The predesign must include options for four or five individual facilities with a minimum of four beds in each and for an individual facility with a minimum of 30 beds.

(3) The department shall provide recommendations for where these community nursing care homes should be located geographically in the state and an analysis of the costs associated with operating these homes. The department shall submit a report of this information to the governor and the appropriate committees of the legislature no later than December 1, 2021.

Appropriation:

State Building Construction Account—
State \$300,000

Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$300,000

NEW SECTION. Sec. 2060. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES

Residential Habilitation Center Land Management (92000044)

The appropriation in this section is subject to the following conditions and limitations: The department shall hire one full-time employee with expertise in land management and development to manage the lands of the residential habilitation centers including, but not limited to, the long-term, revenue generating opportunities for underused portions of the Fircrest Residential Habilitation Center. It is the intent of the legislature that this position will maximize the earning potential of the lands to fund services for those with intellectual and developmental disabilities.

Appropriation:

Charitable, Educational, Penal, and Reformatory

Institutions	Account—State	\$150,000
Prior Biennia (Expenditures)		\$0
Future Biennia (Projected Costs)		\$0

TOTAL \$150,000
NEW SECTION. Sec. 2061. FOR THE DEPARTMENT OF HEALTH

Newborn Screening Wing Addition (30000301)

Reappropriation:

State Building Construction Account—
State \$900,000

Prior Biennia (Expenditures)	\$4,734,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$5,634,000

NEW SECTION. Sec. 2062. FOR THE DEPARTMENT OF HEALTH

Drinking Water Preconstruction Loans (30000334)

Reappropriation:

Drinking Water Assistance Account—
State \$5,115,000

Prior Biennia (Expenditures)	\$585,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$5,700,000

NEW SECTION. Sec. 2063. FOR THE DEPARTMENT OF HEALTH

Public Health Lab South Laboratory Addition (30000379)

Appropriation:

Coronavirus Capital Projects Account—
Federal \$4,933,000

Prior Biennia (Expenditures)	\$196,000
Future Biennia (Projected Costs)	\$66,519,000
TOTAL	\$71,648,000

NEW SECTION. Sec. 2064. FOR THE DEPARTMENT OF HEALTH

New Central Boiler Plant (30000381)

The appropriation in this section is subject to the following conditions and limitations: The department must submit a preliminary predesign to the office of financial management and the appropriate legislative committees by December 31, 2021. Appropriations for design and construction may not be expended or encumbered until the office of financial

management has reviewed and approved the department's predesign.

Appropriation:

State Building Construction Account—
State \$12,725,000

Prior Biennia (Expenditures)
\$540,000

Future Biennia (Projected Costs)
\$0

TOTAL \$13,265,000

NEW SECTION. Sec. 2065. FOR THE DEPARTMENT OF HEALTH

Drinking Water Construction Loans
(30000409)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 2034, chapter 2, Laws of 2018.

Reappropriation:

Drinking Water Assistance Account—
State \$38,529,000

Prior Biennia (Expenditures)
\$69,609,000

Future Biennia (Projected Costs)
\$0

TOTAL \$108,138,000

NEW SECTION. Sec. 2066. FOR THE DEPARTMENT OF HEALTH

Drinking Water System Repairs and Consolidation (40000006)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 2035, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—
State \$1,000,000

Prior Biennia (Expenditures)
\$2,858,000

Future Biennia (Projected Costs)
\$0

TOTAL \$3,858,000

NEW SECTION. Sec. 2067. FOR THE DEPARTMENT OF HEALTH

Othello Water Supply and Storage
(40000008)

Reappropriation:

State Building Construction Account—
State \$965,000

Prior Biennia (Expenditures)
\$585,000

Future Biennia (Projected Costs)
\$0

TOTAL \$1,550,000

NEW SECTION. Sec. 2068. FOR THE DEPARTMENT OF HEALTH

2019-21 Drinking Water Assistance Program (40000025)

Reappropriation:

Drinking Water Assistance Account—
Federal \$31,000,000

Prior Biennia (Expenditures)
\$4,000,000

Future Biennia (Projected Costs)
\$0

TOTAL \$35,000,000

NEW SECTION. Sec. 2069. FOR THE DEPARTMENT OF HEALTH

2019-21 Drinking Water System Repairs and Consolidation (40000027)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 2068, chapter 413, Laws of 2019.

Reappropriation:

State Building Construction Account—
State \$750,000

Prior Biennia (Expenditures)
\$21,000

Future Biennia (Projected Costs)
\$0

TOTAL \$771,000

NEW SECTION. Sec. 2070. FOR THE DEPARTMENT OF HEALTH

Small & Disadvantaged Communities DW
(40000031)

Appropriation:

General Fund—Federal \$743,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$743,000

NEW SECTION. Sec. 2071. FOR THE DEPARTMENT OF HEALTH

E-wing Remodel to a Molecular Laboratory (40000032)

Appropriation:

Coronavirus Capital Projects Account—
Federal \$216,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$14,179,000

TOTAL \$14,395,000

NEW SECTION. Sec. 2072. FOR THE DEPARTMENT OF HEALTH

Replace Air Handling Unit (AHU) in A/Q-wings (40000034)

Appropriation:

Coronavirus Capital Projects Account—
Federal \$1,894,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$1,894,000

NEW SECTION. Sec. 2073. FOR THE DEPARTMENT OF HEALTH

Minor Works - Facility Preservation (40000037)

Appropriation:

State Building Construction Account—
State \$460,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$460,000

NEW SECTION. Sec. 2074. FOR THE DEPARTMENT OF HEALTH

Minor Works - Facility Program (40000038)

Appropriation:

State Building Construction Account—
State \$554,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$554,000

NEW SECTION. Sec. 2075. FOR THE DEPARTMENT OF HEALTH

2021-23 Drinking Water Assistance Program (40000049)

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

(1) For projects involving repair, replacement, or improvement of a clean water infrastructure facility or other public works facility for which an investment grade efficiency audit is reasonably obtainable, the department must require as a contract condition that the project sponsor undertake an investment grade efficiency audit. The project sponsor may finance the costs of the audit as part of its drinking water state revolving fund program loan.

(2) The department must encourage local government use of federally funded drinking water infrastructure programs operated by the United States department of agriculture rural development.

Appropriation:

Drinking Water Assistance Account—
Federal \$34,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$34,000,000

NEW SECTION. Sec. 2076. FOR THE DEPARTMENT OF HEALTH

2021-23 Drinking Water Construction Loans - State Match (40000051)

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

(1) For projects involving repair, replacement, or improvement of a clean water infrastructure facility or other public works facility for which an investment grade efficiency audit is reasonably obtainable, the department of health must require as a contract condition that the project sponsor undertake an investment grade efficiency audit. The project sponsor may finance the costs of the audit as part of its drinking water state revolving fund program loan.

(2) The department must encourage local government use of federally funded drinking water infrastructure programs operated by the United States department of agriculture rural development.

Appropriation:

Drinking Water Assistance Account—
State \$11,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$11,000,000

**NEW SECTION. Sec. 2077. FOR THE
DEPARTMENT OF HEALTH**

Lakewood Water District PFAS Treatment
Facility (40000052)

Appropriation:

State Building Construction Account—
State \$5,569,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$5,569,000

**NEW SECTION. Sec. 2078. FOR THE
DEPARTMENT OF VETERANS AFFAIRS**

Washington Veterans Home: Bldg 6 & 7
Demo and Grounds Improvement (30000002)

Reappropriation:

State Building Construction Account—
State \$2,585,000

Prior Biennia (Expenditures)
\$317,000

Future Biennia (Projected Costs)
\$0

TOTAL \$2,902,000

**NEW SECTION. Sec. 2079. FOR THE
DEPARTMENT OF VETERANS AFFAIRS**

Minor Works Facilities Preservation
(30000094)

Reappropriation:

State Building Construction Account—
State \$755,000

Model Toxics Control Capital Account—
State \$200,000

Subtotal Reappropriation
\$955,000

Prior Biennia (Expenditures)
\$4,339,000

Future Biennia (Projected Costs)
\$14,960,000

TOTAL \$20,254,000

**NEW SECTION. Sec. 2080. FOR THE
DEPARTMENT OF VETERANS AFFAIRS**

WVH HVAC Retrofit (40000006)

Reappropriation:

State Building Construction Account—
State \$250,000

Prior Biennia (Expenditures)
\$162,000

Future Biennia (Projected Costs)
\$0

TOTAL \$412,000

**NEW SECTION. Sec. 2081. FOR THE
DEPARTMENT OF VETERANS AFFAIRS**

WSH - Life Safety Grant (40000013)

Reappropriation:

General Fund—Federal \$325,000

State Building Construction Account—
State \$175,000

Subtotal Reappropriation
\$500,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$500,000

**NEW SECTION. Sec. 2082. FOR THE
DEPARTMENT OF VETERANS AFFAIRS**

DVA ARPA Federal Funds & State Match
(91000013)

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

(1) The department is granted federal
expenditure authority in anticipation of
the receipt of federal competitive grant
funding for which it is eligible to apply
under section 8004 of the American rescue
plan act of 2021, P.L. 117-2.

(2) Funding appropriated in this
section must be used for projects in the
following priority order:

(a) The WVH HVAC Retrofit project
(40000006); and

(b) Minor works projects that meet the
requirements set forth in section 8004 of
the American rescue plan act of 2021,
P.L. 117-2.

(3) The state building construction
account—state appropriation in this
section must be used as state match funds
to leverage the federal funding described
in subsection (1) of this section. Any
amount that exceeds the level of state

match funds required to maximize the federal funding opportunity must be placed in unallotted status.

Appropriation:

General Fund—Federal \$24,515,000
 State Building Construction Account—
 State \$8,584,000
 Subtotal Appropriation \$33,099,000
 Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$33,099,000

NEW SECTION. Sec. 2083. FOR THE DEPARTMENT OF VETERANS AFFAIRS

Extended Care Facilities Construction Grants (92000001)

Appropriation:

General Fund—Federal \$13,133,000
 Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$13,133,000

NEW SECTION. Sec. 2084. FOR THE DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES

Echo Glen-Housing Unit: Acute Mental Health Unit (30002736)

Reappropriation:

State Building Construction Account—
 State \$7,000,000
 Prior Biennia (Expenditures)
 \$2,600,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$9,600,000

NEW SECTION. Sec. 2085. FOR THE DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES

Green Hill School-Recreation Building: Replacement (30003237)

Appropriation:

State Building Construction Account—
 State \$29,962,000
 Prior Biennia (Expenditures)
 \$1,800,000
 Future Biennia (Projected Costs)
 \$0

TOTAL \$31,762,000

NEW SECTION. Sec. 2086. FOR THE DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES

Minor Works Preservation Projects: Statewide 2019-21 (40000400)

Reappropriation:

State Building Construction Account—
 State \$750,000
 Prior Biennia (Expenditures)
 \$2,250,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$3,000,000

NEW SECTION. Sec. 2087. FOR THE DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES

Minor Works Preservation Projects - SW 2021-23 (40000532)

Appropriation:

Charitable, Educational, Penal, and Reformatory
 Institutions Account—State
 \$761,000
 Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$761,000

NEW SECTION. Sec. 2088. FOR THE DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES

Purchase Authority - Touchstone Group Home (40000533)

Appropriation:

State Building Construction Account—
 State \$800,000
 Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$800,000

NEW SECTION. Sec. 2089. FOR THE DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES

Green Hill School - Baker North Remodel (40000534)

Appropriation:

State Building Construction Account—
State \$6,624,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs)
\$0

TOTAL \$6,624,000

**NEW SECTION. Sec. 2090. FOR THE
DEPARTMENT OF CORRECTIONS**

MCC: WSR Perimeter Wall Renovation
(30000117)

Reappropriation:

State Building Construction Account—
State \$200,000

Appropriation:

State Building Construction Account—
State \$1,000,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs)
\$10,063,000

TOTAL \$11,263,000

**NEW SECTION. Sec. 2091. FOR THE
DEPARTMENT OF CORRECTIONS**

CBC: Boiler Replacement (30000130)

Reappropriation:

State Building Construction Account—
State \$7,000,000

Prior Biennia (Expenditures)
\$624,000
Future Biennia (Projected Costs)
\$0

TOTAL \$7,624,000

**NEW SECTION. Sec. 2092. FOR THE
DEPARTMENT OF CORRECTIONS**

Washington Corrections Center:
Transformers and Switches (30000143)

Reappropriation:

State Building Construction Account—
State \$16,435,000

Prior Biennia (Expenditures)
\$4,010,000
Future Biennia (Projected Costs)
\$0

TOTAL \$20,445,000

**NEW SECTION. Sec. 2093. FOR THE
DEPARTMENT OF CORRECTIONS**

WCC: Replace Roofs (30000654)

Reappropriation:

State Building Construction Account—
State \$500,000

Prior Biennia (Expenditures)
\$3,719,000

Future Biennia (Projected Costs)
\$0

TOTAL \$4,219,000

**NEW SECTION. Sec. 2094. FOR THE
DEPARTMENT OF CORRECTIONS**

MCC: TRU Roof Programs and Recreation
Building (30000738)

Appropriation:

State Building Construction Account—
State \$5,996,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$5,996,000

**NEW SECTION. Sec. 2095. FOR THE
DEPARTMENT OF CORRECTIONS**

MCC: TRU Support Building HVAC
Replacement (40000379)

Appropriation:

Coronavirus Capital Projects Account—
Federal \$4,646,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$4,646,000

**NEW SECTION. Sec. 2096. FOR THE
DEPARTMENT OF CORRECTIONS**

WCC: Support Buildings Roof
Replacement (40000380)

Appropriation:

State Building Construction Account—
State \$7,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$9,427,000

TOTAL \$16,427,000

**NEW SECTION. Sec. 2097. FOR THE
DEPARTMENT OF CORRECTIONS**

SW IMU Recreation Yard Improvement
(30001123)

Reappropriation:

State Building Construction Account—
State \$900,000

Appropriation:

State Building Construction Account—
State \$1,500,000

Prior Biennia (Expenditures)
\$600,000

Future Biennia (Projected Costs)
\$1,532,000

TOTAL \$4,532,000

NEW SECTION. Sec. 2098. FOR THE DEPARTMENT OF CORRECTIONS

CRCC Security Electronics Network
Renovation (30001124)

Reappropriation:

State Building Construction Account—
State \$4,000,000

Prior Biennia (Expenditures)
\$2,000,000

Future Biennia (Projected Costs)
\$0

TOTAL \$6,000,000

NEW SECTION. Sec. 2099. FOR THE DEPARTMENT OF CORRECTIONS

WCC: Reclaimed Water Line (40000058)

Reappropriation:

State Building Construction Account—
State \$1,871,000

Prior Biennia (Expenditures)
\$116,000

Future Biennia (Projected Costs)
\$0

TOTAL \$1,987,000

NEW SECTION. Sec. 2100. FOR THE DEPARTMENT OF CORRECTIONS

MCC: WSR Clinic Roof Replacement
(40000180)

Reappropriation:

State Building Construction Account—
State \$825,000

Appropriation:

State Building Construction Account—
State \$8,508,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$9,333,000

NEW SECTION. Sec. 2101. FOR THE DEPARTMENT OF CORRECTIONS

MCC: SOU and TRU - Domestic Water and
HVAC Piping System (40000246)

The appropriation in this section is
subject to the following conditions and
limitations: The reappropriation is
subject to the provisions of section
2026, chapter 356, Laws of 2020.

Reappropriation:

State Building Construction Account—
State \$300,000

Appropriation:

State Building Construction Account—
State \$2,729,000

Prior Biennia (Expenditures)
\$100,000

Future Biennia (Projected Costs)
\$18,922,000

TOTAL \$22,051,000

NEW SECTION. Sec. 2102. FOR THE DEPARTMENT OF CORRECTIONS

Minor Works - Preservation Projects
(40000254)

Appropriation:

State Building Construction Account—
State \$11,800,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$60,833,000

TOTAL \$72,633,000

NEW SECTION. Sec. 2103. FOR THE DEPARTMENT OF CORRECTIONS

LCC: Boiler Replacement (40000255)

Appropriation:

State Building Construction Account—
State \$1,300,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$3,695,000

TOTAL \$4,995,000

NEW SECTION. Sec. 2104. FOR THE DEPARTMENT OF CORRECTIONS

MCC: Sewer System HABU (Highest and
Best Use) (40000185)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 2103, chapter 413, Laws of 2019.

Reappropriation:

State Building Construction Account—
State \$500,000

Prior Biennia (Expenditures)
\$300,000

Future Biennia (Projected Costs)
\$0

TOTAL \$800,000

NEW SECTION. Sec. 2105. FOR THE DEPARTMENT OF CORRECTIONS

Minor Works - Preservation Projects (40000187)

Reappropriation:

State Building Construction Account—
State \$3,500,000

Prior Biennia (Expenditures)
\$2,973,000

Future Biennia (Projected Costs)
\$0

TOTAL \$6,473,000

NEW SECTION. Sec. 2106. FOR THE DEPARTMENT OF CORRECTIONS

WSP: Unit Six Roof Replacement (92000037)

Reappropriation:

State Building Construction Account—
State \$650,000

Prior Biennia (Expenditures)
\$277,000

Future Biennia (Projected Costs)
\$0

TOTAL \$927,000

NEW SECTION. Sec. 2107. FOR THE DEPARTMENT OF CORRECTIONS

WCCW: AC for MSU (92000039)

Reappropriation:

State Building Construction Account—
State \$1,250,000

Prior Biennia (Expenditures)
\$46,000

Future Biennia (Projected Costs)
\$0

TOTAL \$1,296,000

PART 3

NATURAL RESOURCES

NEW SECTION. Sec. 3001. FOR THE DEPARTMENT OF ECOLOGY

Water Supply Facilities (19742006)

Reappropriation:

State and Local Improvements Revolving
Account—

Water Supply Facilities—State
\$295,000

Prior Biennia (Expenditures)
\$15,116,000

Future Biennia (Projected Costs)
\$0

TOTAL \$15,411,000

NEW SECTION. Sec. 3002. FOR THE DEPARTMENT OF ECOLOGY

Low-Level Nuclear Waste Disposal
Trench Closure (19972012)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3002, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:

Site Closure Account—State
\$8,472,000

Prior Biennia (Expenditures)
\$4,930,000

Future Biennia (Projected Costs)
\$0

TOTAL \$13,402,000

NEW SECTION. Sec. 3003. FOR THE DEPARTMENT OF ECOLOGY

Twin Lake Aquifer Recharge Project (20042951)

Reappropriation:

State Building Construction Account—
State \$146,000

Prior Biennia (Expenditures)
\$604,000

Future Biennia (Projected Costs)
\$0

TOTAL \$750,000

NEW SECTION. Sec. 3004. FOR THE DEPARTMENT OF ECOLOGY

Quad Cities Water Right Mitigation
(20052852)

Reappropriation:

State Building Construction Account—
State \$115,000

Prior Biennia (Expenditures)
\$1,484,000

Future Biennia (Projected Costs)
\$0

TOTAL \$1,599,000

NEW SECTION. Sec. 3005. FOR THE DEPARTMENT OF ECOLOGY

Transfer of Water Rights for Cabin
Owners (20081951)

Reappropriation:

State Building Construction Account—
State \$57,000

Prior Biennia (Expenditures)
\$393,000

Future Biennia (Projected Costs)
\$0

TOTAL \$450,000

NEW SECTION. Sec. 3006. FOR THE DEPARTMENT OF ECOLOGY

Watershed Plan Implementation and Flow
Achievement (30000028)

Reappropriation:

State Building Construction Account—
State \$115,000

Prior Biennia (Expenditures)
\$5,881,000

Future Biennia (Projected Costs)
\$0

TOTAL \$5,996,000

NEW SECTION. Sec. 3007. FOR THE DEPARTMENT OF ECOLOGY

Remedial Action Grant Program
(30000039)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3006, chapter 36, Laws of 2010 1st sp. sess.

Reappropriation:

Model Toxics Control Capital Account—
State \$2,715,000

Prior Biennia (Expenditures)
\$72,394,000

Future Biennia (Projected Costs)
\$0

TOTAL \$75,109,000

NEW SECTION. Sec. 3008. FOR THE DEPARTMENT OF ECOLOGY

Clean Up Toxics Sites - Puget Sound
(30000144)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3021, chapter 48, Laws of 2011 1st sp. sess. and section 3002, chapter 35, Laws of 2016 sp. sess.

Reappropriation:

Model Toxics Control Capital Account—
State \$317,000

Prior Biennia (Expenditures)
\$38,717,000

Future Biennia (Projected Costs)
\$0

TOTAL \$39,034,000

NEW SECTION. Sec. 3009. FOR THE DEPARTMENT OF ECOLOGY

Watershed Plan Implementation and Flow
Achievement (30000213)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3030, chapter 49, Laws of 2011 1st sp. sess.

Reappropriation:

State Building Construction Account—
State \$87,000

Prior Biennia (Expenditures)
\$7,913,000

Future Biennia (Projected Costs)
\$0

TOTAL \$8,000,000

NEW SECTION. Sec. 3010. FOR THE DEPARTMENT OF ECOLOGY

Remedial Action Grant Program
(30000216)

Reappropriation:

Model Toxics Control Capital Account—
State \$17,040,000

Prior Biennia (Expenditures)
\$45,824,000

Future Biennia (Projected Costs)
\$0

TOTAL \$62,864,000

NEW SECTION. Sec. 3011. FOR THE DEPARTMENT OF ECOLOGY

Clean Up Toxics Sites - Puget Sound
(30000265)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3005, chapter 35, Laws of 2016 sp. sess.

Reappropriation:

Model Toxics Control Capital Account—
State \$160,000

Prior Biennia (Expenditures)
\$15,042,000

Future Biennia (Projected Costs)
\$0

TOTAL \$15,202,000

NEW SECTION. Sec. 3012. FOR THE DEPARTMENT OF ECOLOGY

ASARCO - Tacoma Smelter Plume and
Mines (30000280)

Reappropriation:

Cleanup Settlement Account—State
\$2,835,000

Prior Biennia (Expenditures)
\$17,812,000

Future Biennia (Projected Costs)
\$0

TOTAL \$20,647,000

NEW SECTION. Sec. 3013. FOR THE DEPARTMENT OF ECOLOGY

Padilla Bay Federal Capital Projects
(30000282)

Reappropriation:

General Fund—Federal \$91,000

Prior Biennia (Expenditures)
\$709,000

Future Biennia (Projected Costs)
\$0

TOTAL \$800,000

NEW SECTION. Sec. 3014. FOR THE DEPARTMENT OF ECOLOGY

Watershed Plan Implementation and Flow
Achievement (30000331)

Reappropriation:

State Building Construction Account—
State \$2,013,000

Prior Biennia (Expenditures)
\$7,987,000

Future Biennia (Projected Costs)
\$0

TOTAL \$10,000,000

NEW SECTION. Sec. 3015. FOR THE DEPARTMENT OF ECOLOGY

Dungeness Water Supply & Mitigation
(30000333)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3082, chapter 19, Laws of 2013 2nd sp. sess.

Reappropriation:

State Building Construction Account—
State \$639,000

Prior Biennia (Expenditures)
\$1,411,000

Future Biennia (Projected Costs)
\$0

TOTAL \$2,050,000

NEW SECTION. Sec. 3016. FOR THE DEPARTMENT OF ECOLOGY

ASARCO Cleanup (30000334)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3020, chapter 413, Laws of 2019.

Reappropriation:

Cleanup Settlement Account—State
\$1,273,000

Prior Biennia (Expenditures)
\$34,987,000

Future Biennia (Projected Costs)
\$0

TOTAL \$36,260,000

NEW SECTION. Sec. 3017. FOR THE DEPARTMENT OF ECOLOGY

Padilla Bay Federal Capital Projects -
Programmatic (30000335)

Reappropriation:
General Fund—Federal \$500,000
Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs)
\$0
TOTAL \$500,000

NEW SECTION. Sec. 3018. FOR THE DEPARTMENT OF ECOLOGY

Clean Up Toxics Sites - Puget Sound
(30000337)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3007, chapter 35, Laws of 2016 sp. sess.

Reappropriation:
Model Toxics Control Capital Account—
State \$1,071,000
Prior Biennia (Expenditures)
\$23,984,000
Future Biennia (Projected Costs)
\$0
TOTAL \$25,055,000

NEW SECTION. Sec. 3019. FOR THE DEPARTMENT OF ECOLOGY

Remedial Action Grants (30000374)

Reappropriation:

Model Toxics Control Capital Account—
State \$9,357,000
Prior Biennia (Expenditures)
\$53,180,000
Future Biennia (Projected Costs)
\$0
TOTAL \$62,537,000

NEW SECTION. Sec. 3020. FOR THE DEPARTMENT OF ECOLOGY

Centennial Clean Water Program
(30000427)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 3009, chapter 35, Laws of 2016 sp. sess.

Reappropriation:

Model Toxics Control Capital Account—
State \$1,627,000

State Building Construction Account—
State \$543,000

Subtotal Reappropriation
\$2,170,000
Prior Biennia (Expenditures)
\$20,330,000
Future Biennia (Projected Costs)
\$0
TOTAL \$22,500,000

NEW SECTION. Sec. 3021. FOR THE DEPARTMENT OF ECOLOGY

Eastern Washington Clean Sites
Initiative (30000432)

Reappropriation:

Model Toxics Control Capital Account—
State \$7,444,000
Prior Biennia (Expenditures)
\$2,456,000
Future Biennia (Projected Costs)
\$0
TOTAL \$9,900,000

NEW SECTION. Sec. 3022. FOR THE DEPARTMENT OF ECOLOGY

Remedial Action Grants (30000458)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 3011, chapter 35, Laws of 2016 sp. sess.

Reappropriation:

Model Toxics Control Capital Account—
State \$8,711,000
State Building Construction Account—
State \$14,081,000
Subtotal Reappropriation
\$22,792,000
Prior Biennia (Expenditures)
\$29,955,000
Future Biennia (Projected Costs)
\$0
TOTAL \$52,747,000

NEW SECTION. Sec. 3023. FOR THE DEPARTMENT OF ECOLOGY

Leaking Tank Model Remedies (30000490)

Reappropriation:

Model Toxics Control Capital Account—
State \$280,000

Prior	Biennia	(Expenditures)
\$1,720,000		
Future	Biennia	(Projected Costs)
\$0		
TOTAL	\$2,000,000	

NEW SECTION. Sec. 3024. FOR THE DEPARTMENT OF ECOLOGY

Stormwater Financial Assistance Program (30000535)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3012, chapter 35, Laws of 2016 sp. sess.

Reappropriation:

Model Toxics Control Stormwater Account—State	\$22,444,000
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Prior	Biennia	(Expenditures)
\$8,757,000		
Future	Biennia	(Projected Costs)
\$0		
TOTAL	\$31,201,000	

NEW SECTION. Sec. 3025. FOR THE DEPARTMENT OF ECOLOGY

Coastal Wetlands Federal Funds (30000536)

Reappropriation:

General Fund—Federal	\$3,962,000
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Prior	Biennia	(Expenditures)
\$6,038,000		
Future	Biennia	(Projected Costs)
\$0		
TOTAL	\$10,000,000	

NEW SECTION. Sec. 3026. FOR THE DEPARTMENT OF ECOLOGY

Floodplains by Design (30000537)

Reappropriation:

State Building Construction Account—State	\$10,094,000
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Prior	Biennia	(Expenditures)
\$25,466,000		
Future	Biennia	(Projected Costs)
\$0		
TOTAL	\$35,560,000	

NEW SECTION. Sec. 3027. FOR THE DEPARTMENT OF ECOLOGY

ASARCO Cleanup (30000538)

Reappropriation:

Cleanup Settlement Account—State	\$1,982,000
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Prior	Biennia	(Expenditures)
\$10,164,000		

Future	Biennia	(Projected Costs)
\$0		

TOTAL	\$12,146,000
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NEW SECTION. Sec. 3028. FOR THE DEPARTMENT OF ECOLOGY

Cleanup Toxics Sites - Puget Sound (30000542)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3013, chapter 35, Laws of 2016 sp. sess.

Reappropriation:

Model Toxics Control Capital Account—State	\$6,379,000
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Prior	Biennia	(Expenditures)
\$8,002,000		

Future	Biennia	(Projected Costs)
\$0		

TOTAL	\$14,381,000
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NEW SECTION. Sec. 3029. FOR THE DEPARTMENT OF ECOLOGY

Columbia River Water Supply Development Program (30000588)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3068, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:

Columbia River Basin Water Supply Revenue	\$1,313,000
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Recovery Account—State	\$1,313,000
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Prior	Biennia	(Expenditures)
\$17,687,000		

Future	Biennia	(Projected Costs)
\$0		

TOTAL	\$19,000,000
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NEW SECTION. Sec. 3030. FOR THE DEPARTMENT OF ECOLOGY

Sunnyside Valley Irrigation District Water Conservation (30000589)

Reappropriation:

State Building Construction Account—
State \$1,129,000

Prior Biennia (Expenditures)
\$1,926,000

Future Biennia (Projected Costs)
\$0

TOTAL \$3,055,000

NEW SECTION. Sec. 3031. FOR THE DEPARTMENT OF ECOLOGY

Yakima River Basin Water Supply
(30000590)

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

(1) The reappropriations are subject to the provisions of section 3070, chapter 3, Laws of 2015 3rd sp. sess., except as provided in subsection (2) of this section.

(2) (a) \$3,250,000 of the appropriation in this section is provided solely for the acquisition of real property in lower Kittitas county known as the Eaton Ranch property by the state through the department of enterprise services on behalf of the department. This appropriation is provided to fund the closing, project, and transaction costs related to the acquisition of the property. The departments must expedite the review and execution of the transaction by June 30, 2022. It is the intent of the legislature that the state hold the property until a transfer to the United States bureau of reclamation for the purposes of construction of a water supply reservoir in accordance with the Yakima Basin integrated plan, or until such purpose is declared by the bureau no longer feasible.

(b) The legislature recognizes and declares that the acquisition of a portion of the Eaton Ranch for the construction of a water supply reservoir in accordance with the goals and objectives of the Yakima Basin integrated plan is a unique circumstance and the Eaton Ranch property offers special and essential features that are expected to yield broad public benefit to the state. It is the intent of the legislature that the department provide the necessary funding through subsequent funding requests to maintain and principally operate the land for grazing of livestock with the local conservation district, or an equivalent organization, until a

transfer of the property to the United States bureau of reclamation.

Reappropriation:

State Taxable Building Construction Account—

State \$3,564,000

Prior Biennia (Expenditures)
\$26,436,000

Future Biennia (Projected Costs)
\$0

TOTAL \$30,000,000

NEW SECTION. Sec. 3032. FOR THE DEPARTMENT OF ECOLOGY

Watershed Plan Implementation and Flow Achievement (30000591)

Reappropriation:

State Building Construction Account—
State \$889,000

Prior Biennia (Expenditures)
\$4,111,000

Future Biennia (Projected Costs)
\$0

TOTAL \$5,000,000

NEW SECTION. Sec. 3033. FOR THE DEPARTMENT OF ECOLOGY

ASARCO Cleanup (30000670)

Reappropriation:

Cleanup Settlement Account—State
\$17,621,000

Prior Biennia (Expenditures)
\$11,139,000

Future Biennia (Projected Costs)
\$0

TOTAL \$28,760,000

NEW SECTION. Sec. 3034. FOR THE DEPARTMENT OF ECOLOGY

Waste Tire Pile Cleanup and Prevention (30000672)

Reappropriation:

Waste Tire Removal Account—State
\$47,000

Prior Biennia (Expenditures)
\$953,000

Future Biennia (Projected Costs)
\$0

TOTAL \$1,000,000

NEW SECTION. Sec. 3035. FOR THE DEPARTMENT OF ECOLOGY

Sunnyside Valley Irrigation District Water Conservation (30000673)

Reappropriation:

State Building Construction Account—State \$2,657,000

Prior Biennia (Expenditures) \$2,027,000

Future Biennia (Projected Costs) \$0

TOTAL \$4,684,000

NEW SECTION. Sec. 3036. FOR THE DEPARTMENT OF ECOLOGY

2015-17 Restored Eastern Washington Clean Sites Initiative (30000704)

Reappropriation:

State Building Construction Account—State \$2,342,000

Prior Biennia (Expenditures) \$94,000

Future Biennia (Projected Costs) \$0

TOTAL \$2,436,000

NEW SECTION. Sec. 3037. FOR THE DEPARTMENT OF ECOLOGY

2017-19 Centennial Clean Water Program (30000705)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3009, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—State \$17,403,000

Prior Biennia (Expenditures) \$17,597,000

Future Biennia (Projected Costs) \$0

TOTAL \$35,000,000

NEW SECTION. Sec. 3038. FOR THE DEPARTMENT OF ECOLOGY

Floodplains by Design 2017-19 (30000706)

Reappropriation:

State Building Construction Account—State \$24,036,000

Prior Biennia (Expenditures) \$11,428,000

Future Biennia (Projected Costs) \$0

TOTAL \$35,464,000

NEW SECTION. Sec. 3039. FOR THE DEPARTMENT OF ECOLOGY

2017-19 Remedial Action Grants (30000707)

Reappropriation:

Model Toxics Control Capital Account—State \$3,261,000

Prior Biennia (Expenditures) \$2,616,000

Future Biennia (Projected Costs) \$0

TOTAL \$5,877,000

NEW SECTION. Sec. 3040. FOR THE DEPARTMENT OF ECOLOGY

Swift Creek Natural Asbestos Flood Control and Cleanup (30000708)

The appropriations in this section are subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3011, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—State \$1,688,000

Appropriation:

State Building Construction Account—State \$2,041,000

Prior Biennia (Expenditures) \$4,712,000

Future Biennia (Projected Costs) \$35,400,000

TOTAL \$43,841,000

NEW SECTION. Sec. 3041. FOR THE DEPARTMENT OF ECOLOGY

Water Pollution Control Revolving Program (30000710)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3013, chapter 2, Laws of 2018.

Reappropriation:

Water Pollution Control Revolving Fund—State \$160,000,000

Prior Biennia (Expenditures)
 \$50,000,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$210,000,000

NEW SECTION. Sec. 3042. FOR THE DEPARTMENT OF ECOLOGY

Columbia River Water Supply Development Program (30000712)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 3006, chapter 298, Laws of 2018.

Reappropriation:

Columbia River Basin Water Supply Development

Account—State \$9,152,000

Columbia River Basin Water Supply Revenue

Recovery Account—State \$2,000,000

State Building Construction Account—State \$6,569,000

Subtotal Reappropriation \$17,721,000

Prior Biennia (Expenditures) \$16,079,000

Future Biennia (Projected Costs) \$0

TOTAL \$33,800,000

NEW SECTION. Sec. 3043. FOR THE DEPARTMENT OF ECOLOGY

Watershed Plan Implementation and Flow Achievement (30000714)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3017, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—State \$3,907,000

Prior Biennia (Expenditures) \$1,093,000

Future Biennia (Projected Costs) \$0

TOTAL \$5,000,000

NEW SECTION. Sec. 3044. FOR THE DEPARTMENT OF ECOLOGY

Water Irrigation Efficiencies Program (30000740)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3007, chapter 298, Laws of 2018.

Reappropriation:

State Building Construction Account—State \$2,233,000

Prior Biennia (Expenditures) \$4,267,000

Future Biennia (Projected Costs) \$0

TOTAL \$6,500,000

NEW SECTION. Sec. 3045. FOR THE DEPARTMENT OF ECOLOGY

Eastern Regional Office Improvements and Stormwater Treatment (30000741)

Reappropriation:

State Building Construction Account—State \$1,503,000

Prior Biennia (Expenditures) \$2,383,000

Future Biennia (Projected Costs) \$0

TOTAL \$3,886,000

NEW SECTION. Sec. 3046. FOR THE DEPARTMENT OF ECOLOGY

2017-19 Eastern Washington Clean Sites Initiative (30000742)

Reappropriation:

Model Toxics Control Capital Account—State \$1,740,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL \$1,740,000

NEW SECTION. Sec. 3047. FOR THE DEPARTMENT OF ECOLOGY

2017-19 Clean Up Toxic Sites - Puget Sound (30000749)

Reappropriation:

Model Toxics Control Capital Account—State \$155,000

Prior Biennia (Expenditures) \$2,027,000

Future Biennia (Projected Costs)
\$0

TOTAL \$2,182,000

NEW SECTION. Sec. 3048. FOR THE DEPARTMENT OF ECOLOGY

2015-17 Restored Clean Up Toxic Sites - Puget Sound (30000763)

Reappropriation:

State Building Construction Account—State \$2,155,000

Prior Biennia (Expenditures)
\$3,085,000

Future Biennia (Projected Costs)
\$0

TOTAL \$5,240,000

NEW SECTION. Sec. 3049. FOR THE DEPARTMENT OF ECOLOGY

2017-19 Stormwater Financial Assistance Program (30000796)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriation are subject to the provisions of section 3005, chapter 298, Laws of 2018.

Reappropriation:

Model Toxics Control Stormwater Account—State \$10,673,000

State Building Construction Account—State \$23,149,000

Subtotal Reappropriation
\$33,822,000

Prior Biennia (Expenditures)
\$2,578,000

Future Biennia (Projected Costs)
\$0

TOTAL \$36,400,000

NEW SECTION. Sec. 3050. FOR THE DEPARTMENT OF ECOLOGY

2015-17 Restored Stormwater Financial Assistance (30000797)

Reappropriation:

State Building Construction Account—State \$21,257,000

Prior Biennia (Expenditures)
\$8,843,000

Future Biennia (Projected Costs)
\$0

TOTAL \$30,100,000

NEW SECTION. Sec. 3051. FOR THE DEPARTMENT OF ECOLOGY

Catastrophic Flood Relief (40000006)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3023, chapter 2, Laws of 2018.

Reappropriation:

General Fund—Federal \$10,000,000

Prior Biennia (Expenditures)
\$50,000,000

Future Biennia (Projected Costs)
\$0

TOTAL \$60,000,000

NEW SECTION. Sec. 3052. FOR THE DEPARTMENT OF ECOLOGY

VW Settlement Funded Projects (40000018)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3008, chapter 298, Laws of 2018.

Reappropriation:

General Fund—Private/Local
\$109,662,000

Prior Biennia (Expenditures)
\$3,038,000

Future Biennia (Projected Costs)
\$0

TOTAL \$112,700,000

NEW SECTION. Sec. 3053. FOR THE DEPARTMENT OF ECOLOGY

Reduce Air Pollution from Transit/Sch. Buses/State-Owned Vehicles (40000109)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3019, chapter 356, Laws of 2020.

Reappropriation:

Air Pollution Control Account—State
\$16,099,000

Prior Biennia (Expenditures)
\$12,301,000

Future Biennia (Projected Costs)
\$0

TOTAL \$28,400,000

NEW SECTION. Sec. 3054. FOR THE DEPARTMENT OF ECOLOGY

2019-21 Water Pollution Control Revolving Program (40000110)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 3074, chapter 413, Laws of 2019.

Reappropriation:

Water Pollution Control Revolving Fund—State \$148,000,000

Water Pollution Control Revolving Fund—Federal \$53,837,000

Subtotal Reappropriation \$201,837,000

Prior Biennia (Expenditures) \$2,163,000

Future Biennia (Projected Costs) \$0

TOTAL \$204,000,000

NEW SECTION. Sec. 3055. FOR THE DEPARTMENT OF ECOLOGY

2019-21 Sunnyside Valley Irrigation District Water Conservation (40000111)

Reappropriation:

State Building Construction Account—State \$4,197,000

Prior Biennia (Expenditures) \$37,000

Future Biennia (Projected Costs) \$0

TOTAL \$4,234,000

NEW SECTION. Sec. 3056. FOR THE DEPARTMENT OF ECOLOGY

2019-21 ASARCO Cleanup (40000114)

Reappropriation:

Cleanup Settlement Account—State \$6,800,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL \$6,800,000

NEW SECTION. Sec. 3057. FOR THE DEPARTMENT OF ECOLOGY

2019-21 Reducing Toxic Diesel Emissions (40000115)

Reappropriation:

Air Pollution Control Account—State \$668,000

Prior Biennia (Expenditures) \$332,000

Future Biennia (Projected Costs) \$0

TOTAL \$1,000,000

NEW SECTION. Sec. 3058. FOR THE DEPARTMENT OF ECOLOGY

2019-21 Centennial Clean Water Program (40000116)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3074, chapter 413, Laws of 2019.

Reappropriation:

State Building Construction Account—State \$25,010,000

Prior Biennia (Expenditures) \$4,990,000

Future Biennia (Projected Costs) \$0

TOTAL \$30,000,000

NEW SECTION. Sec. 3059. FOR THE DEPARTMENT OF ECOLOGY

2019-21 Eastern Washington Clean Sites Initiative (40000117)

Reappropriation:

Model Toxics Control Capital Account—State \$12,108,000

Prior Biennia (Expenditures) \$2,000

Future Biennia (Projected Costs) \$0

TOTAL \$12,110,000

NEW SECTION. Sec. 3060. FOR THE DEPARTMENT OF ECOLOGY

2019-21 Reducing Toxic Wood Stove Emissions (40000126)

Reappropriation:

Air Pollution Control Account—State \$590,000

Prior Biennia (Expenditures) \$1,910,000

Future Biennia (Projected Costs) \$0

TOTAL \$2,500,000
NEW SECTION. Sec. 3061. FOR THE DEPARTMENT OF ECOLOGY

Padilla Bay Federal Capital Projects (40000127)

Reappropriation:

General Fund—Federal \$500,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL \$500,000

NEW SECTION. Sec. 3062. FOR THE DEPARTMENT OF ECOLOGY

Mercury Switch Removal (40000128)

Reappropriation:

Model Toxics Control Capital Account—State \$186,000

Prior Biennia (Expenditures) \$64,000

Future Biennia (Projected Costs) \$0

TOTAL \$250,000

NEW SECTION. Sec. 3063. FOR THE DEPARTMENT OF ECOLOGY

2019-21 Floodplains by Design (40000129)

Reappropriation:

State Building Construction Account—State \$46,163,000

Prior Biennia (Expenditures) \$4,237,000

Future Biennia (Projected Costs) \$0

TOTAL \$50,400,000

NEW SECTION. Sec. 3064. FOR THE DEPARTMENT OF ECOLOGY

2019-21 Clean Up Toxics Sites - Puget Sound (40000130)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3080, chapter 413, Laws of 2019.

Reappropriation:

Model Toxics Control Capital Account—State \$12,415,000

Prior Biennia (Expenditures) \$352,000

Future Biennia (Projected Costs) \$0

TOTAL \$12,767,000

NEW SECTION. Sec. 3065. FOR THE DEPARTMENT OF ECOLOGY

2019-21 Stormwater Financial Assistance Program (40000144)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3020, chapter 356, Laws of 2020.

Reappropriation:

Model Toxics Control Stormwater Account—State \$44,617,000

Prior Biennia (Expenditures) \$4,389,000

Future Biennia (Projected Costs) \$0

TOTAL \$49,006,000

NEW SECTION. Sec. 3066. FOR THE DEPARTMENT OF ECOLOGY

2015 Drought Authority (40000146)

Reappropriation:

State Drought Preparedness Account—State \$669,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL \$669,000

NEW SECTION. Sec. 3067. FOR THE DEPARTMENT OF ECOLOGY

Waste Tire Pile Cleanup and Prevention (40000147)

Reappropriation:

Waste Tire Removal Account—State \$369,000

Prior Biennia (Expenditures) \$631,000

Future Biennia (Projected Costs) \$0

TOTAL \$1,000,000

NEW SECTION. Sec. 3068. FOR THE DEPARTMENT OF ECOLOGY

Lacey HQ Roof Replacement (40000148)

Reappropriation:
 State Building Construction Account—
 State \$2,947,000
 Prior Biennia (Expenditures)
 \$142,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$3,089,000

NEW SECTION. Sec. 3069. FOR THE DEPARTMENT OF ECOLOGY

Healthy Housing Remediation Program (40000149)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3085, chapter 413, Laws of 2019.

Reappropriation:

Model Toxics Control Capital Account—
 State \$5,000,000
 Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$5,000,000

NEW SECTION. Sec. 3070. FOR THE DEPARTMENT OF ECOLOGY

2019-21 Columbia River Water Supply Development Program (40000152)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 3087, chapter 413, Laws of 2019.

Reappropriation:

Columbia River Basin Water Supply Revenue
 Recovery Account—State \$2,400,000
 State Building Construction Account—
 State \$22,970,000
 State Taxable Building Construction Account—
 State \$10,500,000
 Subtotal Reappropriation
 \$35,870,000
 Prior Biennia (Expenditures)
 \$4,130,000
 Future Biennia (Projected Costs)
 \$0

TOTAL \$40,000,000
NEW SECTION. Sec. 3071. FOR THE DEPARTMENT OF ECOLOGY

2019-21 Streamflow Restoration Program (40000177)

Reappropriation:
 Watershed Restoration and Enhancement Bond

Account—State \$31,504,000
 Prior Biennia (Expenditures)
 \$8,496,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$40,000,000

NEW SECTION. Sec. 3072. FOR THE DEPARTMENT OF ECOLOGY

2019-21 Yakima River Basin Water Supply (40000179)

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

(1) \$3,250,000 of the appropriation in this section is provided solely for the acquisition of real property in lower Kittitas county known as the Eaton Ranch property by the state through the department of enterprise services on behalf of the department. This appropriation is provided to fund the closing, project, and transaction costs related to the acquisition of the property. The departments must expedite the review and execution of the transaction by June 30, 2022. It is the intent of the legislature that the state hold the property until a transfer to the United States bureau of reclamation for the purposes of construction of a water supply reservoir in accordance with the Yakima Basin integrated plan, or until such purpose is declared by the bureau no longer feasible.

(2) The legislature recognizes and declares that the acquisition of a portion of the Eaton Ranch for the construction of a water supply reservoir in accordance with the goals and objectives of the Yakima Basin integrated plan is a unique circumstance and the Eaton Ranch property offers special and essential features that are expected to yield broad public benefit to the state. It is the intent of the legislature that the department provide the necessary funding through subsequent funding

requests to maintain and principally operate the land for grazing of livestock with the local conservation district, or an equivalent organization, until a transfer of the property to the United States bureau of reclamation.

Reappropriation:

State Building Construction Account—
State \$26,212,000

Prior Biennia (Expenditures)
\$13,788,000

Future Biennia (Projected Costs)
\$0

TOTAL \$40,000,000

NEW SECTION. Sec. 3073. FOR THE DEPARTMENT OF ECOLOGY

Zosel Dam Preservation (40000193)

Reappropriation:

State Building Construction Account—
State \$137,000

Prior Biennia (Expenditures)
\$80,000

Future Biennia (Projected Costs)
\$0

TOTAL \$217,000

NEW SECTION. Sec. 3074. FOR THE DEPARTMENT OF ECOLOGY

2019-21 Protect Investments in Cleanup Remedies (40000194)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3091, chapter 413, Laws of 2019.

Reappropriation:

Model Toxics Control Capital Account—
State \$6,918,000

Prior Biennia (Expenditures)
\$1,286,000

Future Biennia (Projected Costs)
\$0

TOTAL \$8,204,000

NEW SECTION. Sec. 3075. FOR THE DEPARTMENT OF ECOLOGY

Lacey HQ Facility Preservation Project—Minor Works (40000207)

Reappropriation:

State Building Construction Account—
State \$193,000

Prior Biennia (Expenditures)
\$57,000

Future Biennia (Projected Costs)
\$0

TOTAL \$250,000

NEW SECTION. Sec. 3076. FOR THE DEPARTMENT OF ECOLOGY

2019-21 Chehalis Basin Strategy (40000209)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3023, chapter 356, Laws of 2020.

Reappropriation:

State Building Construction Account—
State \$62,458,000

Prior Biennia (Expenditures)
\$11,449,000

Future Biennia (Projected Costs)
\$0

TOTAL \$73,907,000

NEW SECTION. Sec. 3077. FOR THE DEPARTMENT OF ECOLOGY

Chemical Action Plan Implementation (40000210)

Reappropriation:

Model Toxics Control Capital Account—
State \$1,883,000

Prior Biennia (Expenditures)
\$1,821,000

Future Biennia (Projected Costs)
\$0

TOTAL \$3,704,000

NEW SECTION. Sec. 3078. FOR THE DEPARTMENT OF ECOLOGY

2019-21 Remedial Action Grants (40000211)

Reappropriation:

Model Toxics Control Capital Account—
State \$46,763,000

Prior Biennia (Expenditures)
\$3,201,000

Future Biennia (Projected Costs)
\$0

TOTAL \$49,964,000

NEW SECTION. Sec. 3079. FOR THE DEPARTMENT OF ECOLOGY

2020 Eastern Washington Clean Sites Initiative (40000286)

Reappropriation:

Model Toxics Control Capital Account—State \$1,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL \$1,000,000

NEW SECTION. Sec. 3080. FOR THE DEPARTMENT OF ECOLOGY

2020 Remedial Action Grants (40000288)

Reappropriation:

Model Toxics Control Capital Account—State \$32,645,000

Prior Biennia (Expenditures) \$11,000

Future Biennia (Projected Costs) \$0

TOTAL \$32,656,000

NEW SECTION. Sec. 3081. FOR THE DEPARTMENT OF ECOLOGY

2021-23 ASARCO Everett Smelter Plume Cleanup (40000303)

Appropriation:

Model Toxics Control Capital Account—State \$10,814,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$16,722,000

TOTAL \$27,536,000

NEW SECTION. Sec. 3082. FOR THE DEPARTMENT OF ECOLOGY

2021-23 Remedial Action Grant Program (40000304)

The appropriation in this section is subject to the following conditions and limitations: During the 2021-2023 fiscal biennium, the department must work with the Port of Everett to develop an extended grant agreement for the Port Weyerhaeuser Mill A project located in Everett harbor, in preparation of the department's 2023-2025 biennial capital budget request for remedial action grant program funding.

Appropriation:

Model Toxics Control Capital Account—State \$71,194,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$264,800,000

TOTAL \$335,994,000

NEW SECTION. Sec. 3083. FOR THE DEPARTMENT OF ECOLOGY

2021-23 Stormwater Financial Assistance Program (40000336)

Appropriation:

Model Toxics Control Stormwater Account—State \$75,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$280,000,000

TOTAL \$355,000,000

NEW SECTION. Sec. 3084. FOR THE DEPARTMENT OF ECOLOGY

2021-23 Water Pollution Control Revolving Program (40000337)

Appropriation:

Water Pollution Control Revolving Fund—State \$225,000,000

Water Pollution Control Revolving Fund—Federal \$75,000,000

Subtotal Appropriation \$300,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$1,200,000,000

TOTAL \$1,500,000,000

NEW SECTION. Sec. 3085. FOR THE DEPARTMENT OF ECOLOGY

2021-23 Waste Tire Pile Cleanup and Prevention (40000338)

Appropriation:

Waste Tire Removal Account—State \$1,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$4,000,000

TOTAL \$5,000,000

NEW SECTION. Sec. 3086. FOR THE DEPARTMENT OF ECOLOGY

2021-23 State Match - Water Pollution Control Revolving Program (40000339)

Appropriation:

Water Pollution Control Revolving
Fund—State \$15,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$60,000,000

TOTAL \$75,000,000

**NEW SECTION. Sec. 3087. FOR THE
DEPARTMENT OF ECOLOGY**

2021-23 Eastern Washington Clean Sites
Initiative (40000340)

Appropriation:

Model Toxics Control Capital Account—
State \$20,820,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$40,000,000

TOTAL \$60,820,000

**NEW SECTION. Sec. 3088. FOR THE
DEPARTMENT OF ECOLOGY**

2021-23 Clean Up Toxic Sites - Puget
Sound (40000346)

Appropriation:

Model Toxics Control Capital Account—
State \$5,808,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$40,000,000

TOTAL \$45,808,000

**NEW SECTION. Sec. 3089. FOR THE
DEPARTMENT OF ECOLOGY**

2021-23 Centennial Clean Water Program
(40000359)

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

(1) For projects involving repair,
replacement, or improvement of a clean
water infrastructure facility or other
public works facility for which an
investment grade efficiency audit is
reasonably obtainable, the department
must require as a contract condition that
the project sponsor undertake an
investment grade efficiency audit. The
project sponsor may finance the costs of
the audit as part of its centennial
program grant.

(2) The department must encourage
local government use of federally funded
clean water infrastructure programs

operated by the United States department
of agriculture rural development.

Appropriation:

Model Toxics Control Capital Account—
State \$40,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$160,000,000

TOTAL \$200,000,000

**NEW SECTION. Sec. 3090. FOR THE
DEPARTMENT OF ECOLOGY**

2021-23 Protect Investments in Cleanup
Remedies (40000360)

Appropriation:

Model Toxics Control Capital Account—
State \$11,093,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$40,000,000

TOTAL \$51,093,000

**NEW SECTION. Sec. 3091. FOR THE
DEPARTMENT OF ECOLOGY**

2021-23 Reducing Toxic Wood Stove
Emissions (40000371)

The appropriation in this section is
subject to the following conditions and
limitations: Whenever possible and most
cost effective, the agency and local air
agency partners must select home heating
devices that are certified by the United
States environmental protection agency
or do not use natural gas to replace
noncompliant devices.

Appropriation:

Model Toxics Control Capital Account—
State \$3,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$16,000,000

TOTAL \$19,000,000

**NEW SECTION. Sec. 3092. FOR THE
DEPARTMENT OF ECOLOGY**

2021-23 Freshwater Aquatic Invasive
Plants Grant Program (40000375)

Appropriation:

Freshwater Aquatic Weeds Account—
State \$1,700,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$6,800,000

TOTAL \$8,500,000

NEW SECTION. Sec. 3093. FOR THE DEPARTMENT OF ECOLOGY

2021-23 Freshwater Algae Grant Program (40000376)

Appropriation:

Aquatic Algae Control Account—State
\$730,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$3,000,000

TOTAL \$3,730,000

NEW SECTION. Sec. 3094. FOR THE DEPARTMENT OF ECOLOGY

2021-23 Healthy Housing Remediation Program (40000378)

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

(1) (a) \$10,161,000 of the appropriation in this section is provided solely for the department to establish and administer a program to:

(i) Provide grants or other public funding to persons intending to remediate contaminated real property for development of affordable housing, as defined in RCW 43.185A.010. The grants or public funding may only be used for:

(A) Integrated planning to fund studies and other activities necessary to facilitate the acquisition, remediation, and adaptive reuse of known or suspected contaminated real property for affordable housing development, including:

(I) The activities specified under RCW 70A.305.190(5)(d); and

(II) Entry into development agreements pursuant to RCW 36.70B.170, 36.70B.180, and 36.70B.190 to accelerate the development of the contaminated real property into affordable housing; and

(B) Remediation of contaminated real property for affordable housing development; or

(ii) Remediate contaminated real property where a person intends to develop affordable housing, as defined in RCW 43.185A.010.

(b) When evaluating projects under this section, the department must consult with the department of commerce and consider at a minimum:

(i) The ability of the project to expedite the cleanup and reuse of the contaminated real property for affordable housing development;

(ii) The extent to which the project leverages other public or private funding for the cleanup and reuse of the contaminated real property for affordable housing development;

(iii) The suitability of the real property for affordable housing based on the threat posed by the contamination to human health;

(iv) Whether the work to be funded is ready to proceed and be completed; and

(v) The distribution of funding throughout the state and among public and private entities.

(c) Any remediation of contaminated real property funded under this section must be performed:

(i) Under an agreed order or consent decree issued under chapter 70A.305 RCW or by the department; and

(ii) In accordance with the rules established under chapter 70A.305 RCW.

(d) Real property remediated under this section must be restricted to affordable housing use for a period of no less than 30 years.

(i) To ensure that real property remediated under this section is used for affordable housing, the department may file a lien against the real property pursuant to RCW 70A.305.060, require the person to record an interest in the real property in accordance with RCW 64.04.130, or use other means deemed by the department to be no less protective of the affordable housing use and interests of the department.

(ii) Any person who refuses, without sufficient cause, to comply with this subsection is subject to enforcement pursuant to any agreement or chapter 70A.305 RCW for the repayment, with interest, of funds provided or expended by the department under this section.

(2) \$750,000 of the appropriation in this section is provided solely to mitigate soil contamination of toxic substances to enable the development of

affordable housing, at the former University of Washington Mount Baker site, located at 2901 27th Ave South in Seattle and consisting of approximately four acres of land.

Appropriation:

Model Toxics Control Capital Account—
State \$10,911,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$40,000,000

TOTAL \$50,911,000

NEW SECTION. Sec. 3095. FOR THE DEPARTMENT OF ECOLOGY

2021-23 ASARCO Tacoma Smelter Plume Cleanup (40000386)

Appropriation:

Cleanup Settlement Account—State
\$3,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$17,200,000

TOTAL \$20,200,000

NEW SECTION. Sec. 3096. FOR THE DEPARTMENT OF ECOLOGY

2021-23 Chehalis Basin Strategy (40000387)

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

(1) \$33,050,000 of the appropriation in this section is for board-approved projects to protect and restore aquatic species habitat, including construction and property acquisition; preconstruction and acquisition planning and project development, feasibility, design, environmental review, and permitting; postconstruction and acquisition monitoring and adaptive management; and engagement of state agencies, tribes, conservation partners, landowners, and other parties.

(2) \$33,050,000 of the appropriation in this section is for board-approved projects to reduce flood damage, including construction and property acquisition; preconstruction and acquisition project planning and development, feasibility, design, environmental review, and permitting; and engagement of state agencies, tribes,

project sponsors, landowners, and other parties.

(3) \$3,900,000 of the appropriation in this section is for the operations of the office of Chehalis Basin and Chehalis Basin board to oversee the development, implementation, and amendment of the Chehalis Basin strategy. Oversight operations include, but are not limited to: Providing financial accountability, project management, and board meeting administration and facilitation.

(4) Specific projects must be approved by at least six of the seven voting members of the Chehalis Basin Board. The Chehalis Basin Board has the discretion to reallocate the funding between subsections (1), (2), and (3) of this section if needed to meet the objectives of this appropriation and approved by at least six of the seven voting members of the board. However, \$3,900,000 is the maximum amount the department may expend for the purposes of subsection (3) of this section.

(5) Up to 1.5 percent of the appropriation in this section may be used by the recreation and conservation office to administer contracts associated with the subprojects funded through this section. Contract administration includes, but is not limited to: Drafting and amending contracts, reviewing and approving invoices, tracking expenditures, and performing field inspections to assess project status when conducting similar assessments related to other agency contracts in the same geographic area.

Appropriation:

State Building Construction Account—
State \$70,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$240,000,000

TOTAL \$310,000,000

NEW SECTION. Sec. 3097. FOR THE DEPARTMENT OF ECOLOGY

2021-23 Coastal Wetlands Federal Funds (40000388)

Appropriation:

General Fund—Federal \$8,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$32,000,000

TOTAL \$40,000,000

NEW SECTION. Sec. 3098. FOR THE DEPARTMENT OF ECOLOGY

2021-23 Floodplains by Design (40000389)

Appropriation:

State Building Construction Account—State \$50,908,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$280,000,000

TOTAL \$330,908,000

NEW SECTION. Sec. 3099. FOR THE DEPARTMENT OF ECOLOGY

2021-23 Reducing Diesel GHG & Toxic Emissions (40000390)

Appropriation:

Model Toxics Control Capital Account—State \$15,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$60,000,000

TOTAL \$75,000,000

NEW SECTION. Sec. 3100. FOR THE DEPARTMENT OF ECOLOGY

2021-23 Sunnyside Valley Irrigation District Water Conservation (40000391)

Appropriation:

State Building Construction Account—State \$4,281,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$17,124,000

TOTAL \$21,405,000

NEW SECTION. Sec. 3101. FOR THE DEPARTMENT OF ECOLOGY

2021-23 Puget Sound Nutrient Reduction Grant Program (40000396)

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

The department must use the following criteria to evaluate and prioritize eligible municipalities to receive grant funding under this section:

(1) Location of wastewater treatment facility, prioritizing facilities that

are not located within a city with a population of 760,000 or more, as reported by the office of financial management pursuant to RCW 43.62.030;

(2) Age of wastewater treatment facility, prioritizing the oldest eligible facilities; and

(3) Immediacy of need for grant funding to avoid system failure and higher magnitude of contamination.

Appropriation:

State Building Construction Account—State \$9,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$36,000,000

TOTAL \$45,000,000

NEW SECTION. Sec. 3102. FOR THE DEPARTMENT OF ECOLOGY

2021-23 Streamflow Restoration Program (40000397)

Appropriation:

Watershed Restoration and Enhancement Bond

Account—State \$40,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$160,000,000

TOTAL \$200,000,000

NEW SECTION. Sec. 3103. FOR THE DEPARTMENT OF ECOLOGY

2021-23 Columbia River Water Supply Development Program (40000399)

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

(1) \$16,000,000 of the appropriation is provided solely to assist in planning, designing, engineering, development coordination, and construction of pump stations or other improvements at the EL 79.2 or associated stations serving the same area that expand the delivery systems of the Odessa groundwater replacement project, sufficient to irrigate at least 13,000 acres. Within amounts appropriated in this subsection:

(a) \$400,000 may be provided to assist the Grant county conservation district in applying for support from the United States department of agriculture-natural

resource conservation service to secure federal funding for surface water delivery systems on the Columbia Basin Project.

(b) \$150,000 may be used for improvements at EL 85, including radial arm gates.

(2) \$5,000,000 of the appropriation is provided solely for the continued development and building of the EL 22.1 surface water irrigation system including a canal pump station, an electrical power substation, booster pump stations, and a large diameter full-sized pipeline sufficient to irrigate 16,000 acres.

(3) The east Columbia basin irrigation district may only be allowed to make any administrative charges sufficient to administer the state grants, not to exceed one percent of amounts provided to them within this appropriation, with the requirement to report administrative expenditures to the office of Columbia river annually.

Appropriation:

Columbia River Basin Water Supply Revenue

Recovery Account—State \$1,500,000

State Building Construction Account—State \$43,500,000

Subtotal Appropriation \$45,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$160,000,000

TOTAL \$205,000,000

NEW SECTION. Sec. 3104. FOR THE DEPARTMENT OF ECOLOGY

2021-23 Yakima River Basin Water Supply (40000422)

Appropriation:

State Building Construction Account—State \$42,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$168,000,000

TOTAL \$210,000,000

NEW SECTION. Sec. 3105. FOR THE DEPARTMENT OF ECOLOGY

2021-23 Product Replacement Program (40000436)

Appropriation:

Model Toxics Control Capital Account—State \$6,500,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$26,000,000

TOTAL \$32,500,000

NEW SECTION. Sec. 3106. FOR THE DEPARTMENT OF ECOLOGY

Water Availability (91000343)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3011, chapter 298, Laws of 2018.

Reappropriation:

Watershed Restoration and Enhancement Bond

Account—State \$7,943,000

Prior Biennia (Expenditures) \$5,657,000

Future Biennia (Projected Costs) \$0

TOTAL \$13,600,000

NEW SECTION. Sec. 3107. FOR THE DEPARTMENT OF ECOLOGY

Skagit Water (91000347)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3012, chapter 298, Laws of 2018.

Reappropriation:

State Building Construction Account—State \$2,290,000

Prior Biennia (Expenditures) \$210,000

Future Biennia (Projected Costs) \$0

TOTAL \$2,500,000

NEW SECTION. Sec. 3108. FOR THE DEPARTMENT OF ECOLOGY

PFAS Pilot Project (91000359)

The appropriations in this section are subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3103, chapter 413, Laws of 2019.

Reappropriation:
 State Building Construction Account—
 State \$400,000

Appropriation:
 State Building Construction Account—
 State \$750,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$1,150,000

NEW SECTION. Sec. 3109. FOR THE DEPARTMENT OF ECOLOGY

Storm Water Improvements (92000076)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3028, chapter 2, Laws of 2018.

Reappropriation:
 State Building Construction Account—
 State \$29,293,000

Prior Biennia (Expenditures)
 \$67,673,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$96,966,000

NEW SECTION. Sec. 3110. FOR THE DEPARTMENT OF ECOLOGY

Drought Response (92000142)

Reappropriation:
 State Drought Preparedness Account—
 State \$1,215,000

Prior Biennia (Expenditures)
 \$5,508,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$6,723,000

NEW SECTION. Sec. 3111. FOR THE DEPARTMENT OF ECOLOGY

Port of Tacoma Arkema/Dunlap Mound
 (92000158)

Reappropriation:
 State Building Construction Account—
 State \$727,000

Prior Biennia (Expenditures)
 \$2,173,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$2,900,000

NEW SECTION. Sec. 3112. FOR THE DEPARTMENT OF ECOLOGY

2021-23 Water Banking (91000373)

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

(1) (a) The appropriations in this section are provided solely for the department to administer a pilot grant program for water banking strategies to meet local water needs.

(b) \$2,000,000 is provided solely for qualified applicants located within the Methow River Basin.

(2) (a) Grant awards may only be used for:

(i) Development of water banks in rural counties as defined in RCW 82.14.370(5);

(ii) Acquisition of water rights appropriate for use in a water bank including all costs necessary to evaluate the water right for eligibility for its intended use; and

(iii) Activities necessary to facilitate the creation of a water bank.

(b) For applicants located outside of the Methow River Basin, grant awards may only be used for the development of water banks in rural counties that have the headwaters of a major watershed within their borders and only for water banking strategies within the county of origin. For purposes of this section, "major watershed" has the same meaning as shoreline of statewide significance in RCW 90.58.030(2)(f)(v)(A) and (B).

(3) Grant awards may not exceed \$2,000,000 per applicant.

(4) For the purposes of a grant pursuant to this section, a water bank must meet water needs, which include, but are not limited to, agricultural use and instream flow for fish and wildlife. The water bank must preserve water rights for use in the county of origin and for permanent instream flows for fish and wildlife through the primary and secondary reaches of the water right.

(5) To be eligible to receive a grant under this section, an applicant must:

(a) Be a public entity or a participant in a public-private partnership with a public entity;

(b) Exhibit sufficient expertise and capacity to develop and maintain a water bank consistent with the purposes of this appropriation;

(c) Secure a valid interest to purchase a water right;

(d) Show that the water rights appear to be adequate for the intended use; and

(e) Agree to have one-third of any water right purchased with the funds appropriated under this section to have its purpose of use changed permanently to instream flow benefiting fish and wildlife.

Appropriation:

State Building Construction Account—
State \$5,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$5,000,000

NEW SECTION. Sec. 3113. FOR THE DEPARTMENT OF ECOLOGY

Pier 63 Creosote Removal (92000193)

Appropriation:

Model Toxics Control Capital Account—
State \$1,500,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$1,500,000

NEW SECTION. Sec. 3114. FOR THE POLLUTION LIABILITY INSURANCE PROGRAM

Underground Storage Tank Capital Program Demonstration and Design (30000001)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3085, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:

Pollution Liability Insurance Program Trust

Account—State \$228,000

Prior Biennia (Expenditures)
\$1,572,000

Future Biennia (Projected Costs)
\$0

TOTAL \$1,800,000

NEW SECTION. Sec. 3115. FOR THE POLLUTION LIABILITY INSURANCE PROGRAM

Underground Storage Tank Capital Financial Assistance Program (30000002)

Reappropriation:

PLIA Underground Storage Tank Revolving Account—

State \$1,638,000

Prior Biennia (Expenditures)
\$6,318,000

Future Biennia (Projected Costs)
\$0

TOTAL \$7,956,000

NEW SECTION. Sec. 3116. FOR THE POLLUTION LIABILITY INSURANCE PROGRAM

Leaking Tank Model Remedies (30000669)

Reappropriation:

State Building Construction Account—
State \$639,000

Prior Biennia (Expenditures)
\$467,000

Future Biennia (Projected Costs)
\$0

TOTAL \$1,106,000

NEW SECTION. Sec. 3117. FOR THE POLLUTION LIABILITY INSURANCE PROGRAM

Underground Storage Tank Capital Financing Assistance Pgm 2019-21 (30000702)

Reappropriation:

Pollution Liability Insurance Agency Underground

Storage Tank Revolving Account—State
\$11,650,000

Prior Biennia (Expenditures)
\$850,000

Future Biennia (Projected Costs)
\$0

TOTAL \$12,500,000

NEW SECTION. Sec. 3118. FOR THE POLLUTION LIABILITY INSURANCE PROGRAM

2019-21 Leaking Tank Model Remedies Activity (30000703)

Reappropriation:

Pollution Liability Insurance Program Trust

Account—State \$732,000

Appropriation:

Pollution Liability Insurance Program Trust

Account—State \$263,000

Prior Biennia (Expenditures) \$32,000

Future Biennia (Projected Costs) \$1,052,000

TOTAL \$2,079,000

NEW SECTION. Sec. 3119. FOR THE POLLUTION LIABILITY INSURANCE PROGRAM

Heating Oil Capital Financing Assistance Program (30000704)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3026, chapter 356, Laws of 2020.

Reappropriation:

PLIA Underground Storage Tank Revolving Account—

State \$4,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL \$4,000,000

NEW SECTION. Sec. 3120. FOR THE POLLUTION LIABILITY INSURANCE PROGRAM

2021-23 Underground Storage Tank Capital Financial Assistance Pgm (30000705)

Appropriation:

PLIA Underground Storage Tank Revolving Account—

State \$12,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$48,000,000

TOTAL \$60,000,000

NEW SECTION. Sec. 3121. FOR THE POLLUTION LIABILITY INSURANCE PROGRAM

2021-23 Heating Oil Capital Financing Assistance Program (30000706)

Appropriation:

PLIA Underground Storage Tank Revolving Account—

State \$8,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$32,000,000

TOTAL \$40,000,000

NEW SECTION. Sec. 3122. FOR THE POLLUTION LIABILITY INSURANCE PROGRAM

Underground Storage Tank Capital Financial Assistance Pgm 2017-19 (92000001)

Reappropriation:

PLIA Underground Storage Tank Revolving Account—

State \$10,330,000

Prior Biennia (Expenditures) \$2,370,000

Future Biennia (Projected Costs) \$0

TOTAL \$12,700,000

NEW SECTION. Sec. 3123. FOR THE STATE PARKS AND RECREATION COMMISSION

Fort Flagler - Welcome Center Replacement (30000097)

Appropriation:

State Building Construction Account— State \$1,446,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL \$1,446,000

NEW SECTION. Sec. 3124. FOR THE STATE PARKS AND RECREATION COMMISSION

Fort Simcoe - Historic Officers Quarters Renovation (30000155)

Reappropriation:

State Building Construction Account— State \$208,000

Prior Biennia (Expenditures) \$84,000

Future Biennia (Projected Costs) \$0

TOTAL \$292,000

**NEW SECTION. Sec. 3125. FOR THE STATE
PARKS AND RECREATION COMMISSION**

Sun Lakes State Park: Dry Falls
Campground Renovation (30000305)

Reappropriation:

State Building Construction Account—
State \$305,000

Prior Biennia (Expenditures)
\$97,000

Future Biennia (Projected Costs)
\$0

TOTAL \$402,000

**NEW SECTION. Sec. 3126. FOR THE STATE
PARKS AND RECREATION COMMISSION**

Lake Chelan State Park Moorage Dock
Pile Replacement (30000416)

Reappropriation:

State Building Construction Account—
State \$821,000

Prior Biennia (Expenditures)
\$1,023,000

Future Biennia (Projected Costs)
\$0

TOTAL \$1,844,000

**NEW SECTION. Sec. 3127. FOR THE STATE
PARKS AND RECREATION COMMISSION**

Willapa Hills Trail Develop Safe
Multi-Use Trail Crossing at SR 6
(30000519)

Reappropriation:

State Building Construction Account—
State \$4,902,000

Prior Biennia (Expenditures)
\$481,000

Future Biennia (Projected Costs)
\$0

TOTAL \$5,383,000

**NEW SECTION. Sec. 3128. FOR THE STATE
PARKS AND RECREATION COMMISSION**

Schafer Relocate Campground (30000532)

Reappropriation:

State Building Construction Account—
State \$3,978,000

Prior Biennia (Expenditures)
\$788,000

Future Biennia (Projected Costs)
\$0

TOTAL \$4,766,000

**NEW SECTION. Sec. 3129. FOR THE STATE
PARKS AND RECREATION COMMISSION**

Steamboat Rock Build Dunes Campground
(30000729)

Reappropriation:

State Building Construction Account—
State \$200,000

Prior Biennia (Expenditures)
\$4,137,000

Future Biennia (Projected Costs)
\$0

TOTAL \$4,337,000

**NEW SECTION. Sec. 3130. FOR THE STATE
PARKS AND RECREATION COMMISSION**

Kopachuck Day Use Development
(30000820)

Reappropriation:

State Building Construction Account—
State \$4,914,000

Prior Biennia (Expenditures)
\$1,024,000

Future Biennia (Projected Costs)
\$0

TOTAL \$5,938,000

**NEW SECTION. Sec. 3131. FOR THE STATE
PARKS AND RECREATION COMMISSION**

Local Grant Authority (30000857)

Appropriation:

Parks Renewal and Stewardship
Account—

Private/Local \$2,000,000

Prior Biennia (Expenditures)
\$4,516,000

Future Biennia (Projected Costs)
\$8,000,000

TOTAL \$14,516,000

**NEW SECTION. Sec. 3132. FOR THE STATE
PARKS AND RECREATION COMMISSION**

Federal Grant Authority (30000858)

Appropriation:

General Fund—Federal \$750,000

Prior Biennia (Expenditures)
\$1,900,000

Future Biennia (Projected Costs)
\$3,000,000

TOTAL \$5,650,000

**NEW SECTION. Sec. 3133. FOR THE STATE
PARKS AND RECREATION COMMISSION**

Lake Sammamish Dock Grant Match
(30000872)

Reappropriation:

State Building Construction Account—
State \$938,000

Prior Biennia (Expenditures)
\$142,000

Future Biennia (Projected Costs)
\$0

TOTAL \$1,080,000

**NEW SECTION. Sec. 3134. FOR THE STATE
PARKS AND RECREATION COMMISSION**

Birch Bay - Repair Failing Bridge
(30000876)

Reappropriation:

State Building Construction Account—
State \$55,000

Prior Biennia (Expenditures)
\$193,000

Future Biennia (Projected Costs)
\$0

TOTAL \$248,000

**NEW SECTION. Sec. 3135. FOR THE STATE
PARKS AND RECREATION COMMISSION**

Fort Worden - Pier & Marine Learning
Center Improve or Replace (30000950)

Reappropriation:

State Building Construction Account—
State \$26,000

Prior Biennia (Expenditures)
\$708,000

Future Biennia (Projected Costs)
\$11,016,000

TOTAL \$11,750,000

**NEW SECTION. Sec. 3136. FOR THE STATE
PARKS AND RECREATION COMMISSION**

Field Spring Replace Failed Sewage
Syst & Non-ADA Comfort Station (30000951)

Reappropriation:

State Building Construction Account—
State \$1,023,000

Prior Biennia (Expenditures)
\$245,000

Future Biennia (Projected Costs)
\$0

TOTAL \$1,268,000

**NEW SECTION. Sec. 3137. FOR THE STATE
PARKS AND RECREATION COMMISSION**

Mount Spokane - Maintenance Facility
Relocation from Harms Way (30000959)

Reappropriation:

State Building Construction Account—
State \$1,834,000

Prior Biennia (Expenditures)
\$607,000

Future Biennia (Projected Costs)
\$0

TOTAL \$2,441,000

**NEW SECTION. Sec. 3138. FOR THE STATE
PARKS AND RECREATION COMMISSION**

Parkland Acquisition (30000976)

Appropriation:

Parkland Acquisition Account—State
\$2,000,000

Prior Biennia (Expenditures)
\$2,245,000

Future Biennia (Projected Costs)
\$8,000,000

TOTAL \$12,245,000

**NEW SECTION. Sec. 3139. FOR THE STATE
PARKS AND RECREATION COMMISSION**

Minor Works - Facilities and
Infrastructure (30000978)

Reappropriation:

State Building Construction Account—
State \$338,000

Prior Biennia (Expenditures)
\$4,253,000

Future Biennia (Projected Costs)
\$0

TOTAL \$4,591,000

**NEW SECTION. Sec. 3140. FOR THE STATE
PARKS AND RECREATION COMMISSION**

Penrose Point Sewer Improvements
(30000981)

Reappropriation:

State Building Construction Account—
State \$629,000

Prior Biennia (Expenditures) \$110,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$739,000

NEW SECTION. Sec. 3141. FOR THE STATE PARKS AND RECREATION COMMISSION

Palouse Falls Day Use Area Renovation (30000983)

Reappropriation:

State Building Construction Account—State \$217,000

Prior Biennia (Expenditures) \$3,000

Future Biennia (Projected Costs) \$0

TOTAL \$220,000

NEW SECTION. Sec. 3142. FOR THE STATE PARKS AND RECREATION COMMISSION

Lake Sammamish Sunset Beach Picnic Area (30000984)

Reappropriation:

State Building Construction Account—State \$2,383,000

Prior Biennia (Expenditures) \$377,000

Future Biennia (Projected Costs) \$0

TOTAL \$2,760,000

NEW SECTION. Sec. 3143. FOR THE STATE PARKS AND RECREATION COMMISSION

Statewide Water System Renovation (30001016)

Reappropriation:

State Building Construction Account—State \$103,000

Prior Biennia (Expenditures) \$397,000

Future Biennia (Projected Costs) \$0

TOTAL \$500,000

NEW SECTION. Sec. 3144. FOR THE STATE PARKS AND RECREATION COMMISSION

Statewide Electrical System Renovation (30001018)

Reappropriation:

State Building Construction Account—State \$100,000

Prior Biennia (Expenditures) \$629,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$729,000

NEW SECTION. Sec. 3145. FOR THE STATE PARKS AND RECREATION COMMISSION

Statewide New Park (30001019)

Reappropriation:

State Building Construction Account—State \$256,000

Prior Biennia (Expenditures) \$57,000

Future Biennia (Projected Costs) \$0

TOTAL \$313,000

NEW SECTION. Sec. 3146. FOR THE STATE PARKS AND RECREATION COMMISSION

Step toe Butte Road Improvements (30001076)

Reappropriation:

State Building Construction Account—State \$178,000

Prior Biennia (Expenditures) \$288,000

Future Biennia (Projected Costs) \$0

TOTAL \$466,000

NEW SECTION. Sec. 3147. FOR THE STATE PARKS AND RECREATION COMMISSION

Statewide Fish Barrier Removal (40000010)

Reappropriation:

State Building Construction Account—State \$1,605,000

Prior Biennia (Expenditures) \$300,000

Future Biennia (Projected Costs) \$0

TOTAL \$1,905,000

NEW SECTION. Sec. 3148. FOR THE STATE PARKS AND RECREATION COMMISSION

Statewide Electric Vehicle Charging Stations (40000016)

Reappropriation:

State Building Construction Account—State \$175,000

Prior Biennia (Expenditures)
\$25,000

Future Biennia (Projected Costs)
\$0

TOTAL \$200,000

**NEW SECTION. Sec. 3149. FOR THE STATE
PARKS AND RECREATION COMMISSION**

Preservation Minor Works 2019-21
(40000151)

Reappropriation:

State Building Construction Account—
State \$1,139,000

Prior Biennia (Expenditures)
\$3,308,000

Future Biennia (Projected Costs)
\$0

TOTAL \$4,447,000

**NEW SECTION. Sec. 3150. FOR THE STATE
PARKS AND RECREATION COMMISSION**

Nisqually New Full Service Park
(40000153)

Reappropriation:

State Building Construction Account—
State \$2,788,000

Appropriation:

State Building Construction Account—
State \$11,126,000

Prior Biennia (Expenditures)
\$1,069,000

Future Biennia (Projected Costs)
\$20,945,000

TOTAL \$35,928,000

**NEW SECTION. Sec. 3151. FOR THE STATE
PARKS AND RECREATION COMMISSION**

Palouse to Cascade Trail - Crab Creek
Trestle Replacement (40000162)

Reappropriation:

State Building Construction Account—
State \$79,000

Prior Biennia (Expenditures)
\$171,000

Future Biennia (Projected Costs)
\$0

TOTAL \$250,000

**NEW SECTION. Sec. 3152. FOR THE STATE
PARKS AND RECREATION COMMISSION**

Fort Flagler Historic Theater
Restoration (40000188)

Appropriation:

State Building Construction Account—
State \$196,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$1,030,000

TOTAL \$1,226,000

**NEW SECTION. Sec. 3153. FOR THE STATE
PARKS AND RECREATION COMMISSION**

Nisqually Day Use Improvements
(40000202)

Appropriation:

State Building Construction Account—
State \$383,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$16,828,000

TOTAL \$17,211,000

**NEW SECTION. Sec. 3154. FOR THE STATE
PARKS AND RECREATION COMMISSION**

Saint Edward Maintenance Facility
(40000218)

Appropriation:

State Building Construction Account—
State \$2,199,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$2,199,000

**NEW SECTION. Sec. 3155. FOR THE STATE
PARKS AND RECREATION COMMISSION**

Minor Works - Preservation 2021-23
(40000364)

Appropriation:

State Building Construction Account—
State \$7,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$7,000,000

**NEW SECTION. Sec. 3156. FOR THE STATE
PARKS AND RECREATION COMMISSION**

Minor Works - Program 2021-23
(40000365)

Appropriation:

State Building Construction Account—
State \$1,936,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs)
\$0

TOTAL \$1,936,000

**NEW SECTION. Sec. 3157. FOR THE STATE
PARKS AND RECREATION COMMISSION**

2021-23 Recreational Marine Sewage
Disposal Program (CVA) (40000366)

Appropriation:

General Fund—Federal \$2,600,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs)
\$10,400,000

TOTAL \$13,000,000

**NEW SECTION. Sec. 3158. FOR THE STATE
PARKS AND RECREATION COMMISSION**

Forest Health & Hazard Reduction 2021-
23 (40000371)

Appropriation:

State Building Construction Account—
State \$800,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs)
\$0

TOTAL \$800,000

**NEW SECTION. Sec. 3159. FOR THE STATE
PARKS AND RECREATION COMMISSION**

Comfort Station Pilot Project
(91000433)

The reappropriation in this section is
subject to the following conditions and
limitations: The reappropriation is
subject to the provisions of section
3043, chapter 298, Laws of 2018.

Reappropriation:

State Building Construction Account—
State \$54,000

Prior Biennia (Expenditures)
\$1,113,000

Future Biennia (Projected Costs)
\$0

TOTAL \$1,167,000

**NEW SECTION. Sec. 3160. FOR THE STATE
PARKS AND RECREATION COMMISSION**

Fort Flagler Campground Road
Relocation (91000434)

Appropriation:

State Building Construction Account—
State \$660,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$660,000

**NEW SECTION. Sec. 3161. FOR THE STATE
PARKS AND RECREATION COMMISSION**

State Parks Capital Preservation Pool
(92000014)

Reappropriation:

State Building Construction Account—
State \$11,239,000

Prior Biennia (Expenditures)
\$19,761,000

Future Biennia (Projected Costs)
\$0

TOTAL \$31,000,000

**NEW SECTION. Sec. 3162. FOR THE STATE
PARKS AND RECREATION COMMISSION**

St. Edward Environmental Education and
Research Center (92000016)

Reappropriation:

State Building Construction Account—
State \$264,000

Prior Biennia (Expenditures)
\$486,000

Future Biennia (Projected Costs)
\$0

TOTAL \$750,000

**NEW SECTION. Sec. 3163. FOR THE STATE
PARKS AND RECREATION COMMISSION**

2021-23 State Parks Capital
Preservation Pool (92000017)

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

(1) The appropriation in this section
is provided solely for a pool of eligible
projects owned by the state parks and
recreation commission.

(2) The following projects are the
only projects eligible for funding in
this section:

- (a) Larrabee Water System Replacement;

(b) Cape Disappointment - Welcome Center and Entrance Improvements;

(c) Blake Island Marine Facilities Improvements;

(d) Cape Disappointment: Campground Access Road Culverts;

(e) Twenty-Five Mile Creek - Replace Moorage Floats;

(f) Maryhill Parkwide Septic System Overhaul;

(g) Palouse to Cascade Trail - Crab Creek Trestle Replacement;

(h) Mount Spokane - Maintenance Facility Relocation from Harms Way;

(i) Sun Lakes Replace Primary Lift Station;

(j) Lyons Ferry Campground Reestablishment;

(k) Pearrygin Lake West Campground Development;

(l) Palouse Falls Day Use Area Renovation;

(m) Birch Bay - Repair Failing Bridge;

(n) Centennial Trail Paving Repair and Overlay;

(o) Deception Pass - Bowman Bay Pier Replacement;

(p) Ike Kinswa: Main Campground Loop Utility Upgrades;

(q) South Whidbey - Campground to Day Use Conversion;

(r) Wallace Falls Water System Replacement;

(s) Willapa Hills Trail: Bridge 48 and Trail Relocation;

(t) Statewide - Facility & Infrastructure Backlog Reduction 2021-23;

(u) Statewide - ADA Compliance 2021-23;

(v) Statewide - Code/Regulatory Compliance 2021-23;

(w) Statewide - Marine Facilities Rehabilitation 2021-23;

(x) Palouse to Cascades Trail - Repair Trestles and Trail Access;

(y) Electrical, Water and Sewer Infrastructure Preservation 2021-23;

(z) Statewide Park Paving Projects 2021-23;

(aa) Statewide Park Comfort Station Replacements 2021-23;

(bb) Wallace Falls Parking Expansion;

(cc) Lake Wenatchee-Pedestrian Bridge; and

(dd) Twanoh-Shoreline Restoration.

(3) The commission shall report to the governor and the appropriate committees of the legislature the list of projects with funding levels, allotments, and schedules for the projects in this section by January 1, 2022.

Appropriation:

State Building Construction Account—
State \$39,500,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$39,500,000

NEW SECTION. Sec. 3164. FOR THE RECREATION AND CONSERVATION OFFICE

Washington Wildlife Recreation Grants
(30000139)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is provided solely for the list of projects in LEAP capital document No. 2011-3A, developed May 24, 2011.

Reappropriation:

Outdoor Recreation Account—State
\$637,000

Prior Biennia (Expenditures)
\$41,363,000

Future Biennia (Projected Costs)
\$0

TOTAL \$42,000,000

NEW SECTION. Sec. 3165. FOR THE RECREATION AND CONSERVATION OFFICE

Washington Wildlife Recreation Grants
(30000205)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 3161, chapter 19, Laws of 2013 2nd sp. sess.

Reappropriation:

Farm and Forest Account—State
 \$616,000

Habitat Conservation Account—State
 \$132,000

Outdoor Recreation Account—State
 \$2,189,000

Riparian Protection Account—State
 \$470,000

Subtotal Reappropriation
 \$3,407,000

Prior Biennia (Expenditures)
 \$61,593,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$65,000,000

NEW SECTION. Sec. 3166. FOR THE RECREATION AND CONSERVATION OFFICE

Salmon Recovery Funding Board Programs (30000206)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3162, chapter 19, Laws of 2013 2nd sp. sess.

Reappropriation:

General Fund—Federal \$5,334,000

Prior Biennia (Expenditures)
 \$55,768,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$61,102,000

NEW SECTION. Sec. 3167. FOR THE RECREATION AND CONSERVATION OFFICE

Aquatic Lands Enhancement Account (30000210)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation in this section is provided solely for the list of projects in LEAP capital document No. 2013-2B, developed April 10, 2013.

Reappropriation:

Aquatic Lands Enhancement Account—State \$124,000

Prior Biennia (Expenditures)
 \$5,876,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$6,000,000

NEW SECTION. Sec. 3168. FOR THE RECREATION AND CONSERVATION OFFICE

Puget Sound Acquisition and Restoration (30000211)

Reappropriation:

State Building Construction Account—State \$903,000

Prior Biennia (Expenditures)
 \$69,097,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$70,000,000

NEW SECTION. Sec. 3169. FOR THE RECREATION AND CONSERVATION OFFICE

Puget Sound Estuary and Salmon Restoration Program (30000212)

Reappropriation:

State Building Construction Account—State \$226,000

Prior Biennia (Expenditures)
 \$9,774,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$10,000,000

NEW SECTION. Sec. 3170. FOR THE RECREATION AND CONSERVATION OFFICE

Land and Water Conservation (30000216)

Reappropriation:

General Fund—Federal \$495,000

Prior Biennia (Expenditures)
 \$3,505,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$4,000,000

NEW SECTION. Sec. 3171. FOR THE RECREATION AND CONSERVATION OFFICE

Washington Wildlife Recreation Grants (30000220)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations in this section are provided solely for the list of projects in LEAP capital document No. 2015-1, developed June 30, 2015.

Reappropriation:

Farm and Forest Account—State
 \$1,181,000

Habitat Conservation Account—State
 \$2,910,000

Outdoor Recreation Account—State
 \$3,268,000

Riparian Protection Account—State
 \$1,345,000

Subtotal Reappropriation
 \$8,704,000

Prior Biennia (Expenditures)
 \$46,619,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$55,323,000

NEW SECTION. Sec. 3172. FOR THE RECREATION AND CONSERVATION OFFICE

Salmon Recovery Funding Board Programs (30000221)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 3164, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:

General Fund—Federal \$515,000

State Building Construction Account—State \$1,778,000

Subtotal Reappropriation
 \$2,293,000

Prior Biennia (Expenditures)
 \$64,052,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$66,345,000

NEW SECTION. Sec. 3173. FOR THE RECREATION AND CONSERVATION OFFICE

Boating Facilities Program (30000222)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3024, chapter 35, Laws of 2016 sp. sess.

Reappropriation:

Recreation Resources Account—State
 \$49,000

Prior Biennia (Expenditures)
 \$14,161,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$14,210,000

NEW SECTION. Sec. 3174. FOR THE RECREATION AND CONSERVATION OFFICE

Nonhighway Off-Road Vehicle Activities (30000223)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3025, chapter 35, Laws of 2016 sp. sess.

Reappropriation:

NOVA Program Account—State
 \$344,000

Prior Biennia (Expenditures)
 \$11,481,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$11,825,000

NEW SECTION. Sec. 3175. FOR THE RECREATION AND CONSERVATION OFFICE

Youth Athletic Facilities (30000224)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3167, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:

State Building Construction Account—State \$1,296,000

Prior Biennia (Expenditures)
 \$10,024,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$11,320,000

NEW SECTION. Sec. 3176. FOR THE RECREATION AND CONSERVATION OFFICE

Aquatic Lands Enhancement Account (30000225)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation in this section is provided solely for the list of projects in LEAP capital document No. 2015-2, developed June 30, 2015.

Reappropriation:

Aquatic Lands Enhancement Account—State \$268,000

Prior Biennia (Expenditures)
 \$5,001,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$5,269,000

NEW SECTION. Sec. 3177. FOR THE RECREATION AND CONSERVATION OFFICE

Puget Sound Acquisition and Restoration (30000226)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3169, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:

State Building Construction Account—State \$1,792,000
 Prior Biennia (Expenditures)
 \$35,208,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$37,000,000

NEW SECTION. Sec. 3178. FOR THE RECREATION AND CONSERVATION OFFICE

Puget Sound Estuary and Salmon Restoration Program (30000227)

Reappropriation:

State Building Construction Account—State \$82,000
 Prior Biennia (Expenditures)
 \$7,918,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$8,000,000

NEW SECTION. Sec. 3179. FOR THE RECREATION AND CONSERVATION OFFICE

Firearms and Archery Range Recreation (30000228)

Reappropriation:

Firearms Range Account—State \$41,000
 Prior Biennia (Expenditures)
 \$428,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$469,000

NEW SECTION. Sec. 3180. FOR THE RECREATION AND CONSERVATION OFFICE

Recreational Trails Program (30000229)
 Reappropriation:

General Fund—Federal \$607,000
 Prior Biennia (Expenditures)
 \$3,980,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$4,587,000

NEW SECTION. Sec. 3181. FOR THE RECREATION AND CONSERVATION OFFICE

Boating Infrastructure Grants (30000230)

Reappropriation:

General Fund—Federal \$632,000
 Prior Biennia (Expenditures)
 \$1,207,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$1,839,000

NEW SECTION. Sec. 3182. FOR THE RECREATION AND CONSERVATION OFFICE

Land and Water Conservation (30000231)
 Reappropriation:

General Fund—Federal \$474,000
 Prior Biennia (Expenditures)
 \$3,317,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$3,791,000

NEW SECTION. Sec. 3183. FOR THE RECREATION AND CONSERVATION OFFICE

Family Forest Fish Passage Program (30000233)

Reappropriation:

State Building Construction Account—State \$160,000
 Prior Biennia (Expenditures)
 \$4,840,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$5,000,000

NEW SECTION. Sec. 3184. FOR THE RECREATION AND CONSERVATION OFFICE

Salmon Recovery Funding Board Programs (30000408)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 3070, chapter 2, Laws of 2018.

Reappropriation:

General Fund—Federal \$32,369,000

State Building Construction Account—State \$1,642,000

Subtotal Reappropriation \$34,011,000

Prior Biennia (Expenditures) \$32,202,000

Future Biennia (Projected Costs) \$0

TOTAL \$66,213,000

NEW SECTION. Sec. 3185. FOR THE RECREATION AND CONSERVATION OFFICE

2017-19 Washington Wildlife Recreation Grants (30000409)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations in this section are provided solely for the list of projects in LEAP capital document No. 2017-42, developed July 20, 2017, and LEAP capital document No. 2018-6H, developed January 3, 2018.

Reappropriation:

Farm and Forest Account—State \$5,860,000

Habitat Conservation Account—State \$12,592,000

Outdoor Recreation Account—State \$12,474,000

Subtotal Reappropriation \$30,926,000

Prior Biennia (Expenditures) \$49,074,000

Future Biennia (Projected Costs) \$0

TOTAL \$80,000,000

NEW SECTION. Sec. 3186. FOR THE RECREATION AND CONSERVATION OFFICE

Boating Facilities Program (30000410)

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

subject to the provisions of section 3072, chapter 2, Laws of 2018.

Reappropriation:

Recreation Resources Account—State \$5,902,000

Prior Biennia (Expenditures) \$11,273,000

Future Biennia (Projected Costs) \$0

TOTAL \$17,175,000

NEW SECTION. Sec. 3187. FOR THE RECREATION AND CONSERVATION OFFICE

Nonhighway Off-Road Vehicle Activities (30000411)

Reappropriation:

NOVA Program Account—State \$895,000

Prior Biennia (Expenditures) \$12,300,000

Future Biennia (Projected Costs) \$0

TOTAL \$13,195,000

NEW SECTION. Sec. 3188. FOR THE RECREATION AND CONSERVATION OFFICE

Youth Athletic Facilities (30000412)

Reappropriation:

State Building Construction Account—State \$1,302,000

Prior Biennia (Expenditures) \$2,775,000

Future Biennia (Projected Costs) \$0

TOTAL \$4,077,000

NEW SECTION. Sec. 3189. FOR THE RECREATION AND CONSERVATION OFFICE

Aquatic Lands Enhancement Account (30000413)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations in this section are provided solely for the list of projects in LEAP capital document No. 2018-9H, developed March 5, 2018.

Reappropriation:

Aquatic Lands Enhancement Account—State \$884,000

State Building Construction Account—State \$2,732,000

Subtotal Reappropriation
 \$3,616,000
 Prior Biennia (Expenditures)
 \$8,669,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$12,285,000

NEW SECTION. Sec. 3190. FOR THE RECREATION AND CONSERVATION OFFICE

Puget Sound Acquisition and Restoration (30000414)
 Reappropriation:
 State Building Construction Account—State \$16,640,000
 Prior Biennia (Expenditures)
 \$23,360,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$40,000,000

NEW SECTION. Sec. 3191. FOR THE RECREATION AND CONSERVATION OFFICE

Puget Sound Estuary and Salmon Restoration Program (30000415)
 Reappropriation:
 State Building Construction Account—State \$3,020,000
 Prior Biennia (Expenditures)
 \$4,980,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$8,000,000

NEW SECTION. Sec. 3192. FOR THE RECREATION AND CONSERVATION OFFICE

Firearms and Archery Range Recreation (30000416)
 Reappropriation:
 Firearms Range Account—State \$561,000
 Prior Biennia (Expenditures)
 \$252,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$813,000

NEW SECTION. Sec. 3193. FOR THE RECREATION AND CONSERVATION OFFICE

Recreational Trails Program (30000417)
 Reappropriation:

General Fund—Federal \$253,000
 Prior Biennia (Expenditures)
 \$4,747,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$5,000,000

NEW SECTION. Sec. 3194. FOR THE RECREATION AND CONSERVATION OFFICE

Land and Water Conservation (30000419)
 Reappropriation:
 General Fund—Federal \$835,000
 Prior Biennia (Expenditures)
 \$3,127,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$3,962,000

NEW SECTION. Sec. 3195. FOR THE RECREATION AND CONSERVATION OFFICE

Washington Coastal Restoration Initiative (30000420)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3082, chapter 2, Laws of 2018.

Reappropriation:
 State Building Construction Account—State \$5,769,000
 Prior Biennia (Expenditures)
 \$6,731,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$12,500,000

NEW SECTION. Sec. 3196. FOR THE RECREATION AND CONSERVATION OFFICE

Family Forest Fish Passage Program (40000001)
 Reappropriation:
 State Building Construction Account—State \$106,000
 Prior Biennia (Expenditures)
 \$4,894,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$5,000,000

NEW SECTION. Sec. 3197. FOR THE RECREATION AND CONSERVATION OFFICE

2019-21 - Washington Wildlife
Recreation Grants (40000002)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 3200, chapter 413, Laws of 2019.

Reappropriation:

Farm and Forest Account—State
\$6,880,000

Habitat Conservation Account—State
\$20,349,000

Outdoor Recreation Account—State
\$28,025,000

Subtotal Reappropriation
\$55,254,000

Prior Biennia (Expenditures)
\$29,746,000

Future Biennia (Projected Costs)
\$0

TOTAL \$85,000,000

NEW SECTION. Sec. 3198. FOR THE RECREATION AND CONSERVATION OFFICE

2019-21 - Salmon Recovery Funding Board Programs (40000004)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 3201, chapter 413, Laws of 2019.

Reappropriation:

General Fund—Federal \$41,394,000

State Building Construction Account—
State \$17,918,000

Subtotal Reappropriation
\$59,312,000

Prior Biennia (Expenditures)
\$15,688,000

Future Biennia (Projected Costs)
\$0

TOTAL \$75,000,000

NEW SECTION. Sec. 3199. FOR THE RECREATION AND CONSERVATION OFFICE

2019-21 - Boating Facilities Program (40000005)

Reappropriation:

Recreation Resources Account—State
\$14,494,000

Prior Biennia (Expenditures)
\$3,378,000

Future Biennia (Projected Costs)
\$0

TOTAL \$17,872,000

NEW SECTION. Sec. 3200. FOR THE RECREATION AND CONSERVATION OFFICE

2019-21 - Nonhighway Off-Road Vehicle Activities (40000006)

Reappropriation:

NOVA Program Account—State
\$8,031,000

Prior Biennia (Expenditures)
\$3,380,000

Future Biennia (Projected Costs)
\$0

TOTAL \$11,411,000

NEW SECTION. Sec. 3201. FOR THE RECREATION AND CONSERVATION OFFICE

2019-21 - Youth Athletic Facilities (40000007)

The reappropriation in this section is subject to the following conditions and limitations: The amounts reappropriated in this section may be awarded only to projects approved by the legislature, as identified in LEAP capital documents No. 2020-467-HSBA, developed February 25, 2020, and No. 2020-467-HB, developed February 14, 2020.

Reappropriation:

State Building Construction Account—
State \$7,597,000

Prior Biennia (Expenditures)
\$4,403,000

Future Biennia (Projected Costs)
\$0

TOTAL \$12,000,000

NEW SECTION. Sec. 3202. FOR THE RECREATION AND CONSERVATION OFFICE

2019-21 - Aquatic Lands Enhancement Account (40000008)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation in this section is provided solely for the list of projects identified in LEAP capital document No. 2019-6H, developed April 27, 2019.

Reappropriation:

State Building Construction Account—
State \$6,044,000

Prior Biennia (Expenditures)
\$556,000

Future Biennia (Projected Costs)
\$0

TOTAL \$6,600,000

NEW SECTION. Sec. 3203. FOR THE RECREATION AND CONSERVATION OFFICE

2021-23 - Outdoor Recreation Equity (40000049)

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

(1) \$2,325,000 of the appropriation in this section is provided solely for the recreation and conservation office to provide planning, technical assistance, and predesign grants for projects that would directly benefit populations and communities that lack access to outdoor recreation facilities and resources. It is the intent of the legislature that these grants be available for: (a) Early action on, and in response to, the comprehensive equity review required of the recreation and conservation office during the 2021-2023 fiscal biennium; and (b) for reduction of barriers to participation in recreation and conservation office grant programs due to race, ethnicity, religion, income, geography, disability, and educational attainment. In awarding grants under this subsection, the recreation and conservation office shall prioritize applications that would directly benefit racially diverse neighborhoods within dense urban areas and small, rural communities where these grants would increase access to outdoor recreation facilities and resources by reducing access gaps. In ranking and sizing grants directly benefiting these groups, the recreation and conservation office shall also consider the financial capacity of the applicant and of the community that the grant would benefit.

(2) \$1,500,000 of the appropriation in this section is provided solely for the Trust for Public Lands' Metro Parks/Tacoma Schools Green Schoolyards Pilot, for projects at the following six schools: (a) Helen B. Stafford Elementary School; (b) Jennie Reed Elementary School; (c) Mann Elementary School; (d) Whitman Elementary School; (e) IDEA (Industrial Design, Engineering and Art)

School; and (f) Larchmont Elementary School.

(3) \$100,000 of the appropriation in this section is provided solely for the Trust for Public Lands' East Wenatchee Eastmont Park District/9th Street Park project.

(4) \$75,000 of the appropriation in this section is provided solely for the Trust for Public Lands to develop a statewide open space/recreation equity assessment tool to accomplish the following: (a) Expand the assessment tool outside of the Central Puget Sound region; and (b) to provide neighborhood data on open space and recreational access throughout Washington.

Appropriation:

State Building Construction Account—
State \$4,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$4,000,000

NEW SECTION. Sec. 3204. FOR THE RECREATION AND CONSERVATION OFFICE

2019-21 - Puget Sound Acquisition and Restoration (40000009)

Reappropriation:

State Building Construction Account—
State \$32,525,000

Prior Biennia (Expenditures)
\$16,982,000

Future Biennia (Projected Costs)
\$0

TOTAL \$49,507,000

NEW SECTION. Sec. 3205. FOR THE RECREATION AND CONSERVATION OFFICE

2019-21 - Puget Sound Estuary and Salmon Restoration Program (40000010)

Reappropriation:

State Building Construction Account—
State \$6,947,000

Prior Biennia (Expenditures)
\$3,053,000

Future Biennia (Projected Costs)
\$0

TOTAL \$10,000,000

NEW SECTION. Sec. 3206. FOR THE RECREATION AND CONSERVATION OFFICE

2019-21 - Washington Coastal
Restoration Initiative (40000011)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3208, chapter 413, Laws of 2019.

Reappropriation:

State Building Construction Account—
State \$10,000,000

Prior Biennia (Expenditures)
\$2,086,000

Future Biennia (Projected Costs)
\$0

TOTAL \$12,086,000

**NEW SECTION. Sec. 3207. FOR THE
RECREATION AND CONSERVATION OFFICE**

2019-21 - Brian Abbott Fish Barrier
Removal Board (40000012)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3209, chapter 413, Laws of 2019.

Reappropriation:

State Building Construction Account—
State \$19,822,000

Prior Biennia (Expenditures)
\$6,669,000

Future Biennia (Projected Costs)
\$0

TOTAL \$26,491,000

**NEW SECTION. Sec. 3208. FOR THE
RECREATION AND CONSERVATION OFFICE**

2019-21 - Firearms and Archery Range
(40000013)

Reappropriation:

Firearms Range Account—State
\$510,000

Prior Biennia (Expenditures)
\$225,000

Future Biennia (Projected Costs)
\$0

TOTAL \$735,000

**NEW SECTION. Sec. 3209. FOR THE
RECREATION AND CONSERVATION OFFICE**

2019-21 - Recreational Trails Program
(40000014)

Reappropriation:

General Fund—Federal \$4,224,000

Prior Biennia (Expenditures)
\$776,000

Future Biennia (Projected Costs)
\$0

TOTAL \$5,000,000

**NEW SECTION. Sec. 3210. FOR THE
RECREATION AND CONSERVATION OFFICE**

2019-21 - Boating Infrastructure
Grants (40000015)

Reappropriation:

General Fund—Federal \$2,181,000

Prior Biennia (Expenditures)
\$19,000

Future Biennia (Projected Costs)
\$0

TOTAL \$2,200,000

**NEW SECTION. Sec. 3211. FOR THE
RECREATION AND CONSERVATION OFFICE**

2019-21 - Land and Water Conservation
Fund (40000016)

Reappropriation:

General Fund—Federal \$4,072,000

Prior Biennia (Expenditures)
\$1,928,000

Future Biennia (Projected Costs)
\$0

TOTAL \$6,000,000

**NEW SECTION. Sec. 3212. FOR THE
RECREATION AND CONSERVATION OFFICE**

2019-21 Family Forest Fish Passage
Program (40000017)

Reappropriation:

State Building Construction Account—
State \$3,767,000

Prior Biennia (Expenditures)
\$1,233,000

Future Biennia (Projected Costs)
\$0

TOTAL \$5,000,000

**NEW SECTION. Sec. 3213. FOR THE
RECREATION AND CONSERVATION OFFICE**

2021-23 - Washington Wildlife
Recreation Grants (40000019)

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

section are provided solely for the list of projects identified in LEAP capital document No. 2021-42, developed April 15, 2021.

Appropriation:

Farm and Forest Account—State
\$10,000,000

Habitat Conservation Account—State
\$45,000,000

Outdoor Recreation Account—State
\$45,000,000

Subtotal Appropriation \$100,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$480,000,000

TOTAL \$580,000,000

NEW SECTION. Sec. 3214. FOR THE RECREATION AND CONSERVATION OFFICE

2021-23 - Salmon Recovery Funding Board Programs (40000021)

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

(1) \$2,400,000 of the state building construction account—state appropriation is provided solely to maintain the lead entity program as described in chapter 77.85 RCW.

(2) \$640,000 of the state building construction account—state appropriation is provided solely for regional fisheries enhancement groups created in RCW 77.95.060.

Appropriation:

General Fund—Federal \$50,000,000

State Building Construction Account—State \$30,000,000

Subtotal Appropriation \$80,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$400,000,000

TOTAL \$480,000,000

NEW SECTION. Sec. 3215. FOR THE RECREATION AND CONSERVATION OFFICE

2021-23 - Boating Facilities Program (40000023)

Appropriation:

Recreation Resources Account—State
\$14,950,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$60,000,000

TOTAL \$74,950,000

NEW SECTION. Sec. 3216. FOR THE RECREATION AND CONSERVATION OFFICE

2021-23 - Nonhighway Off-Road Vehicle Activities (40000025)

Appropriation:

NOVA Program Account—State
\$10,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$40,000,000

TOTAL \$50,000,000

NEW SECTION. Sec. 3217. FOR THE RECREATION AND CONSERVATION OFFICE

2021-23 - Youth Athletic Facilities (40000027)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for projects approved by the legislature, as identified in LEAP capital document No. RCO-2-HB-2021, developed April 15, 2021.

Appropriation:

State Building Construction Account—State \$11,227,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$44,908,000

TOTAL \$56,135,000

NEW SECTION. Sec. 3218. FOR THE RECREATION AND CONSERVATION OFFICE

2021-23 - Aquatic Lands Enhancement Account (40000029)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for projects approved by the legislature, as identified in LEAP capital document No. RCO-3.1-HB-2021, developed April 15, 2021.

Appropriation:

State Building Construction Account—
State \$9,100,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$36,400,000

TOTAL \$45,500,000

**NEW SECTION. Sec. 3219. FOR THE
RECREATION AND CONSERVATION OFFICE**

2021-23 - Puget Sound Acquisition and
Restoration (40000031)

Appropriation:

State Building Construction Account—
State \$52,807,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$219,800,000

TOTAL \$272,607,000

**NEW SECTION. Sec. 3220. FOR THE
RECREATION AND CONSERVATION OFFICE**

2021-23 - Washington Coastal
Restoration Initiative (40000033)

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

(1) The board may retain a portion of
the funds appropriated in this section
for the administration of the grants. The
portion of the funds retained for
administration may not exceed 4.12
percent of the appropriation.

(2) The appropriation in this section
is provided solely for projects approved
by the legislature, as identified in LEAP
capital document No. RCO-4-HB-2021,
developed April 15, 2021.

Appropriation:

State Building Construction Account—
State \$10,313,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$60,000,000

TOTAL \$70,313,000

**NEW SECTION. Sec. 3221. FOR THE
RECREATION AND CONSERVATION OFFICE**

2021-23 - Brian Abbott Fish Barrier
Removal Board (40000035)

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

(1) The appropriation in this section
is provided solely for projects approved
by the legislature, as identified in LEAP
capital document No. RCO-5-HB-2021,
developed April 15, 2021.

(2) The recreation and conservation
funding board may retain a portion of the
funds appropriated in this section for
the administration of the grants. The
portion of the funds retained for
administration may not exceed three
percent of the appropriation.

(3) The department of fish and
wildlife may retain a portion of the
funds appropriated in this section for
the Brian Abbott fish barrier removal
board for technical assistance in
developing projects for consideration.
The portion of the funds retained for
technical assistance may not exceed 4.12
percent of the appropriation.

Appropriation:

State Building Construction Account—
State \$26,795,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$107,180,000

TOTAL \$133,975,000

**NEW SECTION. Sec. 3222. FOR THE
RECREATION AND CONSERVATION OFFICE**

2021-23 - Firearms and Archery Range
(40000037)

Appropriation:

Firearms Range Account—State
\$630,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$2,520,000

TOTAL \$3,150,000

**NEW SECTION. Sec. 3223. FOR THE
RECREATION AND CONSERVATION OFFICE**

2021-23 - Recreational Trails Program
(40000039)

Appropriation:

General Fund—Federal \$5,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$15,000,000

TOTAL \$20,000,000

NEW SECTION. Sec. 3224. FOR THE RECREATION AND CONSERVATION OFFICE

2021-23 - Boating Infrastructure Grants (40000041)

Appropriation:

General Fund—Federal \$2,200,000
 Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$6,600,000
 TOTAL \$8,800,000

NEW SECTION. Sec. 3225. FOR THE RECREATION AND CONSERVATION OFFICE

2021-23 - Land and Water Conservation Fund (40000043)

Appropriation:

General Fund—Federal \$20,000,000
 Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$80,000,000
 TOTAL \$100,000,000

NEW SECTION. Sec. 3226. FOR THE RECREATION AND CONSERVATION OFFICE

2021-23 - Puget Sound Estuary and Salmon Restoration Program (40000045)

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

(1) The amounts appropriated in this section are provided solely for projects approved by the legislature, as identified in LEAP capital document No. RCO-7.1-HB-2021, developed April 15, 2021.

(2) Moneys from the appropriation in this section may not be expended for the Elwha Estuary Conservation and Restoration subproject.

Appropriation:

State Building Construction Account—State \$15,708,000
 Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$80,000,000
 TOTAL \$95,708,000

NEW SECTION. Sec. 3227. FOR THE RECREATION AND CONSERVATION OFFICE

2021-23 - Community Forest Grant Program (40000047)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for the list of projects identified in LEAP capital document No. 2021-25, developed April 15, 2021. The office may retain up to four percent of the appropriation for administrative costs, including costs for activities related to this section.

Appropriation:

State Building Construction Account—State \$16,299,000
 Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$65,196,000
 TOTAL \$81,495,000

NEW SECTION. Sec. 3228. FOR THE RECREATION AND CONSERVATION OFFICE

2021-23 - Family Forest Fish Passage Program (40000050)

Appropriation:

State Building Construction Account—State \$5,957,000
 Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$24,000,000
 TOTAL \$29,957,000

NEW SECTION. Sec. 3229. FOR THE RECREATION AND CONSERVATION OFFICE

Coastal Restoration Grants (91000448)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3177, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:

State Building Construction Account—State \$152,000
 Prior Biennia (Expenditures) \$11,033,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$11,185,000

NEW SECTION. Sec. 3230. FOR THE RECREATION AND CONSERVATION OFFICE

Upper Quinault River Restoration Project (91000958)

Reappropriation:
 State Building Construction Account—
 State \$1,359,000
 Appropriation:
 State Building Construction Account—
 State \$1,000,000
 Prior Biennia (Expenditures)
 \$641,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$3,000,000

NEW SECTION. Sec. 3231. FOR THE RECREATION AND CONSERVATION OFFICE

Brian Abbott Fish Passage Barrier
 Removal Board (91000566)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3085, chapter 2, Laws of 2018.

Reappropriation:
 State Building Construction Account—
 State \$3,198,000
 Prior Biennia (Expenditures)
 \$16,549,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$19,747,000

NEW SECTION. Sec. 3232. FOR THE RECREATION AND CONSERVATION OFFICE

Recreation & Conservation Office
 Recreation Grants (92000131)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 3049, chapter 356, Laws of 2020.

Reappropriation:
 Outdoor Recreation Account—State
 \$132,000
 State Building Construction Account—
 State \$5,859,000
 Subtotal Reappropriation
 \$5,991,000
 Prior Biennia (Expenditures)
 \$28,790,000
 Future Biennia (Projected Costs)
 \$0

TOTAL \$34,781,000
NEW SECTION. Sec. 3233. FOR THE RECREATION AND CONSERVATION OFFICE

2019-21 Community Forest Pilot
 (92000447)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3219, chapter 413, Laws of 2019.

Reappropriation:
 State Building Construction Account—
 State \$675,000
 Prior Biennia (Expenditures)
 \$250,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$925,000

NEW SECTION. Sec. 3234. FOR THE RECREATION AND CONSERVATION OFFICE

Statewide Multi-modal Trails Database
 (92000448)

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

(1) The appropriation is provided solely for the recreation and conservation office to develop an official statewide database of paved and unpaved multimodal trails that displays a network of local, regional, and statewide trails that connect, or have the potential of connecting, to provide transportation alternatives that are available to public access. In developing the database and trails network, the office must use and build upon trails work done by Washington state parks and recreation commission and local and regional governments and the active transportation plan developed by the department of transportation. The office should consider the inventorying and mapping efforts already undertaken by nonprofit and private organizations provided that the office deems the information meets their needs for data standards and integrity and the trails are understood to be open and available for use by the public.

(2) Using the existing spatial data collected under subsection (1) of this section, the office must maintain a statewide network of public recreational and commuter routes to facilitate the

stewardship of a statewide trails system. The network of trails and the trails database must be developed in a manner that allows the office to update data on a regular basis in consultation and collaboration with other state agencies, cities, counties, parks and recreation districts, regional governments, and private and nonprofit organizations.

Appropriation:

State Building Construction Account—
State \$200,000

Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$200,000

NEW SECTION. Sec. 3235. FOR THE STATE CONSERVATION COMMISSION

Match for Federal RCPP Program (30000017)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3033, chapter 35, Laws of 2016 sp. sess.

Reappropriation:

General Fund—Federal	\$1,492,000
Prior Biennia (Expenditures)	\$5,724,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$7,216,000

NEW SECTION. Sec. 3236. FOR THE STATE CONSERVATION COMMISSION

2019-21 Improve Shellfish Growing Areas (40000004)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3221, chapter 413, Laws of 2019.

Reappropriation:

State Building Construction Account— State	\$1,970,000
Prior Biennia (Expenditures)	\$2,030,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$4,000,000

NEW SECTION. Sec. 3237. FOR THE STATE CONSERVATION COMMISSION

2019-21 Natural Resource Investments (40000005)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3222, chapter 413, Laws of 2019.

Reappropriation:

State Building Construction Account— State	\$2,367,000
Prior Biennia (Expenditures)	\$1,633,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$4,000,000

NEW SECTION. Sec. 3238. FOR THE STATE CONSERVATION COMMISSION

2019-21 Match for Federal RCPP (40000006)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3051, chapter 356, Laws of 2020.

Reappropriation:

State Building Construction Account— State	\$5,123,000
Prior Biennia (Expenditures)	\$1,126,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$6,249,000

NEW SECTION. Sec. 3239. FOR THE STATE CONSERVATION COMMISSION

2019-21 Water Irrigation Efficiencies Program (40000009)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3224, chapter 413, Laws of 2019.

Reappropriation:

State Building Construction Account— State	\$3,880,000
Prior Biennia (Expenditures)	\$120,000
Future Biennia (Projected Costs)	\$0

TOTAL \$4,000,000

NEW SECTION. Sec. 3240. FOR THE STATE CONSERVATION COMMISSION

2019-21 CREP PIP Loan Program (40000010)

Reappropriation:

Conservation Assistance Revolving Account—State \$100,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL \$100,000

NEW SECTION. Sec. 3241. FOR THE STATE CONSERVATION COMMISSION

2021-23 Conservation Reserve Enhancement Program (CREP) (40000013)

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

(1) \$2,000,000 of the appropriation is provided solely for technical assistance to private landowners.

(2) \$250,000 of the appropriation is provided solely for a targeted riparian buffer incentive project (Mount Vernon).

Appropriation:

State Building Construction Account—State \$4,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$26,000,000

TOTAL \$30,000,000

NEW SECTION. Sec. 3242. FOR THE STATE CONSERVATION COMMISSION

2021-23 Water Irrigation Efficiencies Program (40000014)

Appropriation:

State Building Construction Account—State \$2,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$16,000,000

TOTAL \$18,000,000

NEW SECTION. Sec. 3243. FOR THE STATE CONSERVATION COMMISSION

2021-23 Conservation Reserve Enhancement Program (CREP) PIP Loan (40000015)

Appropriation:

Conservation Assistance Revolving Account—State \$160,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL \$160,000

NEW SECTION. Sec. 3244. FOR THE STATE CONSERVATION COMMISSION

2021-23 Natural Resource Investment for the Economy & Environment (40000016)

The appropriation in this section is subject to the following conditions and limitations: Up to five percent of the appropriation provided may be used by the conservation commission to acquire services of licensed engineers for project development, predesign and design services, and construction oversight for projects.

Appropriation:

State Building Construction Account—State \$4,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$20,000,000

TOTAL \$24,000,000

NEW SECTION. Sec. 3245. FOR THE STATE CONSERVATION COMMISSION

2021-23 Regional Conservation Partnership Program (RCP) Match (40000017)

Appropriation:

State Building Construction Account—State \$7,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$22,500,000

TOTAL \$29,500,000

NEW SECTION. Sec. 3246. FOR THE STATE CONSERVATION COMMISSION

2021-23 Improve Shellfish Growing Areas (40000018)

The appropriation in this section is subject to the following conditions and limitations: Up to five percent of the

appropriation provided may be used by the conservation commission to acquire services of licensed engineers for project development, predesign and design services, and construction oversight for shellfish projects.

Appropriation:

State Building Construction Account—
State \$3,500,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$16,000,000

TOTAL \$19,500,000

NEW SECTION. Sec. 3247. FOR THE STATE CONSERVATION COMMISSION

CREP Riparian Cost Share - State Match
2017-19 (91000009)

Reappropriation:

State Building Construction Account—
State \$1,553,000

Prior Biennia (Expenditures)
\$1,047,000

Future Biennia (Projected Costs)
\$0

TOTAL \$2,600,000

NEW SECTION. Sec. 3248. FOR THE STATE CONSERVATION COMMISSION

2019-21 CREP Riparian Contract Funding
(91000015)

Reappropriation:

State Building Construction Account—
State \$629,000

Prior Biennia (Expenditures)
\$1,271,000

Future Biennia (Projected Costs)
\$0

TOTAL \$1,900,000

NEW SECTION. Sec. 3249. FOR THE STATE CONSERVATION COMMISSION

2019-21 CREP Riparian Cost Share -
State Match (91000017)

Reappropriation:

State Building Construction Account—
State \$1,800,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$1,800,000

NEW SECTION. Sec. 3250. FOR THE STATE CONSERVATION COMMISSION

Conservation Commission Ranch &
Farmland Preservation Projects
(92000004)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3230, chapter 413, Laws of 2019.

Reappropriation:

State Building Construction Account—
State \$4,662,000

Prior Biennia (Expenditures)
\$2,860,000

Future Biennia (Projected Costs)
\$0

TOTAL \$7,522,000

NEW SECTION. Sec. 3251. FOR THE STATE CONSERVATION COMMISSION

Natural Resource Investment for the
Economy & Environment 2017-19 (92000011)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3090, chapter 2, Laws of 2018.

Reappropriation:

General Fund—Federal \$1,000,000

Prior Biennia (Expenditures)
\$4,000,000

Future Biennia (Projected Costs)
\$0

TOTAL \$5,000,000

NEW SECTION. Sec. 3252. FOR THE STATE CONSERVATION COMMISSION

Match for Federal RCPP Program 2017-
19 (92000013)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3053, chapter 298, Laws of 2018.

Reappropriation:

State Building Construction Account—
State \$3,033,000

Prior Biennia (Expenditures)
\$967,000

Future Biennia (Projected Costs)
 \$0
 TOTAL \$4,000,000

NEW SECTION. Sec. 3253. FOR THE STATE CONSERVATION COMMISSION

CREP PIP Loan Program 2017-19
 (92000014)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 6019, chapter 413, Laws of 2019.

Reappropriation:

Conservation Assistance Revolving Account—State \$350,000

Prior Biennia (Expenditures)
 \$50,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$400,000

NEW SECTION. Sec. 3254. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Deschutes Watershed Center (20062008)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3063, chapter 356, Laws of 2020.

Reappropriation:

State Building Construction Account—State \$2,387,000

Prior Biennia (Expenditures)
 \$13,108,000

Future Biennia (Projected Costs)
 \$36,000,000

TOTAL \$51,495,000

NEW SECTION. Sec. 3255. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Migratory Waterfowl Habitat (20082045)

Reappropriation:

Limited Fish and Wildlife Account—State \$350,000

Appropriation:

Limited Fish and Wildlife Account—State \$600,000

Prior Biennia (Expenditures)
 \$1,923,000

Future Biennia (Projected Costs)
 \$1,800,000
 TOTAL \$4,673,000

NEW SECTION. Sec. 3256. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Mitigation Projects and Dedicated Funding (20082048)

Reappropriation:

General Fund—Federal \$7,000,000

General Fund—Private/Local
 \$1,767,000

Special Wildlife Account—Federal
 \$1,953,000

Special Wildlife Account—Private/Local \$1,800,000

Limited Fish and Wildlife Account—State \$400,000

Subtotal Reappropriation
 \$12,920,000

Appropriation:

General Fund—Federal \$10,000,000

General Fund—Private/Local
 \$1,000,000

Special Wildlife Account—Federal
 \$1,000,000

Special Wildlife Account—Private/Local \$1,000,000

Limited Fish and Wildlife Account—State \$500,000

Subtotal Appropriation \$13,500,000

Prior Biennia (Expenditures)
 \$85,801,000

Future Biennia (Projected Costs)
 \$63,000,000

TOTAL \$175,221,000

NEW SECTION. Sec. 3257. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Eells Spring Hatchery Renovation (30000214)

Reappropriation:

State Building Construction Account—State \$789,000

Prior Biennia (Expenditures)
 \$704,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$1,493,000

NEW SECTION. Sec. 3258. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Samish Hatchery Intakes (30000276)

Reappropriation:

State Building Construction Account—
State \$4,500,000

Prior Biennia (Expenditures)
\$4,232,000

Future Biennia (Projected Costs)
\$0

TOTAL \$8,732,000

NEW SECTION. Sec. 3259. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Minter Hatchery Intakes (30000277)

Reappropriation:

State Building Construction Account—
State \$7,833,000

Prior Biennia (Expenditures)
\$1,078,000

Future Biennia (Projected Costs)
\$0

TOTAL \$8,911,000

NEW SECTION. Sec. 3260. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Wooten Wildlife Area Improve Flood Plain (30000481)

Reappropriation:

General Fund—Federal \$500,000

State Building Construction Account—
State \$750,000

Subtotal Reappropriation
\$1,250,000

Prior Biennia (Expenditures)
\$9,450,000

Future Biennia (Projected Costs)
\$17,006,000

TOTAL \$27,706,000

NEW SECTION. Sec. 3261. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Wallace River Hatchery - Replace Intakes and Ponds (30000660)

Reappropriation:

State Building Construction Account—
State \$12,280,000

Appropriation:

State Building Construction Account—
State \$1,500,000

Prior Biennia (Expenditures)
\$1,525,000

Future Biennia (Projected Costs)
\$12,333,000

TOTAL \$27,638,000

NEW SECTION. Sec. 3262. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Soos Creek Hatchery Renovation (30000661)

Reappropriation:

State Building Construction Account—
State \$1,400,000

Appropriation:

State Building Construction Account—
State \$3,695,000

Prior Biennia (Expenditures)
\$14,946,000

Future Biennia (Projected Costs)
\$0

TOTAL \$20,041,000

NEW SECTION. Sec. 3263. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Cooperative Elk Damage Fencing (30000662)

The appropriations in this section are subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3243, chapter 413, Laws of 2019.

Reappropriation:

State Building Construction Account—
State \$300,000

Appropriation:

State Building Construction Account—
State \$1,200,000

Prior Biennia (Expenditures)
\$2,100,000

Future Biennia (Projected Costs)
\$3,600,000

TOTAL \$7,200,000

NEW SECTION. Sec. 3264. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Spokane Hatchery Renovation (30000663)

Appropriation:

State Building Construction Account—
State \$2,800,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs)
\$18,735,000

TOTAL \$21,535,000

**NEW SECTION. Sec. 3265. FOR THE
DEPARTMENT OF FISH AND WILDLIFE**

Edmonds Pier Renovation (30000664)

Reappropriation:

State Building Construction Account—
State \$146,000

Prior Biennia (Expenditures)
\$654,000

Future Biennia (Projected Costs)
\$0

TOTAL \$800,000

**NEW SECTION. Sec. 3266. FOR THE
DEPARTMENT OF FISH AND WILDLIFE**

Hazard Fuel Reductions, Forest Health
and Ecosystem Improvement (30000665)

Reappropriation:

State Building Construction Account—
State \$1,130,000

Appropriation:

Forest Resiliency Account—State
\$6,000,000

Prior Biennia (Expenditures)
\$5,870,000

Future Biennia (Projected Costs)
\$24,000,000

TOTAL \$37,000,000

**NEW SECTION. Sec. 3267. FOR THE
DEPARTMENT OF FISH AND WILDLIFE**

Naselle Hatchery Renovation (30000671)

Reappropriation:

State Building Construction Account—
State \$2,600,000

Appropriation:

State Building Construction Account—
State \$15,000,000

Prior Biennia (Expenditures)
\$5,532,000

Future Biennia (Projected Costs)
\$9,753,000

TOTAL \$32,885,000

**NEW SECTION. Sec. 3268. FOR THE
DEPARTMENT OF FISH AND WILDLIFE**

Eells Springs Production Shift
(30000723)

Reappropriation:

State Building Construction Account—
State \$500,000

Prior Biennia (Expenditures)
\$3,570,000

Future Biennia (Projected Costs)
\$0

TOTAL \$4,070,000

**NEW SECTION. Sec. 3269. FOR THE
DEPARTMENT OF FISH AND WILDLIFE**

Minor Works Preservation (30000756)

Reappropriation:

State Building Construction Account—
State \$600,000

Prior Biennia (Expenditures)
\$8,900,000

Future Biennia (Projected Costs)
\$0

TOTAL \$9,500,000

**NEW SECTION. Sec. 3270. FOR THE
DEPARTMENT OF FISH AND WILDLIFE**

Minor Works - Programmatic (30000782)

Reappropriation:

State Building Construction Account—
State \$265,000

Prior Biennia (Expenditures)
\$2,560,000

Future Biennia (Projected Costs)
\$0

TOTAL \$2,825,000

**NEW SECTION. Sec. 3271. FOR THE
DEPARTMENT OF FISH AND WILDLIFE**

Snow Creek Reconstruct Facility
(30000826)

The appropriations in this section are
subject to the following conditions and
limitations: The reappropriation is
subject to the provisions of section
3057, chapter 356, Laws of 2020.

Reappropriation:

State Building Construction Account—
State \$70,000

Appropriation:

State Building Construction Account—
 State \$900,000

Prior Biennia (Expenditures)
 \$166,000

Future Biennia (Projected Costs)
 \$7,060,000

TOTAL \$8,196,000

NEW SECTION. Sec. 3272. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Forks Creek Hatchery - Renovate Intake and Diversion (30000827)

Reappropriation:

State Building Construction Account—
 State \$2,420,000

Appropriation:

State Building Construction Account—
 State \$511,000

Prior Biennia (Expenditures)
 \$3,441,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$6,372,000

NEW SECTION. Sec. 3273. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Hurd Creek - Relocate Facilities out of Floodplain (30000830)

Reappropriation:

State Building Construction Account—
 State \$200,000

Appropriation:

State Building Construction Account—
 State \$11,894,000

Prior Biennia (Expenditures)
 \$577,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$12,671,000

NEW SECTION. Sec. 3274. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Dungeness Hatchery - Replace Main Intake (30000844)

Reappropriation:

State Building Construction Account—
 State \$300,000

Prior Biennia (Expenditures)
 \$3,606,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$3,906,000

NEW SECTION. Sec. 3275. FOR THE DEPARTMENT OF FISH AND WILDLIFE

PSNERP Match (30000846)

Reappropriation:

General Fund—Federal \$5,754,000

State Building Construction Account—
 State \$2,750,000

Subtotal Reappropriation
 \$8,504,000

Appropriation:

General Fund—Federal \$34,809,000

Prior Biennia (Expenditures)
 \$774,000

Future Biennia (Projected Costs)
 \$461,662,000

TOTAL \$505,749,000

NEW SECTION. Sec. 3276. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Kalama Falls Hatchery Replace Raceways and PA System (30000848)

Reappropriation:

State Building Construction Account—
 State \$519,000

Prior Biennia (Expenditures)
 \$297,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$816,000

NEW SECTION. Sec. 3277. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Wiley Slough Dike Raising (40000004)

Reappropriation:

State Building Construction Account—
 State \$900,000

Appropriation:

State Building Construction Account—
 State \$5,481,000

Prior Biennia (Expenditures)
 \$72,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$6,453,000

NEW SECTION. Sec. 3278. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Scatter Creek Wildlife Area Fire Damage (40000005)

Reappropriation:

State Building Construction Account—
State \$550,000

Prior Biennia (Expenditures)
\$781,000

Future Biennia (Projected Costs)
\$0

TOTAL \$1,331,000

NEW SECTION. Sec. 3279. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Minor Works Preservation 2019-21
(40000007)

Reappropriation:

State Building Construction Account—
State \$2,400,000

Prior Biennia (Expenditures)
\$5,630,000

Future Biennia (Projected Costs)
\$0

TOTAL \$8,030,000

NEW SECTION. Sec. 3280. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Minor Works Programmatic 2019-21
(40000008)

Reappropriation:

State Building Construction Account—
State \$1,750,000

Prior Biennia (Expenditures)
\$677,000

Future Biennia (Projected Costs)
\$0

TOTAL \$2,427,000

NEW SECTION. Sec. 3281. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Toutle River Fish Collection Facility - Match (40000021)

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

(1) The reappropriation in this section is provided solely for the department to purchase easements as part of sediment abatement.

(2) The appropriation in this section is provided solely for project obligations related to modular housing replacement.

Reappropriation:

State Building Construction Account—
State \$6,371,000

Appropriation:

State Building Construction Account—
State \$239,000

Prior Biennia (Expenditures)
\$404,000

Future Biennia (Projected Costs)
\$4,312,000

TOTAL \$11,326,000

NEW SECTION. Sec. 3282. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Elochoman Hatchery Demolition and Restoration (40000024)

Reappropriation:

General Fund—Federal \$250,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$250,000

NEW SECTION. Sec. 3283. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Snohomish County Wildlife Rehabilitation Facility (PAWS) (40000025)

Reappropriation:

State Building Construction Account—
State \$2,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$2,000,000

NEW SECTION. Sec. 3284. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Region 1 Office - Construct Secure Storage (40000087)

Reappropriation:

State Building Construction Account—
State \$57,000

Prior Biennia (Expenditures)
\$93,000

Future Biennia (Projected Costs)
\$0

TOTAL \$150,000

NEW SECTION. Sec. 3285. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Minor Works Preservation 21-23
(40000089)

Appropriation:

State Building Construction Account—
State \$8,990,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$8,990,000

NEW SECTION. Sec. 3286. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Minor Works Program 21-23 (40000092)

Appropriation:

State Building Construction Account—
State \$2,928,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$2,928,000

NEW SECTION. Sec. 3287. FOR THE DEPARTMENT OF FISH AND WILDLIFE

SRKW - New Cowlitz River Hatchery
(40000145)

Appropriation:

State Building Construction Account—
State \$300,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$38,486,000

TOTAL \$38,786,000

NEW SECTION. Sec. 3288. FOR THE DEPARTMENT OF FISH AND WILDLIFE

SRKW - Kendall Creek Hatchery
Modifications (40000146)

Appropriation:

State Building Construction Account—
State \$4,317,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$4,317,000

NEW SECTION. Sec. 3289. FOR THE DEPARTMENT OF FISH AND WILDLIFE

SRKW - Sol Duc Hatchery Modifications
(40000147)

Appropriation:

State Building Construction Account—
State \$200,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$6,697,000

TOTAL \$6,897,000

NEW SECTION. Sec. 3290. FOR THE DEPARTMENT OF FISH AND WILDLIFE

SRKW - Voights Creek Hatchery
Modifications (40000148)

Appropriation:

State Building Construction Account—
State \$3,551,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$3,551,000

NEW SECTION. Sec. 3291. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Lake Rufus Woods Fishing Access
(91000151)

Reappropriation:

State Building Construction Account—
State \$347,000

Prior Biennia (Expenditures)
\$2,653,000

Future Biennia (Projected Costs)
\$0

TOTAL \$3,000,000

NEW SECTION. Sec. 3292. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Leque Island Highway 532 Road
Protection (92000019)

Reappropriation:

State Building Construction Account—
State \$160,000

Prior Biennia (Expenditures)
\$520,000

Future Biennia (Projected Costs)
\$0

TOTAL \$680,000

NEW SECTION. Sec. 3293. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Naches Rearing Ponds (92000049)

Appropriation:

State Building Construction Account—
State \$600,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$600,000

NEW SECTION. Sec. 3294. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Shrubsteppe and Rangeland Cooperative
Wildlife Fencing (92000050)

The appropriation in this section is subject to the following conditions and limitations: The department shall collaborate with landowners affected by wildfire in shrubsteppe habitat and provide funding to public and private landowners to rebuild wildlife-friendly fences in impacted and prioritized areas.

Appropriation:

State Building Construction Account—
State \$1,500,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$1,500,000

NEW SECTION. Sec. 3295. FOR THE DEPARTMENT OF NATURAL RESOURCES

Port Angeles Storm Water Repair
(40000015)

Appropriation:

Model Toxics Control Stormwater
Account—State \$1,020,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$1,020,000

NEW SECTION. Sec. 3296. FOR THE DEPARTMENT OF NATURAL RESOURCES

Airway Heights Facility Replacement
(40000025)

Appropriation:

State Building Construction Account—
State \$4,200,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$4,200,000

NEW SECTION. Sec. 3297. FOR THE DEPARTMENT OF NATURAL RESOURCES

2021-23 State Forest Land Replacement
(40000085)

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

(1) (a) The appropriation is provided solely to the department to transfer from state forestland status to natural resources conservation area status certain state forestlands in counties with:

(i) A population of 25,000 or fewer; and

(ii) Risks of timber harvest deferrals greater than 30 years due to the presence of wildlife species listed as endangered or threatened under the federal endangered species act.

(b) This appropriation must be used equally for the transfer of qualifying state forestlands in the qualifying counties.

(2) Property transferred under this section must be appraised and transferred at fair market value, without consideration of management or regulatory encumbrances associated with wildlife species listed under the federal endangered species act. The value of the timber and other valuable materials transferred must be distributed as provided in RCW 79.64.110. The value of the land transferred must be deposited in the park land trust revolving account and be used solely to buy replacement state forestland, consistent with RCW 79.22.060.

(3) Prior to or concurrent with conveyance of these properties, the department shall execute and record a real property instrument that dedicates the transferred properties to the purposes identified in subsection (1) of this section. Transfer agreements for properties identified in subsection (1) of this section must include terms that restrict the use of the property to the intended purpose.

(4) The department and applicable counties shall work in good faith to

carry out the intent of this section. The department shall identify eligible properties for transfer, consistent with subsections (1) and (2) of this section, in consultation with the applicable counties, and may not execute any property transfers that are not in the statewide interest of either the state forest trust or the natural resources conservation area program.

Appropriation:

State Building Construction Account—
State \$4,500,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$4,500,000

NEW SECTION. Sec. 3298. FOR THE DEPARTMENT OF NATURAL RESOURCES

2021-23 Structurally Deficient Bridges (40000086)

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

The appropriation in this section is provided solely for the following projects: (a) The Naked Falls/Stebbins Creek bridge replacement in Skamania county; (b) the Shale Creek bridge repair in Jefferson county; and (c) the Coal Creek bridge replacement in Clallam county.

Appropriation:

State Building Construction Account—
State \$1,050,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$10,000,000
 TOTAL \$11,050,000

NEW SECTION. Sec. 3299. FOR THE DEPARTMENT OF NATURAL RESOURCES

2021-23 Sustainable Recreation (40000088)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for projects approved by the legislature, as identified in LEAP capital document No. DNR-2.1-HB-2021, developed April 19, 2021.

Appropriation:

State Building Construction Account—
State \$3,248,000

Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$3,248,000

NEW SECTION. Sec. 3300. FOR THE DEPARTMENT OF NATURAL RESOURCES

2021-23 Trust Land Replacement (40000089)

Appropriation:

Community and Technical College Forest Reserve

Account—State \$1,000,000
 Natural Resources Real Property Replacement
 Account—State \$30,000,000

Resource Management Cost Account—
State \$30,000,000

Subtotal Appropriation \$61,000,000
 Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$244,000,000

TOTAL \$305,000,000

NEW SECTION. Sec. 3301. FOR THE DEPARTMENT OF NATURAL RESOURCES

2021-23 Forest Legacy (40000090)

Appropriation:

General Fund—Federal \$17,000,000
 Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$68,000,000

TOTAL \$85,000,000

NEW SECTION. Sec. 3302. FOR THE DEPARTMENT OF NATURAL RESOURCES

2021-23 Land Acquisition Grants (40000091)

Appropriation:

General Fund—Federal \$10,000,000
 Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$40,000,000

TOTAL \$50,000,000

NEW SECTION. Sec. 3303. FOR THE DEPARTMENT OF NATURAL RESOURCES

2021-23 Road Maintenance and Abandonment Planning (40000092)

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

(1) Except as provided for under subsection (2) of this section, the appropriation in this section is provided solely for projects approved by the legislature, as identified in LEAP capital document No. DNR-3-HB-2021, developed April 15, 2021.

(2) The department may fund road maintenance and abandonment planning projects not listed in the LEAP capital document under subsection (1) of this section in either of the following instances: (a) If there is excess appropriation authority remaining after completion of all of the listed projects; or (b) if there is a documented public safety or operational concern at a different road maintenance and abandonment planning project location that the department determines is urgent. The department may not use the funding provided in this section for a study.

Appropriation:

State Building Construction Account—
State \$1,878,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$10,000,000

TOTAL \$11,878,000

NEW SECTION. Sec. 3304. FOR THE DEPARTMENT OF NATURAL RESOURCES

2021-23 Natural Areas Facilities Preservation and Access (40000093)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for projects approved by the legislature, as identified in LEAP capital document No. DNR-4.1-HB-2021, developed April 19, 2021.

Appropriation:

State Building Construction Account—
State \$4,005,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$4,005,000

NEW SECTION. Sec. 3305. FOR THE DEPARTMENT OF NATURAL RESOURCES

Omak Consolidation, Expansion and Relocation (40000033)

Reappropriation:

State Building Construction Account—
State \$107,000

Prior Biennia (Expenditures) \$1,000

Future Biennia (Projected Costs)
\$0

TOTAL \$108,000

NEW SECTION. Sec. 3306. FOR THE DEPARTMENT OF NATURAL RESOURCES

Trust Land Transfer Program (40000034)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3281, chapter 413, Laws of 2019.

Reappropriation:

State Building Construction Account—
State \$1,675,000

Prior Biennia (Expenditures)
\$4,725,000

Future Biennia (Projected Costs)
\$0

TOTAL \$6,400,000

NEW SECTION. Sec. 3307. FOR THE DEPARTMENT OF NATURAL RESOURCES

Road Maintenance and Abandonment Plan (RMAP) (40000037)

Reappropriation:

State Building Construction Account—
State \$2,184,000

Prior Biennia (Expenditures)
\$1,582,000

Future Biennia (Projected Costs)
\$0

TOTAL \$3,766,000

NEW SECTION. Sec. 3308. FOR THE DEPARTMENT OF NATURAL RESOURCES

Teanaway (40000038)

Reappropriation:

State Building Construction Account—
State \$1,220,000

Prior Biennia (Expenditures)
\$636,000

Future Biennia (Projected Costs)
\$0

TOTAL \$1,856,000

NEW SECTION. Sec. 3309. FOR THE DEPARTMENT OF NATURAL RESOURCES

Land Acquisition Grants (40000039)

Reappropriation:

General Fund—Federal \$5,000,000

Prior Biennia (Expenditures)
\$13,000,000

Future Biennia (Projected Costs)
\$0

TOTAL \$18,000,000

NEW SECTION. Sec. 3310. FOR THE DEPARTMENT OF NATURAL RESOURCES

Sunshine Mine (40000042)

Reappropriation:

Model Toxics Control Capital Account—
State \$115,000

Prior Biennia (Expenditures)
\$15,000

Future Biennia (Projected Costs)
\$0

TOTAL \$130,000

NEW SECTION. Sec. 3311. FOR THE DEPARTMENT OF NATURAL RESOURCES

Sustainable Recreation (40000044)

Reappropriation:

State Building Construction Account—
State \$155,000

Prior Biennia (Expenditures)
\$1,705,000

Future Biennia (Projected Costs)
\$0

TOTAL \$1,860,000

NEW SECTION. Sec. 3312. FOR THE DEPARTMENT OF NATURAL RESOURCES

Forest Legacy 2019-21 (40000045)

Reappropriation:

General Fund—Federal \$7,750,000

Prior Biennia (Expenditures)
\$7,250,000

Future Biennia (Projected Costs)
\$0

TOTAL \$15,000,000

NEW SECTION. Sec. 3313. FOR THE DEPARTMENT OF NATURAL RESOURCES

Natural Areas Facilities 2019-21
(40000046)

Reappropriation:

State Building Construction Account—
State \$295,000

Prior Biennia (Expenditures)
\$1,705,000

Future Biennia (Projected Costs)
\$0

TOTAL \$2,000,000

NEW SECTION. Sec. 3314. FOR THE DEPARTMENT OF NATURAL RESOURCES

Forest Hazard Reduction (40000049)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 3292, chapter 413, Laws of 2019.

Reappropriation:

State Building Construction Account—
State \$5,979,000

Prior Biennia (Expenditures)
\$8,221,000

Future Biennia (Projected Costs)
\$0

TOTAL \$14,200,000

NEW SECTION. Sec. 3315. FOR THE DEPARTMENT OF NATURAL RESOURCES

Large Vessel Removals (40000051)

Reappropriation:

State Building Construction Account—
State \$300,000

Prior Biennia (Expenditures)
\$2,200,000

Future Biennia (Projected Costs)
\$0

TOTAL \$2,500,000

NEW SECTION. Sec. 3316. FOR THE DEPARTMENT OF NATURAL RESOURCES

Forest Riparian Easement Program
(FREP) (40000052)

Reappropriation:

State Building Construction Account—
State \$600,000

Prior Biennia (Expenditures) \$2,900,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$3,500,000

NEW SECTION. Sec. 3317. FOR THE DEPARTMENT OF NATURAL RESOURCES

Grouse Ridge Fish Barriers & RMAP Compliance (40000056)

Reappropriation:

State Building Construction Account—State \$3,210,000

Appropriation:

State Building Construction Account—State \$1,730,000

Prior Biennia (Expenditures) \$35,000

Future Biennia (Projected Costs) \$0

TOTAL \$4,975,000

NEW SECTION. Sec. 3318. FOR THE DEPARTMENT OF NATURAL RESOURCES

Emergent Environmental Mitigation Projects (40000058)

Appropriation:

Model Toxics Control Capital Account—State \$790,000

Prior Biennia (Expenditures) \$320,000

Future Biennia (Projected Costs) \$0

TOTAL \$1,110,000

NEW SECTION. Sec. 3319. FOR THE DEPARTMENT OF NATURAL RESOURCES

2021-23 Minor Works Preservation (40000070)

The appropriation in this section is subject to the following conditions and limitations: \$205,000 of the appropriation in this section is provided solely for communication site preservation and repairs.

Appropriation:

State Building Construction Account—State \$2,183,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL \$2,183,000

NEW SECTION. Sec. 3320. FOR THE DEPARTMENT OF NATURAL RESOURCES

2021-23 Minor Works Programmatic (40000071)

Appropriation:

State Building Construction Account—State \$1,370,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL \$1,370,000

NEW SECTION. Sec. 3321. FOR THE DEPARTMENT OF NATURAL RESOURCES

Longview Fire Station Purchase (40000072)

Appropriation:

State Building Construction Account—State \$995,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL \$995,000

NEW SECTION. Sec. 3322. FOR THE DEPARTMENT OF NATURAL RESOURCES

Webster Nursery Seed Plant Replacement (40000073)

Appropriation:

State Building Construction Account—State \$220,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$3,000,000

TOTAL \$3,220,000

NEW SECTION. Sec. 3323. FOR THE DEPARTMENT OF NATURAL RESOURCES

2021-23 Community Forests (40000074)

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

(1) \$100,000 of the appropriation in this section is provided solely for grazing infrastructure projects in Teanaway Community Forest.

(2) \$100,000 of the appropriation in this section is provided solely for

wetland improvement projects in Teanaway Community Forest.

Appropriation:

State Building Construction Account—
State \$200,000

Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$200,000

NEW SECTION. Sec. 3324. FOR THE DEPARTMENT OF NATURAL RESOURCES

2021-23 Derelict Vessel Removal Program (40000075)

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section are provided solely for removing high priority abandoned and derelict vessels in Washington's waters, including The Hero in Pacific county.

Appropriation:

State Building Construction Account—
State \$2,250,000

Derelict Vessel Removal Account—State
\$750,000

Subtotal Appropriation	\$3,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$3,000,000

NEW SECTION. Sec. 3325. FOR THE DEPARTMENT OF NATURAL RESOURCES

2021-23 Forestry Riparian Easement Program (40000077)

Appropriation:

State Building Construction Account—
State \$6,000,000

Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$35,257,000

TOTAL \$41,257,000

NEW SECTION. Sec. 3326. FOR THE DEPARTMENT OF NATURAL RESOURCES

2021-23 Puget Sound Corps (40000079)

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

(1) \$3,200,000 of the appropriation in this section is provided solely for state land recreation, natural areas, aquatics, resource protection, and urban forestry projects statewide.

(2) \$800,000 of the appropriation in this section is provided solely for implementing projects to remove invasive and noxious weeds and creosote-treated wood and to revegetate riparian zones in the Snohomish watershed pursuant to the departments' salmon strategy.

Appropriation:

State Building Construction Account—
State \$4,000,000

Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$32,000,000

TOTAL \$36,000,000

NEW SECTION. Sec. 3327. FOR THE DEPARTMENT OF NATURAL RESOURCES

2021-23 Rivers and Habitat Open Space Program (40000081)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is provided solely for projects approved by the legislature, as identified in LEAP capital document No. DNR-7-HB-2021, developed April 15, 2021. An amount not to exceed \$14,000 is provided solely for the program's administrative costs.

Appropriation:

State Building Construction Account—
State \$1,419,000

Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$24,400,000

TOTAL \$25,819,000

NEW SECTION. Sec. 3328. FOR THE DEPARTMENT OF NATURAL RESOURCES

Rural Broadband Investment (40000082)

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

(1) \$600,000 of the appropriation in this section is provided solely for installation of new communication towers at Ellis Peak, Striped Peak, and Paradise Peak.

(2) \$400,000 of the appropriation in this section is provided solely for communication tower upgrades at Blyn Mountain and Capitol Peak.

(3) \$20,000 of the appropriation in this section is provided solely for a new generator in Okanogan county.

(4) \$5,000 of the appropriation in this section is provided solely for a utility connection project in Clallam county.

Appropriation:

Coronavirus Capital Projects Account—
Federal \$2,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$2,000,000

NEW SECTION. Sec. 3329. FOR THE DEPARTMENT OF NATURAL RESOURCES

2021-23 School Seismic Safety
(40000083)

Appropriation:

State Building Construction Account—
State \$590,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$1,770,000

TOTAL \$2,360,000

NEW SECTION. Sec. 3330. FOR THE DEPARTMENT OF NATURAL RESOURCES

Port of Willapa Harbor Energy
Innovation District Grant (91000099)

Reappropriation:

State Building Construction Account—
State \$1,400,000

Prior Biennia (Expenditures)
\$100,000

Future Biennia (Projected Costs)
\$0

TOTAL \$1,500,000

NEW SECTION. Sec. 3331. FOR THE DEPARTMENT OF NATURAL RESOURCES

Administrative Site/Minor Works Pool
(92000034)

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

subject to the provisions of section 3303, chapter 413, Laws of 2019.

Reappropriation:

State Building Construction Account—
State \$500,000

Prior Biennia (Expenditures)
\$8,800,000

Future Biennia (Projected Costs)
\$0

TOTAL \$9,300,000

NEW SECTION. Sec. 3332. FOR THE DEPARTMENT OF NATURAL RESOURCES

DNR and Camp Colman Collaboration
(92000037)

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

(1) \$100,000 is provided solely for the department to contract with a third party facilitator for the purpose of collaborating with the YMCA of greater Seattle, Camp Colman, on finding solutions for maintaining a high-quality camp experience while establishing a barrier free passage for migrating fish species at Whiteman cove.

(2) \$500,000 is provided solely for the department to grant to the YMCA of greater Seattle to retain expertise to scope, plan, and advance the future of the Camp Colman experience given the restoration of the Whiteman cove estuary. The planning process should be inclusive of tribal input, with an open invitation for their participation, and must include department technical experts, participation from the departments of ecology and fish and wildlife, and any other resources needed. The plan should include a vision for how the cove can be returned to a fully functioning estuary, benefiting native flora and fauna, as well as serve as an environmental outdoor educational opportunity that will serve youth and families, especially those from historically marginalized and underrepresented communities, and include educational opportunities for youth and families to learn of native cultural heritage unique and specific to the natural and human history of the site. The plan must identify specific projects and estimated costs, given estuary restoration, for physical improvements for the camp, such as water access structures or swimming facilities, with recommendations for

funding. The department, on behalf of the YMCA, must submit the plan in a report to the fiscal committees of the legislature by December 31, 2021.

(3) \$300,000 is provided solely for the department to design the fish blockage removal and predesign enhancements for a new bridge and roadway across Whiteman cove that are part of the fish blockage removal project and necessary as part of maintaining the route as access to the camp. The predesign must take into consideration the means to maintain continuous road access to Camp Colman for campers and camp staff without disruption, ensure the continuation, mitigation and innovation of Camp Colman's recreational, water safety, and environmental education programs in the salt water estuary, and maintain the critical outdoor experiences for historically marginalized and underrepresented communities.

Appropriation:

State Building Construction Account—
State \$900,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$0
TOTAL \$900,000

NEW SECTION. Sec. 3333. FOR THE DEPARTMENT OF NATURAL RESOURCES

Trust Land Transfer Stakeholder Report (92000038)

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

(1) The department of natural resources shall convene a work group of trust land beneficiaries and stakeholders to develop a recommended process for the way trust land transfer proposals are developed and implemented. Consideration should be made for increasing the income value of the trusts, limiting impacts to trust lands not being considered for transfer, conservation value of lands that are a potential candidate for transfer, and use of the land bank for securing repositioned land that would result from any transferred projects, and any other items necessary for a well-supported program. The department must report and make recommendations for the establishment of a new trust land

transfer program to the fiscal committees of the legislature by December 1, 2021.

(2) For the 2021-2023 fiscal biennium, the department may not trade, transfer, or sell any valuable material from the four parcels that comprised the proposed trust land transfer parcels in 2019-21, known as Blakely Island, Devils Lake, Eglon, and Morning Star.

Appropriation:

State Building Construction Account—
State \$75,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$0
TOTAL \$75,000

NEW SECTION. Sec. 3334. FOR THE DEPARTMENT OF AGRICULTURE

2019-21 Grants to Improve Safety and Access at Fairs (92000004)

Reappropriation:

State Building Construction Account—
State \$190,000

Prior Biennia (Expenditures) \$1,810,000
Future Biennia (Projected Costs) \$0
TOTAL \$2,000,000

NEW SECTION. Sec. 3335. FOR THE DEPARTMENT OF AGRICULTURE

2021-23 WA State Fairs Health and Safety Grants (92000005)

Appropriation:

State Building Construction Account—
State \$8,005,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$0
TOTAL \$8,005,000

PART 4

TRANSPORTATION

NEW SECTION. Sec. 4001. FOR THE WASHINGTON STATE PATROL

FTA Emergency Power Generator Replacement (30000171)

Appropriation:

State Building Construction Account—
State \$875,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs)
\$0
TOTAL \$875,000

**NEW SECTION. Sec. 4002. FOR THE
WASHINGTON STATE PATROL**

FTA Minor Works and Repairs (40000031)
Appropriation:

State Building Construction Account—
State \$225,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs)
\$1,250,000
TOTAL \$1,475,000

**NEW SECTION. Sec. 4003. FOR THE
WASHINGTON STATE PATROL**

FTA - Student Dormitory HVAC
(40000034)

Appropriation:

State Building Construction Account—
State \$325,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs)
\$0
TOTAL \$325,000

**NEW SECTION. Sec. 4004. FOR THE
DEPARTMENT OF TRANSPORTATION**

2021-23 Aviation Revitalization Loans
(40000002)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section must be deposited in the public use general aviation airport loan revolving account.

Appropriation:

Public Works Assistance Account—State
\$5,000,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs)
\$0
TOTAL \$5,000,000

PART 5

EDUCATION

**NEW SECTION. Sec. 5001. FOR THE
SUPERINTENDENT OF PUBLIC INSTRUCTION**

2011-13 School Construction Assistance
Program (30000071)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5003, chapter 48, Laws of 2011 1st sp. sess.

Reappropriation:

Common School Construction Account—
State \$66,000

Prior Biennia (Expenditures)
\$529,837,000

Future Biennia (Projected Costs)
\$0

TOTAL \$529,903,000

**NEW SECTION. Sec. 5002. FOR THE
SUPERINTENDENT OF PUBLIC INSTRUCTION**

2013-15 School Construction Assistance
Program - Maintenance (30000145)

Reappropriation:

State Building Construction Account—
State \$1,529,000

Prior Biennia (Expenditures)
\$385,701,000

Future Biennia (Projected Costs)
\$0

TOTAL \$387,230,000

**NEW SECTION. Sec. 5003. FOR THE
SUPERINTENDENT OF PUBLIC INSTRUCTION**

2015-17 School Construction Assistance
Program (30000169)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5013, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:

Common School Construction Account—
State \$6,617,000

Prior Biennia (Expenditures)
\$639,008,000

Future Biennia (Projected Costs)
\$0

TOTAL \$645,625,000

NEW SECTION. Sec. 5004. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Emergency Repairs and Equal Access Grants for K-12 Public Schools (30000182)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 5001, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—
State \$184,000

Common School Construction Account—
State \$372,000

Subtotal Reappropriation
\$556,000

Prior Biennia (Expenditures)
\$5,444,000

Future Biennia (Projected Costs)
\$0

TOTAL \$6,000,000

NEW SECTION. Sec. 5005. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Skill Centers - Minor Works (30000187)

Reappropriation:

School Construction and Skill Centers Building

Account—Bonds—State \$521,000

Prior Biennia (Expenditures)
\$2,479,000

Future Biennia (Projected Costs)
\$0

TOTAL \$3,000,000

NEW SECTION. Sec. 5006. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Tri-Tech Skill Center - Core Growth (30000197)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5004, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—
State \$415,000

Prior Biennia (Expenditures)
\$10,392,000

Future Biennia (Projected Costs)
\$0

TOTAL \$10,807,000

NEW SECTION. Sec. 5007. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

STEM Classrooms and Labs (30000203)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5005, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—
State \$961,000

Prior Biennia (Expenditures)
\$12,039,000

Future Biennia (Projected Costs)
\$0

TOTAL \$13,000,000

NEW SECTION. Sec. 5008. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

2017-19 School Construction Assistance Program (40000003)

The appropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 5003, chapter 298, Laws of 2018.

Reappropriation:

Common School Construction Account—
State \$66,055,000

Appropriation:

State Building Construction Account—
State \$71,446,000

Prior Biennia (Expenditures)
\$811,249,000

Future Biennia (Projected Costs)
\$0

TOTAL \$948,750,000

NEW SECTION. Sec. 5009. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

2019-21 School Construction Assistance Program - Maintenance Lvl (40000013)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to provisions of section 5002, chapter 356, Laws of 2020.

Reappropriation:

State Building Construction Account—
State \$612,878,000

Common School Construction Account—
State \$185,462,000

Subtotal Reappropriation
\$798,340,000

Prior Biennia (Expenditures)
\$224,878,000

Future Biennia (Projected Costs)
\$0

TOTAL \$1,023,218,000

NEW SECTION. Sec. 5010. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

West Sound Technical Skills Center
Modernization (40000015)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to provisions of section 5002, chapter 356, Laws of 2020.

Reappropriation:

State Building Construction Account—
State \$274,000

Prior Biennia (Expenditures)
\$226,000

Future Biennia (Projected Costs)
\$0

TOTAL \$500,000

NEW SECTION. Sec. 5011. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

School District Health and Safety
2019-21 (40000019)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 5016, chapter 413, Laws of 2019.

Reappropriation:

State Building Construction Account—
State \$842,000

Common School Construction Account—
State \$366,000

Subtotal Reappropriation
\$1,208,000

Prior Biennia (Expenditures)
\$4,792,000

Future Biennia (Projected Costs)
\$0

TOTAL \$6,000,000

NEW SECTION. Sec. 5012. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Healthy Kids / Healthy Schools 2019-
21 (40000021)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5017, chapter 413, Laws of 2019.

Reappropriation:

Common School Construction Account—
State \$1,120,000

Prior Biennia (Expenditures)
\$2,130,000

Future Biennia (Projected Costs)
\$0

TOTAL \$3,250,000

NEW SECTION. Sec. 5013. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Skills Centers Minor Works (40000023)

Reappropriation:

State Building Construction Account—
State \$1,205,000

Prior Biennia (Expenditures)
\$1,795,000

Future Biennia (Projected Costs)
\$0

TOTAL \$3,000,000

NEW SECTION. Sec. 5014. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

2019-21 Career Preparation and Launch
Equipment Grants (40000032)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5019, chapter 413, Laws of 2019.

Reappropriation:

Common School Construction Account—
State \$104,000

Prior Biennia (Expenditures)
\$896,000

Future Biennia (Projected Costs)
\$0

TOTAL \$1,000,000

NEW SECTION. Sec. 5015. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

2021-23 School Construction Assistance
Program (40000034)

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

(1) \$727,780,000 of the appropriation in this section is provided solely for school construction assistance grants for qualifying public school construction projects.

(2) \$2,836,000 of the appropriation in this section is provided solely for study and survey grants and for completing inventory and building condition assessments for public school districts every six years.

Appropriation:

State Building Construction Account—
State \$702,657,000

Common School Construction Account—
State \$24,959,000

Common School Construction Account—
Federal \$3,000,000

Subtotal Appropriation \$730,616,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$3,899,490,000

TOTAL \$4,630,106,000

NEW SECTION. Sec. 5016. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

2021-23 Healthy Kids-Healthy Schools: Physical Health & Nutrition (91000464)

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

(1) The office of the superintendent of public instruction shall develop criteria for funding specific projects that are consistent with the healthiest next generation priorities. The criteria must include, but are not limited to, the following:

(a) Districts may apply for grants, but no single district may receive more than \$200,000 of the appropriation for grants awarded under this section;

(b) Any district receiving funding provided in this section must demonstrate a consistent commitment to addressing school facilities' needs; and

(c) Applicants with a high percentage of students who are eligible and enrolled in the free and reduced-price meals program may be prioritized.

(2) The appropriation in this section is provided solely for grants to school districts for the purchase of equipment or to make repairs to existing equipment that is related to improving:

(a) Children's physical health, and may include, but is not limited to, fitness playground equipment, covered play areas, and physical education equipment or related structures or renovation; and

(b) Children's nutrition, and may include, but is not limited to, garden related structures and greenhouses to provide students access to fresh produce, and kitchen equipment or upgrades.

Appropriation:

Common School Construction Account—
State \$3,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$3,000,000

NEW SECTION. Sec. 5017. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

K-12 Capital Programs Administration (40000038)

Appropriation:

Common School Construction Account—
State \$4,282,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$4,282,000

NEW SECTION. Sec. 5018. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

2021-23 Small District and Tribal Compact Schools Modernization (40000039)

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

(1) \$3,000,000 of the state building construction account—state appropriation in this section is provided solely for a modernization grant to the Mount Adams school district to complete the replacement of Harrah Elementary School.

(2) (a) \$21,795,000 of the state building construction account—state appropriation and \$12,000,000 of the

coronavirus capital projects account—federal appropriation in this section are provided solely for modernization grants for small school districts with total enrollments of 1,000 students or less with significant building system deficiencies and limited financial capacity as approved by the superintendent of public instruction's small district modernization grant advisory committee.

(b) The superintendent of public instruction must submit a list of small school district modernization projects, as prioritized by the advisory committee, to the legislature by January 15, 2023. The list must include: (i) A description of the project; (ii) the proposed state funding level, not to exceed \$5,000,000; (iii) estimated total project costs; and (iv) local funding resources.

(3) \$1,100,000 of the state building construction account—state appropriation in this section is provided solely for planning grants for small school districts with enrollments of 1,000 students or less interested in seeking modernization grants. The superintendent of public instruction may prioritize planning grants for school districts with the most serious building deficiencies and the most limited financial capacity. Planning grants may not exceed \$50,000 per district. Planning grants may only be awarded to school districts with an estimated total project cost of \$5,000,000 or less.

(4) (a) \$4,218,000 of the state building construction account—state appropriation in this section is provided solely for planning grants and modernization grants to state tribal compact schools. The superintendent may prioritize planning grants for state tribal compact schools with the most serious building deficiencies and the most limited financial capacity.

(b) The superintendent of public instruction must submit a prioritized list of state-tribal compact school modernization projects to the legislature by January 15, 2023. The list must include: (i) A description of the project; (ii) the planning grant amount; and (iii) estimated total project costs.

(5) The appropriated funds in this section may be awarded only to projects approved by the legislature, as identified in LEAP capital document No.

OSPI-1.1-CD-2021, developed April 15, 2021.

Appropriation:

State Building Construction Account—
State \$30,113,000

Coronavirus Capital Projects Account—
Federal \$12,000,000

Subtotal Appropriation \$42,113,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$290,592,000

TOTAL \$332,705,000

NEW SECTION. Sec. 5019. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

2021-23 Skills Centers Minor Works (40000040)

The appropriations in this section are subject to the following conditions and limitations: In addition to the conditions and limitations specified in section 7019 of this act, no skill center shall receive funding for more than two minor works projects within the 2021-2023 fiscal biennium.

Appropriation:

State Building Construction Account—
State \$1,556,000

Coronavirus Capital Projects Account—
Federal \$1,832,000

Subtotal Appropriation \$3,388,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$3,388,000

NEW SECTION. Sec. 5020. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Pierce County Skills Center -
Evergreen Building Modernization (40000048)

Appropriation:

State Building Construction Account—
State \$9,830,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$9,830,000

NEW SECTION. Sec. 5021. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Seattle Public Schools Skills Center -
Rainier Beach High School (40000050)

Appropriation:

State Building Construction Account—
State \$300,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$300,000

**NEW SECTION. Sec. 5022. FOR THE
SUPERINTENDENT OF PUBLIC INSTRUCTION**

Puget Sound Skills Center Preservation
(40000051)

Appropriation:

State Building Construction Account—
State \$1,024,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$1,024,000

**NEW SECTION. Sec. 5023. FOR THE
SUPERINTENDENT OF PUBLIC INSTRUCTION**

2021-23 School District Health and
Safety (40000052)

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

(1) \$643,000 of the common school
construction account—state
appropriation and \$1,357,000 of the state
building construction account—state
appropriation in this section are
provided solely for emergency repair
grants to address unexpected and imminent
health and safety hazards at K-12 public
schools, including skill centers, that
will impact the day-to-day operations of
the school facility, and this is the
maximum amount that may be spent for this
purpose. For emergency repair grants
only, an emergency declaration must be
signed by the school district board of
directors and submitted to the
superintendent of public instruction for
consideration. The emergency declaration
must include a description of the
imminent health and safety hazard, the
possible cause, the proposed scope of
emergency repair work and related cost
estimate, and identification of local
funding to be applied to the project.
Grants of emergency repair moneys 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.

(2) \$965,000 of the common school
construction account—state
appropriation, \$2,035,000 of the state
building construction account—state
appropriation, and \$1,193,000 of the
coronavirus capital projects account—
federal appropriation in this section are
provided solely for urgent repair grants
to address nonrecurring urgent small
repair projects at K-12 public schools,
excluding skill centers, that could
impact the health and safety of students
and staff if not completed, and this is
the maximum amount that may be spent for
this purpose. The office of the
superintendent of public instruction,
after consulting with maintenance and
operations administrators of school
districts, shall develop criteria and
assurances for providing funding for
specific projects through a competitive
grant program. The criteria and
assurances must include, but are not
limited to, the following: (a) Limiting
school districts to one grant, not to
exceed \$200,000, per three-year period;
(b) prioritizing applications based on
limited school district financial
resources for the project; and (c)
requiring any district receiving funding
provided in this section to demonstrate
a consistent commitment to addressing
school facility needs. The grant
applications must include a
comprehensive description of the health
and safety issues to be addressed, a
detailed description of the remedy,
including a detailed cost estimate of the
repair or replacement work to be
performed, and identification of local
funding, if any, which will be applied to
the project. Grants may be used for, but
are not limited to: Repair or replacement
of failing building systems, abatement of
potentially hazardous materials, and
safety-related structural improvements.

(3) \$322,000 of the common school
construction account—state
appropriation and \$678,000 of the state
building construction account—state
appropriation in this section are
provided solely for equal access grants
for facility repairs and alterations at
K-12 public schools, including skills
centers, to improve compliance with the
Americans with disabilities act and
individuals with disabilities education

act, and this is the maximum amount that may be spent for this purpose. The office of the superintendent of public instruction shall develop criteria and assurances for providing funding for specific projects through a competitive grant program. The criteria and assurances must include, but are not limited to, the following: (a) Limiting districts to one grant, not to exceed \$100,000, per three-year period; (b) prioritizing applications based on limited school district financial resources for the project; and (c) requiring recipient districts to demonstrate a consistent commitment to addressing school facility needs. The grant applications must include a description of the Americans with disabilities act or individuals with disabilities education act compliance deficiency, a comprehensive description of the facility accessibility issues to be addressed, a detailed description of the remedy including a detailed cost estimate of the repair or replacement work to be performed, and identification of local funding, if any, which will be applied to the project. Priority for grant funding must be given to school districts that demonstrate a lack of capital resources to address the compliance deficiencies outlined in the grant application.

(4) The superintendent of public instruction must notify the office of financial management, the legislative evaluation and accountability program committee, the house capital budget committee, and the senate ways and means committee as projects described in subsection (1) of this section are approved for funding.

Appropriation:

Coronavirus Capital Projects Account—	
Federal	\$1,193,000
Common School Construction Account—	
State	\$1,930,000
State Building Construction Account—	
State	\$4,070,000
Subtotal Appropriation	\$7,193,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$52,000,000
TOTAL	\$59,193,000

NEW SECTION. Sec. 5024. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

2021-23 School Seismic Safety Retrofit Program (40000054)

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

(1) \$2,000,000 of the appropriation in this section is provided solely for school seismic safety retrofit planning grants to school districts. The superintendent of public instruction shall prioritize planning grants for school districts with the most significant building deficiencies and the greatest seismic risks as determined by the most recent geological data and building engineering assessments, beginning with facilities classified as very high risk.

(2) \$38,000,000 of the appropriation in this section is provided solely for school seismic safety retrofit grants to school districts for seismic retrofits and seismic safety related improvements of school buildings used for the instruction of students in kindergarten through 12th grade. The superintendent of public instruction must prioritize school seismic safety retrofit grants for school districts with the most significant building deficiencies and the greatest seismic risks as determined by the school seismic safety retrofit planning grants established in subsection (1) of this section, beginning with facilities classified as very high risk.

(3) In the development of school seismic safety retrofit projects, the superintendent of public instruction shall consider the following: (a) Prioritizing student instructional spaces and facilities that improve communities' emergency response capacity, including school gymnasiums and school facilities that are capable of providing space for emergency shelter and response coordination; (b) the financial capacity of low property value school districts in the sizing of grant awards; (c) facilities' seismic needs in light of the useful life of the facilities; and (d) the extent to which the cost of the proposed seismic improvements are less than the estimated costs of facility replacement or new construction.

Appropriation:

State Building Construction Account—	
State	\$40,000,000
Prior Biennia (Expenditures)	\$0

Future Biennia (Projected Costs)
\$160,000,000

TOTAL \$200,000,000

NEW SECTION. Sec. 5025. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

2021-23 Career Preparation and Launch Grants (40000056)

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

(1) The appropriation in this section is provided solely for the superintendent of public instruction to provide competitive grants to school districts to purchase and install career and technical education equipment that expands career connected learning and work-integrated learning opportunities.

(2) The office of the superintendent of public instruction, after consulting with school districts and the workforce training and education coordinating board, shall develop criteria and assurances for providing funding and outcomes for specific projects through a competitive grant program to stay within the appropriation level provided in this section consistent with the following priorities. The criteria must include, but are not limited to, the following:

(a) Districts or schools must demonstrate that the request provides necessary equipment to deliver career and technical education; and

(b) Applicants with a high percentage of students who are eligible and enrolled in the free and reduced-price meals program must be prioritized.

(3) No single district may receive more than \$150,000 of the appropriation.

Appropriation:

Common School Construction Account—State \$2,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL \$2,000,000

NEW SECTION. Sec. 5026. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Career and Technical Education Equipment Grants (91000408)

The reappropriation in this section is subject to the following conditions and

limitations: The reappropriation is subject to the provisions of section 5005, chapter 298, Laws of 2018.

Reappropriation:

Common School Construction Account—State \$29,000

Prior Biennia (Expenditures) \$971,000

Future Biennia (Projected Costs) \$0

TOTAL \$1,000,000

NEW SECTION. Sec. 5027. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

2021-23 Healthy Kids-Healthy Schools: Remediation of Lead (91000465)

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

(1) Except as provided for under subsection (2) of this section, the appropriations in this section are provided solely for grants to school districts, charter schools, and state-tribal education compact schools for the replacement of lead-contaminated pipes, drinking water fixtures, and the purchase of water filters, including the labor costs of remediation design, installation, and construction. The amount provided to charter schools and state-tribal education compact schools for lead remediation costs in this section may not exceed \$100,000 and must be provided from the state building construction account—state appropriation in this section.

(2) \$128,000 of the state building construction account—state appropriation in this section is provided solely for the office of the superintendent of public instruction to enter into a contract, and for the administrative costs of that contract, for the following purposes: To study, estimate, and provide future common and charter school lead-contaminated drinking water remediation and mitigation costs associated with complying with codified lead remediation standards for these schools. The remediation cost estimates developed through this study must rely on a representative sample of schools from the most recent three-year period that have been tested for lead contamination using independent testing and department of health testing. The remediation costs

considered in this study and the representative sample may include: (a) Technical assistance; (b) design; (c) parts and hardware; (d) labor; (e) contract administration for the predesign, design, and remediation phases; and (f) project management. Mitigation actions, treatments, and costs may also be considered in the study, along with other cost categories, as deemed relevant by the office of the superintendent of public instruction. The data collected and studied under this section should be representative of large, medium, and small school districts, as categorized by the Washington State School Directors' Association. Costs must be reported separately in appropriate categories to facilitate understanding of the data collected and studied.

(3) The office of the superintendent of public instruction shall consult with stakeholders and legislative fiscal staff regarding the development of the study and the development of a request for proposal under this section. The results of this study, including cost estimates, must be provided to the governor and the appropriate fiscal committees of the legislature by November 1, 2021.

Appropriation:

Common School Construction Account— State \$270,000	
State Building Construction Account— State \$3,328,000	
Subtotal Appropriation	\$3,598,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$3,598,000

NEW SECTION. Sec. 5028. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Green Schools: Stormwater Infrastructure Projects (91000466)

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

(1) The appropriation in this section is provided solely for a contract with a statewide community-based organization with experience planning and developing green stormwater infrastructure and related educational programs on public school properties. The organization

awarded funding under this section must use this funding solely for green stormwater infrastructure projects on public school properties.

(2) The organization selected under subsection (1) of this section must use geographic analysis to identify green stormwater infrastructure project locations based on the opportunity to reduce stormwater runoff.

(3) To qualify for a project under this section, schools must be eligible for financial assistance under Title I of the Elementary and Secondary Education Act, as amended by the Every Student Succeeds Act. The organization selected under subsection (1) of this section must prioritize schools with high percentages of students eligible for the free and reduced-price meals program that also serve diverse student populations.

(4) Stormwater infrastructure projects under this section should aim to: (a) Provide equity of opportunity in high-need communities; and (b) engage students in conjunction with K-12 STEM education programs aligned with the Washington state science and learning standards.

Appropriation:

Common School Construction Account— State \$300,000	
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$300,000

NEW SECTION. Sec. 5029. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Puget Sound Skills Center (92000007)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5021, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:

State Building Construction Account— State \$3,000	
Prior Biennia (Expenditures)	\$20,930,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$20,933,000

NEW SECTION. Sec. 5030. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

K-3 Class-size Reduction Grants (92000039)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5023, chapter 413, Laws of 2019.

Reappropriation:

State Building Construction Account—
State \$19,654,000

Prior Biennia (Expenditures)
\$214,846,000

Future Biennia (Projected Costs)
\$0

TOTAL \$234,500,000

NEW SECTION. Sec. 5031. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Small Rural District Modernization Grants (92000040)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5008, chapter 298, Laws of 2018.

Reappropriation:

State Building Construction Account—
State \$1,867,000

Prior Biennia (Expenditures)
\$39,133,000

Future Biennia (Projected Costs)
\$0

TOTAL \$41,000,000

NEW SECTION. Sec. 5032. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Distressed Schools (92000041)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5004, chapter 356, Laws of 2020.

Reappropriation:

State Building Construction Account—
State \$28,861,000

Prior Biennia (Expenditures)
\$16,625,000

Future Biennia (Projected Costs)
\$0

TOTAL \$45,486,000

NEW SECTION. Sec. 5033. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

Everett Pathways to Medical Education (92000123)

Reappropriation:

State Building Construction Account—
State \$513,000

Prior Biennia (Expenditures)
\$1,487,000

Future Biennia (Projected Costs)
\$0

TOTAL \$2,000,000

NEW SECTION. Sec. 5034. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

2019-21 Small District Modernization Grants (92000139)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5003, chapter 356, Laws of 2020.

Reappropriation:

State Building Construction Account—
State \$6,190,000

Prior Biennia (Expenditures)
\$17,193,000

Future Biennia (Projected Costs)
\$0

TOTAL \$23,383,000

NEW SECTION. Sec. 5035. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

2019-21 STEM Grants (92000140)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5029, chapter 413, Laws of 2019.

Reappropriation:

State Building Construction Account—
State \$6,660,000

Prior Biennia (Expenditures)
\$1,040,000

Future Biennia (Projected Costs)
\$0

TOTAL \$7,700,000

NEW SECTION. Sec. 5036. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

2019-21 Distressed Schools (92000142)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5005, chapter 356, Laws of 2020.

Reappropriation:

State Building Construction Account—
State \$23,356,000

Prior Biennia (Expenditures)
\$2,581,000

Future Biennia (Projected Costs)
\$0

TOTAL \$25,937,000

NEW SECTION. Sec. 5037. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

2021-23 Agricultural Science in Schools Grant to FFA Foundation (92000916)

Appropriation:

Common School Construction Account—
State \$2,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$2,000,000

NEW SECTION. Sec. 5038. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

2021-23 Distressed Schools (92000917)

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

(1) \$7,000,000 of the appropriation in this section is provided solely for a 12-classroom addition at Green Lake Elementary School in Seattle public schools.

(2) \$940,000 of the appropriation in this section is provided solely for the Healthy Schools pilot to reduce exposure to air pollution and improve air quality in schools.

(3) \$772,000 of the appropriation in this section is provided solely for a school-based health center at Spanaway Middle School.

Appropriation:

State Building Construction Account—
State \$8,712,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$8,712,000

NEW SECTION. Sec. 5039. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

2019-21 School Seismic Safety Retrofit Program (92000148)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5006, chapter 356, Laws of 2020.

Reappropriation:

State Building Construction Account—
State \$13,190,000

Prior Biennia (Expenditures)
\$50,000

Future Biennia (Projected Costs)
\$0

TOTAL \$13,240,000

NEW SECTION. Sec. 5040. FOR THE UNIVERSITY OF WASHINGTON

UW Tacoma (20102002)

The appropriations in this section are subject to the following conditions and limitations: The appropriation is subject to the provisions of section 5036, chapter 413, Laws of 2019.

Reappropriation:

University of Washington Building
Account—State \$700,000

Appropriation:

State Building Construction Account—
State \$36,000,000

Prior Biennia (Expenditures)
\$3,800,000

Future Biennia (Projected Costs)
\$0

TOTAL \$40,500,000

NEW SECTION. Sec. 5041. FOR THE UNIVERSITY OF WASHINGTON

UW Bothell (30000378)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5037, chapter 413, Laws of 2019.

Reappropriation:

State Building Construction Account—
State \$70,000,000

Prior Biennia (Expenditures)
\$9,438,000

Future Biennia (Projected Costs)
\$0

TOTAL \$79,438,000

NEW SECTION. Sec. 5042. FOR THE UNIVERSITY OF WASHINGTON

Health Sciences Education - T-Wing
Renovation/Addition (30000486)

Reappropriation:

State Building Construction Account—
State \$24,000,000

University of Washington Building
Account—State \$2,000,000

Subtotal Reappropriation
\$26,000,000

Prior Biennia (Expenditures)
\$44,623,000

Future Biennia (Projected Costs)
\$0

TOTAL \$70,623,000

NEW SECTION. Sec. 5043. FOR THE UNIVERSITY OF WASHINGTON

College of Engineering
Interdisciplinary/Education Research Ctr
(30000492)

Reappropriation:

University of Washington Building
Account—State \$3,000,000

Appropriation:

State Building Construction Account—
State \$45,400,000

Prior Biennia (Expenditures)
\$1,600,000

Future Biennia (Projected Costs)
\$0

TOTAL \$50,000,000

NEW SECTION. Sec. 5044. FOR THE UNIVERSITY OF WASHINGTON

UW Major Infrastructure (30000808)

Reappropriation:

University of Washington Building
Account—State \$7,000,000

Appropriation:

University of Washington Building
Account—State \$8,000,000

Prior Biennia (Expenditures)
\$25,500,000

Future Biennia (Projected Costs)
\$34,300,000

TOTAL \$74,800,000

NEW SECTION. Sec. 5045. FOR THE UNIVERSITY OF WASHINGTON

2019-21 Minor Works - Preservation
(40000004)

Reappropriation:

University of Washington Building
Account—State \$8,200,000

Prior Biennia (Expenditures)
\$35,266,000

Future Biennia (Projected Costs)
\$0

TOTAL \$43,466,000

NEW SECTION. Sec. 5046. FOR THE UNIVERSITY OF WASHINGTON

Behavioral Health Teaching Facility
(40000038)

The appropriations in this section are subject to the following conditions and limitations: The appropriations are subject to the provisions of section 6042 of this act.

Reappropriation:

State Building Construction Account—
State \$6,000,000

Appropriation:

State Building Construction Account—
State \$200,750,000

Prior Biennia (Expenditures)
\$27,250,000

Future Biennia (Projected Costs)
\$0

TOTAL \$234,000,000

NEW SECTION. Sec. 5047. FOR THE UNIVERSITY OF WASHINGTON

Magnuson Health Sciences Phase II -
Renovation/Replacement (40000049)

Reappropriation:

State Building Construction Account—
State \$1,000,000

Appropriation:

State Building Construction Account—
 State \$5,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
 \$58,000,000

TOTAL \$64,000,000

NEW SECTION. Sec. 5048. FOR THE UNIVERSITY OF WASHINGTON

UW Seattle - Asset Preservation (Minor Works) 21-23 (40000050)

Appropriation:

UW Building Account—State
 \$35,685,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
 \$97,533,000

TOTAL \$133,218,000

NEW SECTION. Sec. 5049. FOR THE UNIVERSITY OF WASHINGTON

UW Bothell - Asset Preservation (Minor Works) 2021-23 (40000070)

Appropriation:

UW Building Account—State
 \$3,638,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
 \$20,200,000

TOTAL \$23,838,000

NEW SECTION. Sec. 5050. FOR THE UNIVERSITY OF WASHINGTON

UW Tacoma - Asset Preservation (Minor Works) 2021-23 (40000072)

Appropriation:

UW Building Account—State
 \$2,677,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
 \$14,861,000

TOTAL \$17,538,000

NEW SECTION. Sec. 5051. FOR THE UNIVERSITY OF WASHINGTON

Ctr for Advanced Materials and Clean Energy Research Test Beds (91000016)

Reappropriation:

State Building Construction Account—
 State \$15,000,000

Prior Biennia (Expenditures)
 \$13,988,000

Future Biennia (Projected Costs)
 \$0

TOTAL \$28,988,000

NEW SECTION. Sec. 5052. FOR THE UNIVERSITY OF WASHINGTON

Preventive Facility Maintenance and Building System Repairs (91000019)

Appropriation:

UW Building Account—State
 \$25,825,000

Prior Biennia (Expenditures)
 \$25,825,000

Future Biennia (Projected Costs)
 \$103,300,000

TOTAL \$154,950,000

NEW SECTION. Sec. 5053. FOR THE UNIVERSITY OF WASHINGTON

Power Plant (91000026)

Appropriation:

University of Washington Building Account—State \$10,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
 \$0

TOTAL \$10,000,000

NEW SECTION. Sec. 5054. FOR THE UNIVERSITY OF WASHINGTON

UW Tacoma Campus Soil Remediation (92000002)

Reappropriation:

Model Toxics Control Capital Account—
 State \$600,000

Appropriation:

Model Toxics Control Capital Account—
 State \$2,000,000

Prior Biennia (Expenditures)
 \$7,658,000

Future Biennia (Projected Costs)
 \$8,000,000

TOTAL \$18,258,000

NEW SECTION. Sec. 5055. FOR THE UNIVERSITY OF WASHINGTON

University of Washington Medical Center Northwest Campus Behavioral Health Renovation (91000027)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for the renovation of existing geriatric psychiatric beds within the Northwest Campus of the University of Washington Medical Center, including predesign, design costs, enabling projects, and early work packages. The renovation design must include fourteen adult psychiatric beds.

Appropriation:

State Building Construction Account—
State \$2,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$13,000,000

TOTAL \$15,000,000

NEW SECTION. Sec. 5056. FOR WASHINGTON STATE UNIVERSITY

WSU Vancouver - Life Sciences Building
(30000840)

Reappropriation:

State Building Construction Account—
State \$1,100,000

Appropriation:

State Building Construction Account—
State \$52,600,000

Prior Biennia (Expenditures)
\$3,400,000

Future Biennia (Projected Costs)
\$0

TOTAL \$57,100,000

NEW SECTION. Sec. 5057. FOR WASHINGTON STATE UNIVERSITY

WSU Tri-Cities - Academic Building
(30001190)

Reappropriation:

State Building Construction Account—
State \$750,000

Prior Biennia (Expenditures)
\$29,650,000

Future Biennia (Projected Costs)
\$0

TOTAL \$30,400,000

NEW SECTION. Sec. 5058. FOR WASHINGTON STATE UNIVERSITY

Global Animal Health Building
(30001322)

Reappropriation:

State Building Construction Account—
State \$2,500,000

Prior Biennia (Expenditures)
\$56,900,000

Future Biennia (Projected Costs)
\$0

TOTAL \$59,400,000

NEW SECTION. Sec. 5059. FOR WASHINGTON STATE UNIVERSITY

Washington State University Pullman -
STEM Teaching Labs (30001326)

Appropriation:

State Building Construction Account—
State \$2,500,000

Prior Biennia (Expenditures)
\$1,000,000

Future Biennia (Projected Costs)
\$7,400,000

TOTAL \$10,900,000

NEW SECTION. Sec. 5060. FOR WASHINGTON STATE UNIVERSITY

Everett Real Estate Acquisition
(40000006)

Reappropriation:

Washington State University Building
Account—

State \$10,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$10,000,000

NEW SECTION. Sec. 5061. FOR WASHINGTON STATE UNIVERSITY

Minor Capital Preservation (MCR):
2019-21 (40000011)

Reappropriation:

Washington State University Building
Account—

State \$1,000,000

Prior Biennia (Expenditures)
\$20,400,000

Future Biennia (Projected Costs)
\$0

TOTAL \$21,400,000

NEW SECTION. **Sec. 5062.** **FOR**
WASHINGTON STATE UNIVERSITY

Spokane-Biomedical and Health Sc
Building Ph II (40000012)

Appropriation:

State Building Construction Account—
State \$15,000,000

Prior Biennia (Expenditures)
\$500,000

Future Biennia (Projected Costs)
\$75,000,000

TOTAL \$90,500,000

NEW SECTION. **Sec. 5063.** **FOR**
WASHINGTON STATE UNIVERSITY

Minor Capital Preservation (MCR):
2021-23 (40000145)

Appropriation:

Washington State University Building
Account—

State \$27,793,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$142,500,000

TOTAL \$170,293,000

NEW SECTION. **Sec. 5064.** **FOR**
WASHINGTON STATE UNIVERSITY

Minor Capital Program (MCI & Omnibus
Equip): 2021-23 (40000212)

Appropriation:

Washington State University Building
Account—

State \$6,400,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$40,000,000

TOTAL \$46,400,000

NEW SECTION. **Sec. 5065.** **FOR**
WASHINGTON STATE UNIVERSITY

Johnson Hall Replacement (40000271)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section may only be used for project expenses directly related to the demolition of Johnson Hall and site preparation work necessary to prepare for a new plant biosciences building for which design and construction funding is

provided by the United States department of agriculture.

Appropriation:

State Building Construction Account—
State \$8,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$8,000,000

NEW SECTION. **Sec. 5066.** **FOR**
WASHINGTON STATE UNIVERSITY

Campus Fire Protection and Domestic
Water Reservoir (40000272)

Appropriation:

State Building Construction Account—
State \$8,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$8,000,000

NEW SECTION. **Sec. 5067.** **FOR**
WASHINGTON STATE UNIVERSITY

Clark Hall Research Lab Renovation
(40000274)

Appropriation:

Washington State University Building
Account—

State \$4,900,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$4,900,000

NEW SECTION. **Sec. 5068.** **FOR**
WASHINGTON STATE UNIVERSITY

Pullman Sciences Building (40000284)

Appropriation:

State Building Construction Account—
State \$500,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$53,000,000

TOTAL \$53,500,000

NEW SECTION. **Sec. 5069.** **FOR**
WASHINGTON STATE UNIVERSITY

Preventive Facility Maintenance and
Building System Repairs (91000037)

Appropriation:
 Washington State University Building
 Account—
 State \$10,115,000
 Prior Biennia (Expenditures)
 \$10,115,000
 Future Biennia (Projected Costs)
 \$40,460,000
 TOTAL \$60,690,000

NEW SECTION. Sec. 5070. FOR EASTERN WASHINGTON UNIVERSITY

Interdisciplinary Science Center
 (30000001)
 Reappropriation:
 State Building Construction Account—
 State \$3,000,000
 Prior Biennia (Expenditures)
 \$69,200,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$72,200,000

NEW SECTION. Sec. 5071. FOR EASTERN WASHINGTON UNIVERSITY

Science Renovation (30000507)
 Reappropriation:
 State Building Construction Account—
 State \$6,000,000

Appropriation:
 State Building Construction Account—
 State \$45,000,000
 Prior Biennia (Expenditures)
 \$2,287,000
 Future Biennia (Projected Costs)
 \$45,500,000
 TOTAL \$98,787,000

NEW SECTION. Sec. 5072. FOR EASTERN WASHINGTON UNIVERSITY

Minor Works: Preservation 2019-21
 (40000011)
 Reappropriation:
 Eastern Washington University Capital
 Projects
 Account—State \$3,866,000
 Prior Biennia (Expenditures)
 \$2,634,000

Future Biennia (Projected Costs)
 \$26,000,000
 TOTAL \$32,500,000

NEW SECTION. Sec. 5073. FOR EASTERN WASHINGTON UNIVERSITY

Minor Works: Program 2019-21
 (40000015)
 Reappropriation:
 Eastern Washington University Capital
 Projects

Account—State \$161,000
 Prior Biennia (Expenditures)
 \$2,339,000
 Future Biennia (Projected Costs)
 \$10,000,000
 TOTAL \$12,500,000

NEW SECTION. Sec. 5074. FOR EASTERN WASHINGTON UNIVERSITY

Infrastructure Renewal II (40000016)
 Reappropriation:
 State Building Construction Account—
 State \$11,000,000
 Prior Biennia (Expenditures)
 \$4,000,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$15,000,000

NEW SECTION. Sec. 5075. FOR EASTERN WASHINGTON UNIVERSITY

Albers Court Improvements (40000036)
 Reappropriation:
 State Building Construction Account—
 State \$4,000,000
 Prior Biennia (Expenditures)
 \$953,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$4,953,000

NEW SECTION. Sec. 5076. FOR EASTERN WASHINGTON UNIVERSITY

Infrastructure Renewal III (40000070)
 Appropriation:
 State Building Construction Account—
 State \$10,000,000
 Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$25,518,000

TOTAL \$35,518,000

NEW SECTION. Sec. 5077. FOR EASTERN WASHINGTON UNIVERSITY

Lucy Covington Center (40000071)

Appropriation:

Eastern Washington University Capital Projects

Account—State \$300,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$18,500,000

TOTAL \$18,800,000

NEW SECTION. Sec. 5078. FOR EASTERN WASHINGTON UNIVERSITY

Minor Works: Preservation 2021-23
(40000107)

Appropriation:

Eastern Washington University Capital Projects

Account—State \$3,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$3,000,000

NEW SECTION. Sec. 5079. FOR EASTERN WASHINGTON UNIVERSITY

Preventative Maintenance/Backlog
Reduction 2021-23 (40000108)

Appropriation:

Eastern Washington University Capital Projects

Account—State \$2,217,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$2,217,000

NEW SECTION. Sec. 5080. FOR EASTERN WASHINGTON UNIVERSITY

Minor Works: Program 2021-23
(40000110)

Appropriation:

Eastern Washington University Capital Projects

Account—State \$1,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$1,000,000

NEW SECTION. Sec. 5081. FOR CENTRAL WASHINGTON UNIVERSITY

Nutrition Science (30000456)

Reappropriation:

State Building Construction Account—
State \$17,500,000

Prior Biennia (Expenditures)
\$42,080,000

Future Biennia (Projected Costs)
\$0

TOTAL \$59,580,000

NEW SECTION. Sec. 5082. FOR CENTRAL WASHINGTON UNIVERSITY

Minor Works Program: 2019-21
(40000007)

Reappropriation:

Central Washington University Capital Projects

Account—State \$80,000

Prior Biennia (Expenditures)
\$920,000

Future Biennia (Projected Costs)
\$0

TOTAL \$1,000,000

NEW SECTION. Sec. 5083. FOR CENTRAL WASHINGTON UNIVERSITY

Health Education (40000009)

Reappropriation:

State Building Construction Account—
State \$1,800,000

Appropriation:

State Building Construction Account—
State \$55,505,000

Prior Biennia (Expenditures)
\$3,200,000

Future Biennia (Projected Costs)
\$0

TOTAL \$60,505,000

NEW SECTION. Sec. 5084. FOR CENTRAL WASHINGTON UNIVERSITY

Minor Works Preservation: 2019-21
(40000041)

Reappropriation:

Central Washington University Capital
Projects

Account—State \$790,000

State Building Construction Account—
State \$210,000

Subtotal Reappropriation
\$1,000,000

Prior Biennia (Expenditures)
\$6,000,000

Future Biennia (Projected Costs)
\$28,000,000

TOTAL \$35,000,000

**NEW SECTION. Sec. 5085. FOR CENTRAL
WASHINGTON UNIVERSITY**

Campus Security Enhancements
(40000074)

Reappropriation:

Central Washington University Capital
Projects

Account—State \$250,000

Prior Biennia (Expenditures)
\$2,213,000

Future Biennia (Projected Costs)
\$0

TOTAL \$2,463,000

**NEW SECTION. Sec. 5086. FOR CENTRAL
WASHINGTON UNIVERSITY**

Chiller Addition (40000075)

Appropriation:

State Building Construction Account—
State \$3,189,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$3,189,000

**NEW SECTION. Sec. 5087. FOR CENTRAL
WASHINGTON UNIVERSITY**

Humanities & Social Science Complex
(40000081)

Appropriation:

State Building Construction Account—
State \$5,205,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$63,846,000

TOTAL \$69,051,000

**NEW SECTION. Sec. 5088. FOR CENTRAL
WASHINGTON UNIVERSITY**

Minor Works Preservation 2021 - 2023
(40000083)

Appropriation:

Central Washington University Capital
Projects

Account—State \$6,499,000

State Building Construction Account—
State \$962,000

Subtotal Appropriation \$7,461,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$25,995,000

TOTAL \$33,456,000

**NEW SECTION. Sec. 5089. FOR CENTRAL
WASHINGTON UNIVERSITY**

Minor Works Program 2021 - 2023
(40000084)

Appropriation:

Central Washington University Capital
Projects

Account—State \$1,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$16,000,000

TOTAL \$17,000,000

**NEW SECTION. Sec. 5090. FOR CENTRAL
WASHINGTON UNIVERSITY**

Preventative Facility
Maintenance/Backlog Reduction 2021-23
(40000115)

Appropriation:

Central Washington University Capital
Projects

Account—State \$2,422,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$9,688,000

TOTAL \$12,110,000

**NEW SECTION. Sec. 5091. FOR THE
EVERGREEN STATE COLLEGE**

Seminar I Renovation (30000125)

Appropriation:
 State Building Construction Account—
 State \$3,000,000
 Prior Biennia (Expenditures)
 \$212,000
 Future Biennia (Projected Costs)
 \$24,300,000
 TOTAL \$27,512,000

NEW SECTION. Sec. 5092. FOR THE EVERGREEN STATE COLLEGE

Preventative Facility Maintenance and
 Building System Repairs (30000612)

Appropriation:

The Evergreen State College Capital
 Projects
 Account—State \$880,000
 Prior Biennia (Expenditures)
 \$1,613,000
 Future Biennia (Projected Costs)
 \$7,900,000
 TOTAL \$10,393,000

NEW SECTION. Sec. 5093. FOR THE EVERGREEN STATE COLLEGE

Minor Works Preservation (40000034)

Appropriation:

The Evergreen State College Capital
 Projects
 Account—State \$3,580,000
 State Building Construction Account—
 State \$1,945,000
 Subtotal Appropriation \$5,525,000
 Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs)
 \$77,500,000
 TOTAL \$83,025,000

NEW SECTION. Sec. 5094. FOR THE EVERGREEN STATE COLLEGE

Lab II HVAC Upgrades (40000047)

Appropriation:

Coronavirus Capital Projects Account—
 Federal \$4,000,000
 Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$4,000,000

NEW SECTION. Sec. 5095. FOR THE EVERGREEN STATE COLLEGE

Minor Works: Program 2021-23
 (40000077)

Appropriation:

The Evergreen State College Capital
 Projects
 Account—State \$500,000
 Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$500,000

NEW SECTION. Sec. 5096. FOR THE EVERGREEN STATE COLLEGE

Minor Works - Preservation: 2019-21
 (91000031)

Reappropriation:

The Evergreen State College Capital
 Projects
 Account—State \$900,000
 Prior Biennia (Expenditures)
 \$4,966,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$5,866,000

NEW SECTION. Sec. 5097. FOR THE EVERGREEN STATE COLLEGE

Minor Works Program: 2019-21
 (91000033)

Reappropriation:

The Evergreen State College Capital
 Projects
 Account—State \$900,000
 Prior Biennia (Expenditures)
 \$600,000
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$1,500,000

NEW SECTION. Sec. 5098. FOR WESTERN WASHINGTON UNIVERSITY

Access Control Security Upgrades
 (30000604)

Appropriation:

State Building Construction Account—
 State \$1,500,000

Western Washington University Capital Projects

Account—State \$515,000
 Subtotal Appropriation \$2,015,000
 Prior Biennia (Expenditures) \$1,500,000
 Future Biennia (Projected Costs) \$9,185,000
 TOTAL \$12,700,000

NEW SECTION. Sec. 5099. FOR WESTERN WASHINGTON UNIVERSITY

Sciences Building Addition & Renovation (30000768)

Reappropriation:
 State Building Construction Account—State \$30,987,000
 Prior Biennia (Expenditures) \$35,013,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$66,000,000

NEW SECTION. Sec. 5100. FOR WESTERN WASHINGTON UNIVERSITY

2019-21 Classroom & Lab Upgrades (30000869)

Reappropriation:
 State Building Construction Account—State \$400,000
 Western Washington University Capital Projects
 Account—State \$42,000
 Subtotal Reappropriation \$442,000
 Prior Biennia (Expenditures) \$2,558,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$3,000,000

NEW SECTION. Sec. 5101. FOR WESTERN WASHINGTON UNIVERSITY

Electrical Engineering/Computer Science Building (30000872)

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

(1) The reappropriation is subject to the provisions of section 5089, chapter 413, Laws of 2019.

(2) The University may pursue the living building challenge petal certification for this project instead of the LEED silver certification required by RCW 39.35D.030.

Reappropriation:

State Building Construction Account—State \$500,000

Appropriation:

State Building Construction Account—State \$51,000,000
 Prior Biennia (Expenditures) \$1,500,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$53,000,000

NEW SECTION. Sec. 5102. FOR WESTERN WASHINGTON UNIVERSITY

Minor Works - Preservation: 2019-21 (30000873)

Reappropriation:

Western Washington University Capital Projects

Account—State \$3,500,000
 Prior Biennia (Expenditures) \$3,346,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$6,846,000

NEW SECTION. Sec. 5103. FOR WESTERN WASHINGTON UNIVERSITY

Minor Works - Program: 2019-21 (30000885)

Reappropriation:

Western Washington University Capital Projects

Account—State \$700,000
 Prior Biennia (Expenditures) \$300,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$1,000,000

NEW SECTION. Sec. 5104. FOR WESTERN WASHINGTON UNIVERSITY

2021-23 Classroom & Lab Upgrades
(30000911)

Appropriation:

State Building Construction Account—
State \$2,500,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$10,500,000

TOTAL \$13,000,000

NEW SECTION. Sec. 5105. FOR WESTERN WASHINGTON UNIVERSITY

Coast Salish Longhouse (30000912)

The appropriation in this section is subject to the following conditions and limitations: Any amount of the total project costs in excess of \$4,500,000 must be paid for from private funds.

Appropriation:

State Building Construction Account—
State \$3,000,000

Western Washington University Capital
Projects

Account—State \$1,500,000

Subtotal Appropriation \$4,500,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$4,500,000

NEW SECTION. Sec. 5106. FOR WESTERN WASHINGTON UNIVERSITY

Minor Works - Preservation 2021-23
(30000915)

Appropriation:

Western Washington University Capital
Projects

Account—State \$4,800,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$69,710,000

TOTAL \$74,510,000

NEW SECTION. Sec. 5107. FOR WESTERN WASHINGTON UNIVERSITY

Minor Works - Program 2021-2023
(30000918)

Appropriation:

Western Washington University Capital
Projects

Account—State \$1,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$7,000,000

TOTAL \$8,000,000

NEW SECTION. Sec. 5108. FOR WESTERN WASHINGTON UNIVERSITY

Student Development and Success Center
(30000919)

Appropriation:

Western Washington University Capital
Projects

Account—State \$225,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$30,200,000

TOTAL \$30,425,000

NEW SECTION. Sec. 5109. FOR WESTERN WASHINGTON UNIVERSITY

Preventive Facility Maintenance and
Building System Repairs (91000010)

Appropriation:

Western Washington University Capital
Projects

Account—State \$3,614,000

Prior Biennia (Expenditures)
\$3,614,000

Future Biennia (Projected Costs)
\$14,456,000

TOTAL \$21,684,000

NEW SECTION. Sec. 5110. FOR THE WASHINGTON STATE HISTORICAL SOCIETY

Minor Works - Preservation (30000288)

Reappropriation:

State Building Construction Account—
State \$150,000

Prior Biennia (Expenditures)
\$3,350,000

Future Biennia (Projected Costs)
\$0

TOTAL \$3,500,000

NEW SECTION. Sec. 5111. FOR THE WASHINGTON STATE HISTORICAL SOCIETY

Heritage Capital Grants Projects
(30000297)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5054, chapter 2, Laws of 2018.

Reappropriation:

State Building Construction Account—
State \$1,800,000

Prior Biennia (Expenditures)
\$7,186,000

Future Biennia (Projected Costs)
\$0

TOTAL \$8,986,000

**NEW SECTION. Sec. 5112. FOR THE
WASHINGTON STATE HISTORICAL SOCIETY**

Heritage Capital Grant Projects: 2019-
21 (40000014)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5020, chapter 356, Laws of 2020.

Reappropriation:

State Building Construction Account—
State \$4,400,000

Prior Biennia (Expenditures)
\$4,777,000

Future Biennia (Projected Costs)
\$0

TOTAL \$9,177,000

**NEW SECTION. Sec. 5113. FOR THE
WASHINGTON STATE HISTORICAL SOCIETY**

Minor Works - Preservation: 2019-21
(40000086)

Reappropriation:

State Building Construction Account—
State \$700,000

Prior Biennia (Expenditures)
\$1,908,000

Future Biennia (Projected Costs)
\$0

TOTAL \$2,608,000

**NEW SECTION. Sec. 5114. FOR THE
WASHINGTON STATE HISTORICAL SOCIETY**

Heritage Capital Grant Projects 2021-
2023 (40000099)

Appropriation:

State Building Construction Account—
State \$8,816,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$8,816,000

**NEW SECTION. Sec. 5115. FOR THE
WASHINGTON STATE HISTORICAL SOCIETY**

Preservation - Minor Works 2021-23
(40000136)

Appropriation:

State Building Construction Account—
State \$2,500,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$8,298,000

TOTAL \$10,798,000

**NEW SECTION. Sec. 5116. FOR THE
WASHINGTON STATE HISTORICAL SOCIETY**

Great Hall Core Exhibit Renewal
(40000145)

Appropriation:

State Building Construction Account—
State \$1,326,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$3,564,000

TOTAL \$4,890,000

**NEW SECTION. Sec. 5117. FOR THE
WASHINGTON STATE HISTORICAL SOCIETY**

Black History Commemoration (91000008)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5022, chapter 356, Laws of 2020.

Reappropriation:

State Building Construction Account—
State \$75,000

Prior Biennia (Expenditures)
\$25,000

Future Biennia (Projected Costs)
\$0

TOTAL \$100,000

**NEW SECTION. Sec. 5118. FOR THE
EASTERN WASHINGTON STATE HISTORICAL
SOCIETY**

Campbell and Carriage House Repairs
and Restoration (40000017)

Reappropriation:

State Building Construction Account—
State \$618,000

Appropriation:

State Building Construction Account—
State \$956,000

Prior Biennia (Expenditures)
\$382,000

Future Biennia (Projected Costs)
\$0

TOTAL \$1,956,000

**NEW SECTION. Sec. 5119. FOR THE
EASTERN WASHINGTON STATE HISTORICAL
SOCIETY**

Minor Works - Preservation: 2019-21
(40000026)

Reappropriation:

State Building Construction Account—
State \$692,000

Prior Biennia (Expenditures)
\$867,000

Future Biennia (Projected Costs)
\$0

TOTAL \$1,559,000

**NEW SECTION. Sec. 5120. FOR THE
EASTERN WASHINGTON STATE HISTORICAL
SOCIETY**

Minor Works: Preservation 2021-23
(40000041)

Appropriation:

State Building Construction Account—
State \$778,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$778,000

**NEW SECTION. Sec. 5121. FOR THE
EASTERN WASHINGTON STATE HISTORICAL
SOCIETY**

Minor Works: Program 2021-23
(40000048)

Appropriation:

State Building Construction Account—
State \$75,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$75,000

**NEW SECTION. Sec. 5122. FOR THE
COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Olympic College: College Instruction
Center (30000122)

Reappropriation:

State Building Construction Account—
State \$63,000

Prior Biennia (Expenditures)
\$50,077,000

Future Biennia (Projected Costs)
\$0

TOTAL \$50,140,000

**NEW SECTION. Sec. 5123. FOR THE
COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

Grays Harbor College: Student Services
and Instructional Building (30000127)

Reappropriation:

State Building Construction Account—
State \$2,201,000

Appropriation:

State Building Construction Account—
State \$44,026,000

Prior Biennia (Expenditures)
\$1,950,000

Future Biennia (Projected Costs)
\$0

TOTAL \$48,177,000

**NEW SECTION. Sec. 5124. FOR THE
COMMUNITY AND TECHNICAL COLLEGE SYSTEM**

North Seattle Community College:
Technology Building Renewal (30000129)

The reappropriation in this section is
subject to the following conditions and
limitations: All remaining work on this
project must be completed by June 30,
2023.

Reappropriation:

State Building Construction Account—
State \$93,000

Prior Biennia (Expenditures)
\$25,326,000

Future Biennia (Projected Costs)
\$0

TOTAL \$25,419,000

NEW SECTION. Sec. 5125. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Clark College: North County Satellite (30000135)

Reappropriation:

State Building Construction Account—State \$5,287,000

Appropriation:

State Building Construction Account—State \$53,230,000

Prior Biennia (Expenditures) \$401,000

Future Biennia (Projected Costs) \$0

TOTAL \$58,918,000

NEW SECTION. Sec. 5126. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Everett Community College: Learning Resource Center (30000136)

Reappropriation:

State Building Construction Account—State \$1,283,000

Appropriation:

State Building Construction Account—State \$48,084,000

Prior Biennia (Expenditures) \$2,732,000

Future Biennia (Projected Costs) \$0

TOTAL \$52,099,000

NEW SECTION. Sec. 5127. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Edmonds Community College: Science, Engineering, Technology Bldg (30000137)

Reappropriation:

State Building Construction Account—State \$124,000

Prior Biennia (Expenditures) \$46,953,000

Future Biennia (Projected Costs) \$0

TOTAL \$47,077,000

NEW SECTION. Sec. 5128. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Whatcom Community College: Learning Commons (30000138)

Reappropriation:

State Building Construction Account—State \$5,790,000

Prior Biennia (Expenditures) \$30,984,000

Future Biennia (Projected Costs) \$0

TOTAL \$36,774,000

NEW SECTION. Sec. 5129. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Big Bend: Professional-Technical Education Center (30000981)

Reappropriation:

State Building Construction Account—State \$48,000

Prior Biennia (Expenditures) \$37,338,000

Future Biennia (Projected Costs) \$0

TOTAL \$37,386,000

NEW SECTION. Sec. 5130. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Spokane: Main Building South Wing Renovation (30000982)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5025, chapter 298, Laws of 2018.

Reappropriation:

State Building Construction Account—State \$657,000

Prior Biennia (Expenditures) \$27,849,000

Future Biennia (Projected Costs) \$0

TOTAL \$28,506,000

NEW SECTION. Sec. 5131. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Highline: Health and Life Sciences (30000983)

Reappropriation:

State Building Construction Account—State \$845,000

Prior Biennia (Expenditures) \$26,308,000

Future Biennia (Projected Costs) \$0

TOTAL \$27,153,000

NEW SECTION. **Sec. 5132. FOR THE**
COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Wenatchee Valley: Wells Hall
Replacement (30000985)

Reappropriation:

State Building Construction Account—
State \$12,327,000

Prior Biennia (Expenditures)
\$20,044,000

Future Biennia (Projected Costs)
\$0

TOTAL \$32,371,000

NEW SECTION. **Sec. 5133. FOR THE**
COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Olympic: Shop Building Renovation
(30000986)

Reappropriation:

State Building Construction Account—
State \$8,421,000

Prior Biennia (Expenditures)
\$184,000

Future Biennia (Projected Costs)
\$0

TOTAL \$8,605,000

NEW SECTION. **Sec. 5134. FOR THE**
COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Pierce Fort Steilacoom: Cascade
Building Renovation - Phase 3 (30000987)

Reappropriation:

State Building Construction Account—
State \$31,138,000

Prior Biennia (Expenditures)
\$3,962,000

Future Biennia (Projected Costs)
\$0

TOTAL \$35,100,000

NEW SECTION. **Sec. 5135. FOR THE**
COMMUNITY AND TECHNICAL COLLEGE SYSTEM

South Seattle: Automotive Technology
Renovation and Expansion (30000988)

Reappropriation:

State Building Construction Account—
State \$13,043,000

Prior Biennia (Expenditures)
\$12,834,000

Future Biennia (Projected Costs)
\$0

TOTAL \$25,877,000

NEW SECTION. **Sec. 5136. FOR THE**
COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Bates: Medical Mile Health Science
Center (30000989)

Reappropriation:

State Building Construction Account—
State \$19,702,000

Prior Biennia (Expenditures)
\$24,364,000

Future Biennia (Projected Costs)
\$0

TOTAL \$44,066,000

NEW SECTION. **Sec. 5137. FOR THE**
COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Shoreline: Allied Health, Science &
Manufacturing Replacement (30000990)

Reappropriation:

State Building Construction Account—
State \$106,000

Appropriation:

State Building Construction Account—
State \$43,848,000

Prior Biennia (Expenditures)
\$3,486,000

Future Biennia (Projected Costs)
\$0

TOTAL \$47,440,000

NEW SECTION. **Sec. 5138. FOR THE**
COMMUNITY AND TECHNICAL COLLEGE SYSTEM

North Seattle Library Building
Renovation (30001451)

Reappropriation:

State Building Construction Account—
State \$759,000

Appropriation:

State Building Construction Account—
State \$30,519,000

Prior Biennia (Expenditures)
\$2,689,000

Future Biennia (Projected Costs)
\$0

TOTAL \$33,967,000

NEW SECTION. **Sec. 5139. FOR THE**
COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Walla Walla Science and Technology
Building Replacement (30001452)

Reappropriation:

State Building Construction Account—
State \$343,000

Appropriation:

State Building Construction Account—
State \$9,483,000

Prior Biennia (Expenditures)
\$813,000

Future Biennia (Projected Costs)
\$0

TOTAL \$10,639,000

NEW SECTION. Sec. 5140. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Spokane Falls: Fine and Applied Arts Replacement (30001458)

The appropriations in this section are subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5027, chapter 356, Laws of 2020.

Reappropriation:

State Building Construction Account—
State \$19,354,000

Appropriation:

State Building Construction Account—
State \$19,342,000

Prior Biennia (Expenditures)
\$3,473,000

Future Biennia (Projected Costs)
\$0

TOTAL \$42,169,000

NEW SECTION. Sec. 5141. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Lake Washington: Center for Design (40000102)

Reappropriation:

State Building Construction Account—
State \$2,492,000

Prior Biennia (Expenditures)
\$668,000

Future Biennia (Projected Costs)
\$0

TOTAL \$3,160,000

NEW SECTION. Sec. 5142. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Wenatchee: Center for Technical Education and Innovation (40000198)

Appropriation:

State Building Construction Account—
State \$3,266,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$41,557,000

TOTAL \$44,823,000

NEW SECTION. Sec. 5143. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Olympic Innovation and Technology Learning Center (40000103)

Reappropriation:

State Building Construction Account—
State \$2,552,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$2,552,000

NEW SECTION. Sec. 5144. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Tacoma: Center for Innovative Learning and Engagement (40000104)

Appropriation:

State Building Construction Account—
State \$2,992,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$30,239,000

TOTAL \$33,231,000

NEW SECTION. Sec. 5145. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Lower Columbia: Center for Vocational and Transitional Studies (40000106)

Appropriation:

State Building Construction Account—
State \$3,206,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$31,805,000

TOTAL \$35,011,000

NEW SECTION. Sec. 5146. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Spokane: Apprenticeship Center (40000107)

Appropriation:

State Building Construction Account—
State \$3,368,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$30,674,000

TOTAL \$34,042,000

NEW SECTION. Sec. 5147. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Centralia: Teacher Education and Family Development Center (40000109)

Appropriation:

State Building Construction Account—
State \$2,268,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$8,787,000

TOTAL \$11,055,000

NEW SECTION. Sec. 5148. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Skagit: Library/Culinary Arts Building (40000110)

Appropriation:

State Building Construction Account—
State \$2,257,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$22,757,000

TOTAL \$25,014,000

NEW SECTION. Sec. 5149. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Minor Works - Program (40000112)

Reappropriation:

State Building Construction Account—
State \$4,057,000

Prior Biennia (Expenditures)
\$35,784,000

Future Biennia (Projected Costs)
\$0

TOTAL \$39,841,000

NEW SECTION. Sec. 5150. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Edmonds: Triton Learning Commons (40000114)

Appropriation:

State Building Construction Account—
State \$3,656,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$34,709,000

TOTAL \$38,365,000

NEW SECTION. Sec. 5151. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Bates: Fire Service Training Center (40000130)

Reappropriation:

State Building Construction Account—
State \$2,559,000

Prior Biennia (Expenditures)
\$243,000

Future Biennia (Projected Costs)
\$0

TOTAL \$2,802,000

NEW SECTION. Sec. 5152. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Bellevue: Center for Transdisciplinary Learning and Innovation (40000168)

Reappropriation:

State Building Construction Account—
State \$2,630,000

Appropriation:

State Building Construction Account—
State \$39,942,000

Prior Biennia (Expenditures)
\$209,000

Future Biennia (Projected Costs)
\$0

TOTAL \$42,781,000

NEW SECTION. Sec. 5153. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Facility Repairs (40000169)

Reappropriation:

Community and Technical College Capital Projects
Account—State \$2,826,000

State Building Construction Account—
State \$2,627,000

Subtotal Reappropriation
\$5,453,000

Prior Biennia (Expenditures)
\$33,074,000

Future Biennia (Projected Costs)
\$0

TOTAL \$38,527,000

NEW SECTION. Sec. 5154. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Roof Repairs (40000171)

Reappropriation:

Community and Technical College Capital Projects

Account—State \$2,252,000

Prior Biennia (Expenditures) \$13,000,000

Future Biennia (Projected Costs) \$0

TOTAL \$15,252,000

NEW SECTION. Sec. 5155. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Site Repairs (40000173)

Reappropriation:

State Building Construction Account—State \$752,000

Prior Biennia (Expenditures) \$2,558,000

Future Biennia (Projected Costs) \$0

TOTAL \$3,310,000

NEW SECTION. Sec. 5156. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Everett: Baker Hall Replacement (40000190)

Reappropriation:

State Building Construction Account—State \$212,000

Prior Biennia (Expenditures) \$63,000

Future Biennia (Projected Costs) \$0

TOTAL \$275,000

NEW SECTION. Sec. 5157. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Renton: Health Sciences Center (40000204)

Appropriation:

State Building Construction Account—State \$3,997,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$43,937,000

TOTAL \$47,934,000

NEW SECTION. Sec. 5158. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Shoreline: STE(A)M Education Center (40000214)

Appropriation:

State Building Construction Account—State \$3,039,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$31,961,000

TOTAL \$35,000,000

NEW SECTION. Sec. 5159. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Cascadia: CC5 Gateway building (40000222)

Appropriation:

State Building Construction Account—State \$3,096,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$33,486,000

TOTAL \$36,582,000

NEW SECTION. Sec. 5160. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Minor Works - Preservation (40000258)

Reappropriation:

Community and Technical College Capital Projects

Account—State \$1,522,000

Prior Biennia (Expenditures) \$22,217,000

Future Biennia (Projected Costs) \$0

TOTAL \$23,739,000

NEW SECTION. Sec. 5161. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Pierce Puyallup: STEM Building (40000293)

Reappropriation:

State Building Construction Account—State \$3,069,000

Appropriation:

State Building Construction Account—State \$38,600,000

Prior Biennia (Expenditures) \$300,000
 Future Biennia (Projected Costs) \$0
 TOTAL \$41,969,000

NEW SECTION. Sec. 5162. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Minor Repairs - Facility (40000308)
 Appropriation:

State Building Construction Account—State \$32,466,000
 Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$32,466,000

NEW SECTION. Sec. 5163. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Preventive Facility Maintenance and Building System Repairs (40000320)

Appropriation:

Community and Technical College Capital Projects
 Account—State \$22,800,000
 Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$91,200,000
 TOTAL \$114,000,000

NEW SECTION. Sec. 5164. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Minor Works - Preservation (40000321)

Appropriation:

Community and Technical College Capital Projects
 Account—State \$26,113,000
 Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs) \$0
 TOTAL \$26,113,000

NEW SECTION. Sec. 5165. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Minor Repairs - Roof (40000361)

Appropriation:

Community and Technical College Capital Projects
 Account—State \$8,087,000

State Building Construction Account—State \$3,771,000

Subtotal Appropriation \$11,858,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL \$11,858,000

NEW SECTION. Sec. 5166. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Minor Works - Site (40000409)

Appropriation:

State Building Construction Account—State \$3,163,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL \$3,163,000

NEW SECTION. Sec. 5167. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

2021-23 Career Preparation and Launch Grants (40000515)

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

(1) This appropriation is provided solely for the state board for community and technical colleges to provide competitive grants to community and technical colleges to purchase and install equipment that expands career-connected learning opportunities.

(2) The state board for community and technical colleges shall develop common criteria for providing competitive grant funding and outcomes for specific projects.

Appropriation:

State Building Construction Account—State \$5,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL \$5,000,000

NEW SECTION. Sec. 5168. FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Minor Works - Infrastructure and Program (92000035)

Appropriation:

State Building Construction Account—
State \$40,000,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$40,000,000

NEW SECTION. Sec. 5169. FOR THE WASHINGTON STATE ARTS COMMISSION

Creative Districts Capital
Construction Projects (30000002)

Appropriation:

State Building Construction Account—
State \$412,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$412,000

NEW SECTION. Sec. 5170. FOR THE WASHINGTON STATE ARTS COMMISSION

Yakima Sun Dome Reflectors (92000002)

Appropriation:

State Building Construction Account—
State \$508,000

Prior Biennia (Expenditures)
\$80,000

Future Biennia (Projected Costs)
\$0

TOTAL \$588,000

NEW SECTION. Sec. 5171. FOR THE STATE SCHOOL FOR THE BLIND

Independent Living Skills Center
(30000107)

Reappropriation:

State Building Construction Account—
State \$700,000

Appropriation:

State Building Construction Account—
State \$7,636,000

Prior Biennia (Expenditures)
\$662,000

Future Biennia (Projected Costs)
\$0

TOTAL \$8,998,000

NEW SECTION. Sec. 5172. FOR THE STATE SCHOOL FOR THE BLIND

Minor Works: Campus Preservation 2019-
21 (40000004)

Reappropriation:

State Building Construction Account—
State \$200,000

Prior Biennia (Expenditures)
\$455,000

Future Biennia (Projected Costs)
\$0

TOTAL \$655,000

NEW SECTION. Sec. 5173. FOR THE STATE SCHOOL FOR THE BLIND

21-23 Campus Preservation (40000015)

Appropriation:

State Building Construction Account—
State \$475,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$475,000

NEW SECTION. Sec. 5174. FOR THE WASHINGTON CENTER FOR DEAF AND HARD OF HEARING YOUTH

Academic and Physical Education
Building (30000036)

Reappropriation:

State Building Construction Account—
State \$5,000,000

Appropriation:

State Building Construction Account—
State \$49,439,000

Prior Biennia (Expenditures)
\$637,000

Future Biennia (Projected Costs)
\$0

TOTAL \$55,076,000

NEW SECTION. Sec. 5175. FOR THE WASHINGTON CENTER FOR DEAF AND HARD OF HEARING YOUTH

Minor Works: Preservation 2021-23
(30000047)

Appropriation:

State Building Construction Account—
State \$245,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL \$245,000

PART 6

Sec. 6001. 2019 c 413 s 1007 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

Public Works Assistance Account Program 2013 Loan List (30000184)

Reappropriation:

Public Works Assistance Account—State
 (~~(\$11,000,000)~~)

\$6,760,000

Prior Biennia (Expenditures)
 \$27,141,000

Future Biennia (Projected Costs)
 \$0

TOTAL (~~(\$30,141,000)~~)

\$33,901,000

Sec. 6002. 2019 c 413 s 1010 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

Housing Trust Fund Appropriation (30000833)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 1005, chapter 35, Laws of 2016 sp. sess. and section 6008 of this act.

Reappropriation:

State Taxable Building Construction Account—State (~~(\$10,406,000)~~)

\$8,906,000

Washington Housing Trust Account—State \$278,000

Subtotal Reappropriation
 (~~(\$10,684,000)~~)

\$9,184,000

Prior Biennia (Expenditures)
 \$70,816,000

Future Biennia (Projected Costs)
 \$0

TOTAL (~~(\$81,500,000)~~)

\$80,000,000

Sec. 6003. 2019 c 413 s 1014 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

2017 Local and Community Projects (30000846)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 6004, chapter 4, Laws of 2017 3rd sp. sess.

Reappropriation:

State Building Construction Account—State (~~(\$3,000,000)~~)

\$2,515,000

Prior Biennia (Expenditures)
 \$8,363,000

Future Biennia (Projected Costs)
 \$0

TOTAL (~~(\$11,363,000)~~)

\$10,878,000

Sec. 6004. 2020 c 356 s 6002 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

2018 Local and Community Projects (40000005)

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

(1) The reappropriation is subject to the provisions of section 6003 of this act, except that (~~no funding~~):

(a) Funding may not be directed to the Puyallup Meeker Mansion Public Plaza;

(b) Funding may not be provided for the NeighborCare Health project; and

(c) \$3,000,000 of the reappropriation in this section is provided solely for the Sea Mar Community Health Center project.

(2) The Interbay public development advisory committee shall provide a report to the legislature and office of the governor with recommendations by November 15, 2019. The Interbay advisory committee's recommendations must include recommendations regarding the structure, composition, and scope of authority of any subsequent state public development authority that may be established to

implement the recommendations of the Interbay advisory committee.

(3) The Interbay public development advisory committee terminates June 30, 2020.

Reappropriation:

State Building Construction Account—
State (~~(\$90,642,000)~~)

\$90,538,000

Prior Biennia (Expenditures)
\$39,799,000

Future Biennia (Projected Costs)
\$0

TOTAL (~~(\$130,441,000)~~)

\$130,337,000

Sec. 6005. 2020 c 356 s 1003 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

2019-21 Housing Trust Fund Program (40000036)

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

(1) \$132,666,000 of the state taxable building construction account—state appropriation, \$44,084,000 of the state building construction account—state appropriation are provided solely for production and preservation of affordable housing. Of the amounts in this subsection:

(a) \$35,000,000 of the appropriation is provided solely for housing projects that provide supportive housing and case-management services to persons with chronic mental illness. When evaluating applications for this population, the department must prioritize low-income supportive housing unit proposals that show:

(i) Evidence that the application was developed in collaboration with one or more health care entities that provide behavioral health care services to individuals eligible for the housing provided under this subsection;

(ii) A commitment by the applicant to provide, directly or through a formal partnership, necessary treatment and supportive services to the tenants and maintain the beds or housing units for at least a forty-year period;

(iii) Readiness to begin structural modifications or construction resulting in a fast project completion;

(iv) Program requirements that adhere to the key elements of permanent supportive housing programs including choice in housing and living arrangements, functional separation of housing and services, community integration, rights of tenancy, and voluntary recovery-focused services; and

(v) To achieve geographic distribution, the department must prioritize projects in rural areas as defined by the department per RCW 43.185.050 and unserved communities with the goal of maximizing the investment and increasing the number of supportive housing units in rural, unserved communities.

(b) \$10,000,000 of the appropriation in this section is provided solely for competitive grant awards for modular housing which includes high quality affordable housing projects that will quickly move people from homelessness into secure housing and are significantly less expensive to construct than traditional housing. These funds must be awarded to projects with a total project development cost per housing unit of less than \$200,000, excluding the value of land, off-site infrastructure costs, and any capitalized reserves, compliant with the Americans with disabilities act, and with a commitment by the applicant to maintain the housing units for at least a fifty year period.

(c) \$10,000,000 of the appropriation in this section is provided solely for a state match or state matches on private contributions that fund the production and preservation of affordable housing. Awards must be made using a competitive process. If any funding remains unallocated after the first fiscal year during the 2019-2021 fiscal biennium, the department may allocate the remaining funding through its annual competitive process for affordable housing projects that serve and benefit low-income and special needs populations in need of housing.

(d) (i) \$10,000,000 of the appropriation in this section is provided solely for housing preservation grants or loans to be awarded competitively.

(ii) The funds may be provided for major building improvements, preservation, and system replacements,

necessary for the existing housing trust fund portfolio to maintain long-term viability. The department must require a capital needs assessment to be provided prior to contract execution. Funds may not be used to add or expand the capacity of the property.

(iii) To allocate preservation funds, the department must review applications and evaluate projects based on the following criteria:

(A) The age of the property, with priority given to buildings that are more than fifteen years old;

(B) The population served, with priority given to projects with at least 50 percent of the housing units being occupied by families and individuals at or below 50 percent area median income;

(C) The degree to which the applicant demonstrates that the improvements will result in a reduction of operating or utilities costs, or both;

(D) The potential for additional years added to the affordability period of the property; and

(E) Other criteria that the department considers necessary to achieve the purpose of this program.

(e) (i) \$7,000,000 of the appropriation in this section is provided solely for loans or grants to design and construct ultra-high energy efficient affordable housing projects.

(ii) To receive funding, a project must provide a life-cycle cost analysis report to the department and must demonstrate energy-saving and renewable energy systems either designed to reach net-zero energy use after housing is fully occupied or designed to achieve the most recent building standard of the passive house institute US as of the effective date of this section.

(iii) The department must consider, at a minimum and in any order, the following factors in assigning a numerical ranking to a project:

(A) Whether the proposed design has demonstrated that the project will achieve either net-zero energy use when fully occupied or will achieve the most recent building standard of the passive house institute US as of the effective date of this section;

(B) The life-cycle cost of the project;

(C) That the project demonstrates a design, use of materials, and construction process that can be replicated by the Washington building industry;

(D) The extent to which the project leverages nonstate funds;

(E) The extent to which the project is ready to proceed to construction;

(F) Whether the project promotes sustainable use of resources and environmental quality;

(G) Whether the project is being well managed to fund maintenance and capital depreciation;

(H) Reduction of housing and utilities carbon footprint; and

(I) Other criteria that the department considers necessary to achieve the purpose of this program.

(iv) The department must monitor and track the results of the housing projects that receive ultra-high energy efficiency funding under this section.

(f) (~~(\$44,084,000)~~) \$40,084,000 of the appropriation in this section is provided solely for the following list of housing projects:

Bellwether Housing (Seattle)	\$6,000,000
Capitol Hill Housing Broadway (Seattle)	\$6,000,000
((Crosswalk Teen Shelter and Transitional Housing Project (Spokane)	\$1,000,000
Ethiopian Community Affordable Housing (Seattle)	\$3,000,000)
FFC New Construction (Statewide)	\$1,384,000
FUSION Emergency Housing for Homeless Families	
(Federal Way)	\$3,000,000
Highland Village (Airway Heights)	\$5,500,000
Home At Last (Tacoma)	\$2,250,000
Interfaith Works Shelter (Olympia)	\$3,000,000
Pateros Gardens (Pateros)	\$1,400,000
SCIDpda North Lot (Seattle)	\$9,000,000

Tenny Creek Assisted Living (Vancouver)	\$1,750,000
THA Arlington Drive (Tacoma)	\$800,000

(g) \$6,000,000 of the appropriation for Capitol Hill Housing Broadway (Seattle) in (f) of this subsection is provided solely for the purchase of the three south annex properties. The state board for community and technical colleges must transfer the three south annex properties located at 1500 Broadway, 1534 Broadway, and 909 East Pine street in Seattle to Capitol Hill Housing to provide services and housing for homeless youth or young adults at the 1500 Broadway and 909 East Pine street properties for a minimum of fifty years. The transfer agreement between the state board for community and technical colleges and Capitol Hill Housing must specify a mutually agreed transfer date and require Capitol Hill Housing to cover any closing costs with a total purchase price of nine million dollars for the three properties. The contract between the department and Capitol Hill Housing must:

(i) Provide that Capitol Hill Housing is responsible for maintaining and securing the 1500 Broadway and 909 East Pine properties until the site is redeveloped;

(ii) Specify that, if Capitol Hill Housing does not construct at least seventy affordable housing units on the site by 2028, this funding must be fully repaid to the state or the land must revert back to the state; and

(iii) Require that Capitol Hill Housing transfer the 1534 Broadway property to YouthCare Service Center for the purpose of developing a youth community center.

(h) \$5,000,000 of the state taxable building construction account—state appropriation is provided solely for competitive grant awards for the development of community housing and cottage communities to shelter individuals or households experiencing homelessness. This funding must be awarded to projects that develop a minimum of four individual structures in the same location. Individual structures must contain insulation, electricity, overhead lights, and heating. Kitchens and bathrooms may be contained within the individual structures or offered as a

separate facility that is shared with the community. When evaluating applications for this grant program, the department must prioritize projects that demonstrate:

(i) The availability of land to locate the community;

(ii) A strong readiness to proceed to construction;

(iii) A longer term of commitment to maintain the community;

(iv) A commitment by the applicant to provide, directly or through a formal partnership, case management and employment support services to the tenants;

(v) Access to employment centers, health care providers and other services; and

(vi) A community engagement strategy.

(i) \$55,666,000 of the appropriation in this section is provided solely for affordable housing projects that serve and benefit low-income and special needs populations in need of housing. Of the amounts appropriated in this subsection, the department must allocate the funds as follows:

(i) \$5,000,000 of the appropriation in this section is provided solely for housing for veterans;

(ii) \$3,616,000 of the appropriation in this section is provided solely for housing that serves people with developmental disabilities;

(iii) \$5,000,000 of the appropriation in this section is provided solely for housing that serves people who are employed as farmworkers; and

(iv) (A) \$5,000,000 of the appropriation in this section is provided solely for housing projects that benefit homeownership.

(B) During the 2019-2021 fiscal biennium, the department must use a separate application form for applications to provide homeownership opportunities and evaluate homeownership project applications as allowed under chapter 43.185A RCW.

(C) In addition to the definition of "first-time home buyer" in RCW 43.185A.010, for the purposes of awarding homeownership projects during the 2019-

2021 fiscal biennium "first time home buyer" also includes:

(I) A single parent who has only owned a home with a former spouse while married;

(II) An individual who is a displaced homemaker as defined in 24 C.F.R. Sec. 93.2 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, and has only owned a home with a spouse;

(III) An individual who has only owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations; or

(IV) An individual who has only owned a property that is discerned by a licensed building inspector as being uninhabitable.

(2) In evaluating projects in this section, the department must give preference for applications based on some or all of the criteria in RCW 43.185.070(5).

(3)(a) The department must strive to allocate all of the amounts appropriated in this section within the 2019-2021 fiscal biennium in the manner prescribed in subsection (1) of this section. However, if upon review of applications the department determines there are not adequate suitable projects in a category, the department may allocate funds to projects serving other low-income and special needs populations, provided those projects are located in an area with an identified need for the type of housing proposed.

(b) By June 30, 2021, the department must report on its web site the following for every previous funding cycle: The number of homeownership and multifamily rental projects funded by housing trust fund moneys; the percentage of housing trust fund investments made to homeownership and multifamily rental projects; and the total number of households being served at up to eighty percent of the area median income, up to fifty percent of the area median income, and up to thirty percent of the area median income, for both homeownership and multifamily rental projects.

(4)(a) The department, in cooperation with the housing finance commission, must

develop and implement a process for the collection of certified final development cost data from each grant or loan recipient under this section. The department must use this data as part of its cost containment policy.

(b) Beginning December 1, 2019, and continuing annually, the department must provide the legislature with a report of its final cost data for each project under this section. Such cost data must, at a minimum, include total development cost per unit for each project completed within the past year, descriptive statistics such as average and median per unit costs, regional cost variation, and other costs that the department deems necessary to improve cost controls and enhance understanding of development costs. The department must coordinate with the housing finance commission to identify relevant development costs data and ensure that the measures are consistent across relevant agencies.

Appropriation:

State Building Construction Account—	
State ((\$44,084,000))	
	<u>\$40,084,000</u>
State Taxable Building Construction	
Account—State	\$132,666,000
Subtotal	Appropriation
	((\$176,750,000))
	<u>\$172,750,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$480,000,000
TOTAL	((\$656,750,000))
	<u>\$652,750,000</u>

Sec. 6006. 2020 c 356 s 1006 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

2019-21 Early Learning Facilities (40000044)

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

(1) \$300,000 of the state building construction account—state appropriation is provided solely for the department of children, youth, and families to provide technical assistance

to the department for the early learning facilities grants in this section.

(2) \$9,062,000 of the state building construction account—state appropriation is provided solely for the following list of early learning facility projects in the following amounts:

- Proclaim Liberty Early Learning Facility \$1,000,000
- Roosevelt Child Care Center \$1,500,000
- City of Monroe, Boys & Girls Club ECEAP Facility \$1,000,000
- Family Support Center Olympia \$600,000
- Centralia-Chehalis Early Learning Conversion Project \$3,000,000
- ~~((Club Discovery Early Learning \$100,000))~~
- Anacortes Family Center ~~(((\$309,000))~~ \$409,000
- Boys & Girls Club Daycare \$773,000
- Issaquah School District Early Learning Center \$155,000
- Opportunity Council Early Learning Central Kitchen \$52,000
- Samish Longhouse Early Learning Center Expansion \$273,000
- Triumph Treatment Services Child Care \$300,000

(3) ~~(((\$4,186,000))~~ \$3,410,000 of the early learning facilities development account—state appropriation in this section is provided solely for the following list of early learning facility projects for school districts, subject to the provisions of RCW 43.31.573 through 43.31.583 and 43.84.092, in the following amounts:

- Toppenish School District \$111,000
- Manson School District \$400,000
- Kettle Falls School District \$395,000
- North Thurston School District \$324,000
- Ellensburg School District \$800,000

Everett School District ~~(((\$800,000))~~ \$24,000

- Tukwila School District \$196,000
- Richland School District \$800,000
- Lake Quinault School District \$360,000

(4) The remaining portion of the appropriation in this section is provided solely for early learning facility grants and loans subject to the provisions of RCW 43.31.573 through 43.31.583 and 43.84.092 to provide state assistance for designing, constructing, purchasing, expanding, or modernizing public or private early learning education facilities for eligible organizations.

(5) The department of children, youth, and families must develop methodology to identify, at the school district boundary level, the geographic locations of where early childhood education and assistance program slots are needed to meet the entitlement specified in RCW 43.216.556. This methodology must be linked to the caseload forecast produced by the caseload forecast council and must include estimates of the number of slots needed at each school district. This methodology must inform any early learning facilities needs assessment conducted by the department of commerce and the department of children, youth, and families. This methodology must be included as part of the budget submittal documentation required by RCW 43.88.030.

(6) When prioritizing areas with the highest unmet need for early childhood education and assistance program slots, the committee of early learning experts convened by the department of commerce pursuant to RCW 43.31.581 must first consider those areas at risk of not meeting the entitlement in accordance with RCW 43.216.556.

(7) The department of commerce must track the number of slots being renovated separately from the number of slots being constructed and, within these categories, must track the number of slots separately by program for the working connections child care program and the early childhood education and assistance program.

(8) When prioritizing applications for projects, pursuant to subsection (4) of this section, within the boundaries of a regional transit authority in a county

that has received distributions or appropriations under RCW 43.79.520, the department must give priority to applications for which at least ten percent of the total project cost is supported by those distributions or appropriations.

(9) The department, in consultation with the office of the superintendent of public instruction and the department of children, youth, and families must identify buildings in the inventory and condition of schools database that are no longer included in the inventory of K-12 instructional space for purposes of calculating school construction assistance pursuant to chapter 28A.515 RCW, but that could be repurposed as early learning facilities and made available to eligible organizations. The department must report its findings and the list of buildings identified in this section to the office of financial management and the appropriate fiscal committees of the legislature by January 15, 2020.

Appropriation:

State Building Construction Account—	
State \$9,362,000	
Early Learning Facilities Revolving	
Account—State	\$22,248,000
Early Learning Facilities Development	
Account—State	(\$4,186,000)
	<u>\$3,410,000</u>
Subtotal	Appropriation
	(\$35,796,000)
	<u>\$35,020,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$80,000,000
TOTAL	(\$115,796,000)
	<u>\$115,020,000</u>

Sec. 6007. 2020 c 356 s 1011 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

2020 Local and Community Projects (40000116)

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

(1) The department shall not expend the appropriation in this section unless and until the nonstate share of project costs have been either expended or firmly committed, or both, in an amount sufficient to complete the project or a distinct phase of the project that is useable to the public for the purpose intended by the legislature. This requirement does not apply to projects where a share of the appropriation is for design costs only.

(2) Prior to receiving funds, project recipients must demonstrate that the project site is under control for a minimum of ten years, either through ownership or a long-term lease. This requirement does not apply to appropriations for preconstruction activities or appropriations in which the sole purpose is to purchase real property that does not include a construction or renovation component.

(3) Projects funded in this section may be required to comply with Washington's high performance building standards as required by chapter 39.35D RCW.

(4) Project funds are available on a reimbursement basis only, and shall not be advanced under any circumstances.

(5) In contracts for grants authorized under this section the department shall include provisions which require that capital improvements be held by the grantee for a specified period of time appropriate to the amount of the grant and that facilities be used for the express purpose of the grant. If the grantee is found to be out of compliance with provisions of the contract, the grantee shall repay to the state general fund the principal amount of the grant plus interest calculated at the rate of interest on state of Washington general obligation bonds issued most closely to the date of authorization of the grant.

(6) Projects funded in this section, including those that are owned and operated by nonprofit organizations, are generally required to pay state prevailing wages.

(7) The appropriation is provided solely for the following list of projects:

?al?al "Home" in Lushootseed (Seattle)
\$947,000

4th Ave. Street Enhancement (White Center) \$670,000	Browns Park Project (Spokane Valley) \$536,000
Abigail Stuart House (Olympia) \$250,000	Buffalo Soldiers' Museum (Seattle) \$200,000
Aging in PACE Washington (AiPACE) (Seattle) ((\$1,500,000)) <u>\$5,000,000</u>	Camas Washougal Nature Play Area (Washougal) \$103,000
Airport Utility Extension (Pullman) \$1,626,000	Campus Towers (Longview) \$228,000
Aquatic and Recreation Center (King County) \$1,050,000	Carbonado Water Source Protection Acquisition (Carbonado) \$1,500,000
Arivva Community Center (Tacoma) \$1,000,000	Carl Maxey Center (Spokane) \$350,000
Arlington B&G Club Parking Safety (Arlington) \$530,000	Carlisle Lake Park Improvements (Onalaska) \$213,000
Asotin Masonic Lodge (Asotin) ((\$62,000)) <u>\$82,000</u>	Carlyle Housing Facility Upgrades (Spokane) \$400,000
Auburn Arts & Culture Center (Auburn) \$500,000	Cathlamet Pioneer Center Restoration (Cathlamet) \$165,000
Audubon Center (Sequim) \$1,000,000	Centerville Fire Dept. (Centerville) \$216,000
B&GC of Olympic Peninsula (Port Angeles) \$500,000	Centerville Grange (Centerville) \$90,000
B&GC of Thurston County (Lacey) \$98,000	<u>Central Stage Theatre of County Kitsap (Silverdale) \$964,000</u>
Ballard Food Bank (Seattle) \$750,000	Centralia Fox Theater (Centralia) \$1,000,000
Beacon Center Renovation (Tacoma) \$1,000,000	Chehalis River Bridge Ped Safety Lighting Ph2 (Aberdeen) \$323,000
Bellevue HERO House (Bellevue) \$46,000	Cheney Reclaimed Water Project (Cheney) \$2,000,000
Benton Co. Museum Building Improvements (Prosser) \$103,000	Chief Kitsap Education and Community Resource Center (Poulsbo) \$1,000,000
Big Brothers Big Sisters Learning Lab (Olympia) \$56,000	Chief Leschi Schools Facilities & Safety Project (Puyallup) \$250,000
Blue Mountain Action Council Comm. Services Center (Walla Walla) \$1,000,000	Chief Leschi Schools Safety & Security (Puyallup) \$250,000
Bothell Downtown Revitalization (Bothell) \$1,500,000	Clymer Museum Remodel Ph2 (Ellensburg) \$258,000
Bowers Field Airport (Ellensburg) \$275,000	Colfax Pantry Building (Colfax) \$247,000
Boys & Girls Club of Thurston Co. Upgrades (Rochester) \$31,000	Community Services of Moses Lake Food Bank Facility (Moses Lake) \$2,000,000
Boys & Girls Club Roof and Flooring Repairs (Federal Way) \$319,000	Conconully Community Services Complex (Conconully) \$515,000
Breeze Creek Culvert Replacement/East 4th St. Widening (La Center) \$1,500,000	

Cosmopolis Elem. Energy & Safety (Cosmopolis) \$206,000	Fircrest Pool (Fircrest) \$1,000,000
Coulee City Medical Clinic (Coulee City) \$150,000	FISH Food Bank (Ellensburg) \$772,000
Curran House Museum (University Place) \$43,000	Fishtrap Creek Habitat Improvement (Lynden) \$258,000
Dakota Homestead (Seattle) \$155,000	Flood Plain Stabilization, Habitat Enhancement (Kent) \$1,000,000
Dawson Park Improvements (Tacoma) \$515,000	Food Lifeline (Seattle) \$1,004,000
Dayton Pump Station (Edmonds) \$515,000	Foothills Trail Extension (Wilkeson) \$500,000
Downtown Park Gateway (Bellevue) \$1,030,000	Fort Steilacoom Park Artificial Turf Infields (Lakewood) \$1,015,000
Dungeness River Audubon Center Expansion (Sequim) \$500,000	Fourth Plain Community Commons (Vancouver) \$800,000
East Blaine Infrastructure (Blaine) \$500,000	Garfield Co. Hospital HVAC (Pomeroy) \$250,000
Ejido Community Farm (Whatcom) \$250,000	Gateway Center (Grays Harbor) \$500,000
El Centro de la Raza Federal Way Office (Federal Way) \$1,000,000	Gene Coulon Memorial Beach Park Play Equipment Upgrade (Renton) \$618,000
Enumclaw Aquatic Center (Enumclaw) \$258,000	George Community Hall Roof (George) \$201,000
Enumclaw Expo Center Roof (Enumclaw) \$250,000	George Davis Creek Fish Passage Project (Sammamish) \$515,000
Everett TOD Study (Everett) \$200,000	Gig Harbor Food Bank (Gig Harbor) \$180,000
Everett YMCA (Everett) \$1,000,000	Goldendale Airport (Goldendale) \$550,000
Evergreen High School Health Center (Vancouver) \$388,000	Granger Historical Museum Construction (Granger) \$150,000
Evergreen Speedway Capital Improvement (Monroe) \$150,000	Granite Falls Police Dept. Renovation Project (Granite Falls) \$412,000
Excelsior Integrated Care Ctr. Sports Court (Spokane) \$266,000	Grays Harbor and Willapa Bay Sedimentation (Grays Harbor) \$464,000
Excelsior Roof & Gym Repair (Spokane) \$263,000	Grays Harbor YMCA (Grays Harbor) \$293,000
Excelsior Vocational Education Space (Spokane) \$164,000	Greater Maple Valley Veterans Memorial (Maple Valley) \$102,000
Expanding on Excellence Capital Campaign (White Salmon) \$500,000	Green Bridges, Healthy Communities; Aurora Bridge I-5 (Seattle) \$1,500,000
Family Education and Support Services (Tumwater) \$500,000	Greenwood Cemetery Restoration (Centralia) \$402,000
Felts Field Gateway Improvement Phase 1 (Spokane) \$100,000	
Fennel Creek Trailhead (Bonney Lake) \$258,000	
Filipino Hall Renovation (Wapato) \$63,000	

Greenwood Cemetery Safety Upgrades (Centralia) \$91,000	Japanese American Exclusion Memorial (Bainbridge Island) \$155,000
HealthPoint (Tukwila) \$1,000,000	Japanese Gulch Daylight Project (Mukilteo) \$400,000
HealthPoint Dental Expansion (SeaTac) \$1,545,000	Keller House and Carriage House Paint Restoration (Colville) \$45,000
Heritage Senior Housing (Chelan) \$52,000	Key Kirkland Sidewalk Repairs (Kirkland) \$537,000
High Dune Trail & Conservation Project (Ocean Shores) \$140,000	Key Peninsula Elder Community (Gig Harbor) \$1,000,000
Historic Downtown Chelan Revitalization (Chelan) \$52,000	Ki-Be School Parking Lot Improvements (Benton City) \$268,000
Historic Olympic Stadium Preservation Project (Hoquiam) \$515,000	Kitsap Conservation Study (Kitsap) \$51,000
Historical Museum & Community Center Roof Replacement (Washtucna) \$24,000	Kittitas Valley Event Center (Ellensburg) \$206,000
Historical Society Energy Upgrades (Anderson Island) \$14,000	Klickitat Co. Sheriff Office Training Bldg. (Goldendale) \$335,000
Hoh Tribe Broadband (Grays Harbor) \$129,000	KNKX Radio Studio (Tacoma) \$824,000
Horseshoe Lake ADA Upgrades (Woodland) \$82,000	Lacey Veterans Services Hub Facility Renovation (Lacey) \$2,000,000
Housing Needs Study (Statewide) \$200,000	Lake Chelan Community Center (Lake Chelan) \$250,000
Howard Bowen Event Complex (Sumas) \$1,712,000	Lake Chelan Water Supply (Wenatchee) \$464,000
Howe Farm Water Service (Port Orchard) \$52,000	Lake City Community Center Replacement (Seattle) \$2,000,000
ICHS Bellevue Clinic Renovation Project (Bellevue) \$1,600,000	Lake Stevens Civic Center Phase II (Lake Stevens) \$1,000,000
Illahee Preserve's Lost Continent Acquisition (Bremerton) \$335,000	Lake Sylvania State Park Pavilion (Montesano) \$250,000
Imagine Children's Museum Expansion and Renovation (Everett) \$2,000,000	Lake Wilderness Park Improvements (Maple Valley) \$200,000
Index Water System Design (Index) \$23,000	Land Use & Infrastructure Subarea Plan (Mill Creek) \$300,000
Infrastructure for Economic Development (Port Townsend) \$675,000	Larson Gallery Renovation (Yakima) \$875,000
Innovative Health Care Learning Center Phase 1 (Yakima) \$500,000	Leffler Park (Manson) \$265,000
Interactive Educ. Enh./Friends Issaquah Hatchery (Issaquah) \$113,000	Legacy in Motion (Puyallup) \$1,750,000
Intersection Improvements Juanita Dr. (Kirkland) \$750,000	Legacy Site Utility Infrastructure (Maple Valley) \$154,000
	Lewis Co. CHS Pediatric Clinic (Centralia) \$84,000
	Little Badger Mountain Trailhead (Richland) \$464,000

Little Mountain Road Pipeline and
Booster Station

(Mount Vernon) \$1,300,000

Long Beach Police Department (Long
Beach) \$705,000

Lopez Island Swim Center (Lopez
Island) \$1,000,000

~~((Lummi Hatchery Project (San Juan)
\$1,000,000))~~

Mabton City Park (Mabton)
\$54,000

Main Street Redevelopment Project -
Phase 2

(University Place) \$985,000

Mariner Community Campus (Everett)
\$2,250,000

Mary's Place (Burien) \$2,050,000

Marymount Museum/Spana-Park Senior
Center (Spanaway) \$1,000,000

McChord Airfield North Clear Zone
(Lakewood) \$500,000

McCormick Woods Sewer Lift #2
Improvements (Port Orchard)
\$800,000

Melanie Dressel Park (Tacoma)
\$500,000

Mercer Is/Aubrey Davis Park Trail
Upgrade (Mercer Island) \$500,000

Missing & Murdered Indigenous Women
Memorial (Toppenish) \$49,000

Monroe B&G Club ADA Improvements
(Monroe) \$464,000

Mountlake Terrace Main Street
(Mountlake Terrace) \$750,000

Mt. Adams Comm. Forest, Klickitat
Canyon Rim Purchase

(Glenwood) \$400,000

Mt. Adams School District Athletic
Fields (Harrah) \$242,000

Mt. Peak Fire Lookout Tower (Enumclaw)
\$381,000

Mt. Spokane SP Ski Lift (Mead)
\$750,000

Mukilteo Promenade (Mukilteo)
\$500,000

Museum Storage Building (Steilacoom)
\$72,000

Naches Fire/Rescue, Yakima Co. #3
(Naches) \$200,000

Naselle HS Music/Vocational Wing
(Naselle) \$258,000

Naselle Primary Care Clinic (Naselle)
\$216,000

Naselle SD Flooring (Naselle)
\$237,000

NCRA Maint. Bldg., Parking Lot, Event
Space (Castle Rock) \$283,000

NEW Health Programs, Colville Dental
Clinic (Colville) \$1,250,000

Newman Lake Flood Control Zone
District (Newman Lake) \$415,000

North Elliott Bay Public Dock; Marine
Transit Terminal

(Seattle) \$1,750,000

Northaven Affordable Senior Housing
Campus (Seattle) \$1,000,000

Northshore Senior Center
Rehabilitation Project (Bothell)
\$500,000

Northwest African American Museum
(Seattle) \$500,000

Northwest Native Canoe Center
(Seattle) \$986,000

NW School of Wooden Boatbuilding (Port
Hadlock) \$464,000

Oak Harbor Marina (Oak Harbor)
\$400,000

Oakville SD Kitchen Renovation
(Oakville) \$517,000

Oddfellows Ellensburg Bldg.
Restoration (Ellensburg) \$267,000

Opening Doors - Permanent Supportive
Housing Facility

(Bremerton) \$750,000

Orting City Hall and Police Station
(Orting) \$600,000

Orting Ped Evac Crossing (Orting)
\$103,000

Othello Regional Water (Othello)
\$425,000

Outdoors for All (Seattle)
\$1,000,000

Pacific Co. Fairgrounds Roof (Menlo)
\$210,000

Packwood FEMA Floodplain Study
(Packwood) \$637,000

Pasco Farmers Market & Park (Pasco) \$154,000	Renton Trail Connector (Renton) \$500,000
Pendergast Regional Park Phase II (Bremerton) \$50,000	Richmond Highland Recreation Center Repairs (Shoreline) \$500,000
Peninsula Community Health Service Dental Mobile (Bremerton) \$340,000	Rise Together White Center Project (King County) \$1,000,000
PenMet - Cushman Trail Enhancements (Gig Harbor) \$52,000	Ritzville Business & Entrepreneurship Center (Ritzville) \$350,000
PenMet Community Rec Center (Gig Harbor) \$173,000	Rosalia Sewer Improvements (Rosalia) \$500,000
Pet Overpopulation Prevention Vet Clinic Building (West Richland) \$300,000	Roslyn Downtown Assoc. (Roslyn) \$480,000
Pine Garden Apartment Roof (Shelton) \$46,000	Roslyn Housing Project (Roslyn) \$2,000,000
Pioneer Park Fountain (Walla Walla) \$9,000	Royal Park & Rec Ctr. (Royal City) \$250,000
Pomeroy Booster Pumping Station (Pomeroy) \$112,000	Sargent Oyster House Maritime Museum (Allyn) \$218,000
Port of Everett (Everett) \$300,000	Schmid Ballfields Ph3 (Washougal) \$584,000
Port of Ilwaco Boatyard Modernization (Ilwaco) \$545,000	Scott Hill Park & Sports Complex (Woodland) \$500,000
Port of Willapa Harbor Dredging Support Boat (Tokeland) \$180,000	Sea Mar Community Health Centers Tumwater Dental (Olympia) \$170,000
Poulsbo Historical Society (Poulsbo) \$400,000	Seaport Landing (Aberdeen) \$404,000
Prairie View Schoolhouse Community Center (Waverly) \$57,000	Seattle Aquarium (Seattle) \$1,000,000
Protect Sewer Plant from Erosion (Ocean Shores) \$155,000	Seattle Goodwill (Seattle) \$2,000,000
Puyallup Culvert Replacement (Puyallup) \$515,000	Seattle Indian Health Board (Seattle) \$1,000,000
Puyallup Street Frontage Improvement (Puyallup) \$258,000	Sewage Lagoon Decommissioning (Concrete) \$255,000
Puyallup VFW Kitchen Renovation (Puyallup) \$52,000	Shelton Civic Center Parking Lot (Shelton) \$283,000
Quincy Hospital (Quincy) \$300,000	Shoreline Maintenance Facility - Brightwater Site (Shoreline) \$500,000
Quincy Square on 4th (Bremerton) \$206,000	Skabob House Cultural Center (Shelton) \$350,000
Recreation Park Renovation (Chehalis) \$258,000	Skagit County Sheriff Radios (Skagit) \$1,000,000
Redmond Pool (Redmond) \$1,000,000	Skamania Courthouse Plaza (Stevenson) \$150,000
<u>Rehabilitating Fort Worden's Historic Warehouses</u> \$712,000	<u>Skookum Creek Hatchery Project (Acme)</u> <u>\$1,000,000</u>

Snohomish Carnegie Project (Snohomish) \$500,000	SW Washington Regional Agriculture & Innovation Park (Tenino) \$1,500,000
((Snohomish County Sheriff's Office South Precinct (Snohomish) \$1,000,000))	Swede Hall Renovation (Rochester) \$196,000
Snohomish Fire District #26 Communications Project (Gold Bar) \$27,000	Tacoma Community House (Tacoma) \$413,000
Snoqualmie Early Learning Center (Snoqualmie) \$500,000	Tam O'Shanter Park Circulation & Parking Phase 2 (Kelso) \$1,030,000
Snoqualmie Valley Youth Activities Center (North Bend) \$412,000	Tehaleh Slopes Bike Trail (Bonney Lake) \$309,000
South Fork Snoqualmie Levee Setback Project (North Bend) \$250,000	Tenino City Hall Renovation (Tenino) \$515,000
SOZO Sports Indoor Arena (Yakima) \$600,000	Terminal 1 Waterfront Development (Vancouver) \$4,700,000
Spokane Sportsplex (Spokane) \$1,000,000	The AMP: Aids Memorial Pathway (Seattle) \$600,000
Springbrook Park Expansion & Clover Creek Restoration (Lakewood) \$773,000	The Morck Hotel (Aberdeen) \$500,000
SR 503 Ped/Bike Ph1&2 (Woodland) \$235,000	Toledo Sewer & Water (Toledo) \$469,000
SR 530 "Oso" Slide Memorial (Arlington) \$300,000	Tonasket Senior Citizen Ctr. (Tonasket) \$33,000
Stan and Joan Cross Park (Tacoma) \$500,000	Town Center to Burke Gilman Trail Connector (Lake Forest Park) \$500,000
Starfire Sports STEM (Tukwila) \$250,000	Tukwila Village Food Hall (Tukwila) \$400,000
Stevens Co. Disaster Response Communications (Colville) \$500,000	Twin Springs Park (Kenmore) \$155,000
Sultan Water Treatment Plant Design (Sultan) \$246,000	Twisp Civic Building & EOC (Twisp) \$1,288,000
Sumas History Themed Playground and Water Park (Sumas) \$288,000	United Way of Pierce County HVAC (Tacoma) \$206,000
Sunnyside Airport Hangar Maintenance Facility (Sunnyside) \$750,000	University Place Arts (University Place) \$34,000
Sunnyside Yakima Valley-TEC Welding Program (Yakima) \$26,000	Vertical Evacuation (Ocean Shores) \$500,000
Sunset Multi-Service & Career Development Center (Renton) \$1,000,000	Veterans Memorial Museum (Chehalis) \$123,000
SW WA Dance Center (Chehalis) \$62,000	Veterans Supportive Housing (Yakima) \$2,500,000
SW WA Fairgrounds (Chehalis) \$103,000	VOA Lynnwood Center (Lynnwood) \$1,050,000
	Volunteer Park Amphitheater (Seattle) \$500,000

West Kelso Affordable Housing & Community Facility Study
(Kelso) \$258,000

WA Poison Control IT (Seattle)
\$151,000

Waitsburg Taggart Road Waterline
(Waitsburg) \$456,000

Walla Walla Dodd Water System Improvement
(Walla Walla) \$1,000,000

Wapato Creek Restoration (Fife)
\$258,000

Warren Ave. Playfield (Bremerton)
\$206,000

Washington Park Boat Launch Storm
Damage (Anacortes) \$200,000

Wesley Homes (Des Moines)
\$2,000,000

Westport Dredge Material Use
(Westport) \$250,000

Whidbey Is. B&G Coupeville
(Coupeville) \$849,000

Whidbey Is. B&G Oak Harbor (Oak
Harbor) \$743,000

Wilkeson Water Protection (Wilkeson)
\$36,000

Willapa BH - Long Beach Safety
Improvement Project
(Long Beach) \$225,000

William Shore Memorial Pool (Port
Angeles) \$840,000

Wing Luke Museum Homestead Home
(Seattle) \$500,000

Wisdom Ridge Business Park
(Ridgefield) \$2,000,000

Yakima Co. Veterans Dental Facility
(Yakima) \$469,000

Yakima Valley Fair & Rodeo Multi-Use
Facility
(Grandview) \$200,000

Yelm Business Incubator Serving
Thurston/Pierce
Counties (Yelm) \$200,000

Yelm Water Tower (Yelm) \$303,000

YMCA Childcare Center Tenant
Improvements (Woodinville) \$1,000,000

(8) \$400,000 of the appropriation in this section is provided solely to the city of Oak Harbor to enhance the fiscal

sustainability and revenue generation of the city-owned marina through feasibility work, planning, development, and acquisition.

(9) \$200,000 of the appropriation in this section is provided solely for the department to contract for a study regarding both available and needed affordable housing for farmworkers and Native Americans in Washington state. The study must include data to inform policies related to affordable housing for farmworkers and Native Americans and supplement the housing assessment conducted by the affordable housing advisory board created in chapter 43.185B RCW.

(10) \$200,000 of the appropriation in this section is provided solely for a grant to the Tacoma buffalo soldiers' museum to conduct a feasibility study for the rehabilitation of building 734, the band barracks at Fort Lawton in Discovery park. The study will provide an assessment of general conditions of building 734 and cost estimates for a comprehensive rehabilitation of the building to meet current building codes including, but not limited to heating, ventilation, air conditioning, and mechanical systems, seismic retrofits, and compliance with the Americans with disabilities act.

(11) \$1,300,000 of the appropriation in this section is provided solely for a grant to the Skagit public utility district for the Little Mountain Road pipeline and booster station. \$1,000,000 of these funds are provided solely for the design phase of the project; \$150,000 of these funds are provided solely for land acquisition; and \$150,000 of these funds are provided solely to the district for a public outreach effort to solicit input on the project from residents and rate payers.

(12) \$1,500,000 of the appropriation in this section is provided solely for preconstruction activities by Aging in PACE (AiPACE) (Seattle).

(13) \$2,000,000 of the appropriation in this section for Roslyn Housing Project is provided solely for a grant to enable Forterra NW, or a wholly-owned subsidiary of Forterra NW, to begin work on a community development project in the city of Roslyn that includes housing, commercial, retail, or governmental uses. The work must include phased preacquisition due diligence, land

acquisition or predevelopment engineering, design, testing, and permitting activities, including work done by both the appropriation recipient and third parties retained by the recipient.

(14) \$200,000 of the appropriation in this section is provided solely for a feasibility study to locate the Buffalo Soldiers Museum at Fort Lawton in Seattle. Approval of a memorandum of understanding regarding the feasibility study must involve the city of Seattle and the Buffalo Soldiers Museum. The department may not impose any additional requirements on the feasibility study.

Appropriation:

State Building Construction Account—
State (~~(\$163,011,000)~~)

\$167,207,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL (~~(\$163,011,000)~~)

\$167,207,000

Sec. 6008. 2020 c 356 s 1013 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

2021 Local and Community Projects (40000130)

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

(1) The department may not expend the appropriation in this section unless and until the nonstate share of project costs have been either expended or firmly committed, or both, in an amount sufficient to complete the project or a distinct phase of the project that is useable to the public for the purpose intended by the legislature. This requirement does not apply to projects where a share of the appropriation is for design costs only.

(2) Prior to receiving funds, project recipients must demonstrate that the project site is under control for a minimum of ten years, either through ownership or a long-term lease. This requirement does not apply to appropriations for preconstruction activities or appropriations in which the sole purpose is to purchase real property

that does not include a construction or renovation component.

(3) Projects funded in this section may be required to comply with Washington's high performance building standards as required by chapter 39.35D RCW.

(4) Project funds are available on a reimbursement basis only, and may not be advanced under any circumstances.

(5) In contracts for grants authorized under this section, the department must include provisions that require that capital improvements be held by the grantee for a specified period of time appropriate to the amount of the grant and that facilities be used for the express purpose of the grant. If the grantee is found to be out of compliance with provisions of the contract, the grantee shall repay to the state general fund the principal amount of the grant plus interest calculated at the rate of interest on state of Washington general obligation bonds issued most closely to the date of authorization of the grant.

(6) Projects funded in this section, including those that are owned and operated by nonprofit organizations, are generally required to pay state prevailing wages.

(7) The appropriation is provided solely for the following list of projects:

- ?a?al Chief Seattle Club (Seattle) \$200,000
- 92nd Ave. Sewer Ext. (Battle Ground) \$258,000
- Academy Smokestack Preservation (Vancouver) \$103,000
- African Refugee & Immigrant Housing (Tukwila) \$200,000
- AG Tour Train Ride (Reardan) \$125,000
- Algona Wetland Preserve and Trail (Algona) \$50,000
- Anderson Island Historical Society (Anderson Island) \$10,000
- Anderson Road Infrastructure (Chelan) \$258,000
- Ashley House (Shoreline) \$100,000
- Asotin County Library Meeting Space (Clarkston) \$13,000

ASUW Shell House (WWI Hanger/Canoe House) (Seattle) \$100,000	<u>Crosswalk Teen Shelter (Spokane)</u> <u>\$2,500,000</u>
Auburn Family YMCA (Auburn) \$128,000	Doris Morrison Environmental Learning Center
Ballard P-Patch (Seattle) \$258,000	(Greenacres) \$500,000
Ballinger Park-Hall Creek Restoration (Mountlake Terrace) \$200,000	Downtown Pasco Revitalization (Pasco) \$350,000
Bellevue Parks Changing Tables (Bellevue) \$100,000	Edmonds Carbon Recovery (Edmonds) \$250,000
Bethel High School Pierce College Annex Campus (Graham) \$300,000	EL 79.2 Distribution System Design (Othello) \$175,000
Brewery Park Visitor Center (Tumwater) \$50,000	El Centro de la Raza (Seattle) \$2,000,000
Brewing Malting & Distilling System (Tumwater) \$112,000	Emergency Lockdown Shelter for Outdoor Preschool
Bridgeport Irrigation (Brewster) \$70,000	(various) \$24,000
Cathlamet Pioneer Center Restoration (Cathlamet) \$55,000	Emergency Shelter Project (Skykomish) \$20,000
Centralia Chehalis Steam Train Repair (Chehalis) \$154,000	Emergency Structural Repairs 1902 Van Marter Building
Centro Cultural Mexicano (Redmond) \$80,000	(Lind) \$25,000
City of Fircrest Meter Replacement (Fircrest) \$200,000	Everett Recovery Cafe Renovation Project (Everett) \$200,000
Columbia Dance Down Payment for Building Purchase (Vancouver) \$100,000	Federal Way Little League Fields (Federal Way) \$50,000
Columbia Heritage Museum Repairs (Ilwaco) \$150,000	Federal Way Safety Cameras (Federal Way) \$103,000
Communities of Concern Commission (Statewide) \$250,000	Field Arts and Events Hall (Port Angeles) \$1,500,000
Community House on Broadway Kitchen Upgrades (Longview) \$41,000	Filipino Community Center (Seattle) \$1,000,000
Community Hub Public Safety Initiative (Walla Walla) \$200,000	Filipino-American Community Center (Bremerton) \$165,000
Community Pedestrian Safety (Tukwila) \$100,000	Five Mile Roundabout Art Project (Spokane) \$25,000
Community Youth Services Renovation (Olympia) \$155,000	Fort Worden PDA - Sage Arts & Ed Center (Port Townsend) \$560,000
Conconully Fire & Rescue (Riverside) \$179,000	Franklin Pierce Farm ARC (Tacoma) \$1,070,000
Creative Districts (Statewide) \$200,000	Fusion Housing (Federal Way) \$62,000
	George Schmid Ball Field #3 and Lighting Phase 3
	(Washougal) \$200,000
	Gig Harbor Community Campus (Gig Harbor) \$52,000
	Gig Harbor Peninsula FISH (Gig Harbor) \$250,000

Grant Co. Fairgrounds Lighting (Moses Lake) \$290,000	Mason Co./Shelton YMCA (Shelton) \$750,000
Harlequin State Theater (Olympia) \$88,000	Mini Mart City Park (Seattle) \$200,000
Hilltop Housing (Tacoma) \$500,000	Morrow Manor (Poulsbo) \$250,000
Home At Last (Tacoma) \$200,000	Mount Zion Housing (Seattle) \$250,000
If You Could Save Just One (Spokane) \$100,000	Mukilteo Solar Panels (Mukilteo) \$40,000
Index Water Line Replacement and Repair (Index) \$105,000	New Arcadia (Auburn) \$100,000
Institute for Community Leadership (Kent) \$46,000	New Beginnings House (Puyallup) \$150,000
Islands' Oil Spill Association (Friday Harbor) \$232,000	Non-motorized Bridge at Bothell Landing (Bothell) \$155,000
Jefferson County Food Preservation (Port Ludlow) \$5,000	Our Lady of Fatima Community Ctr. (Moses Lake) \$128,000
King County ((Emergency Training Facility)) <u>Raging River Quarry Property</u> (Fall City) \$1,000,000	Pataha Flour Mill Elevator (Pomeroy) ((\$40,000)) \$256,000
Kingston Coffee Oasis (Kingston) \$150,000	Pete's Pool Ball Field Renovation (Enumclaw) \$77,000
Kitsap Humane Society (Silverdale) \$500,000	Pike Place Market Public Access (Seattle) \$50,000
Klickitat Co. Domestic Violence Shelter (Goldendale) \$250,000	Point Wilson Lighthouse (Port Townsend) \$60,000
Lacey Food Bank (Lacey) \$193,000	Port Angeles Boys and Girls Club (Port Angeles) \$400,000
Lake Stevens Early Learning Library (Lake Stevens) \$150,000	Port of Quincy Intermodal Terminal Infrastructure (Quincy) \$100,000
Lake WA Loop Trail Bicycle Safety Improvements (Kenmore) \$200,000	Port Susan Trail (Stanwood) \$200,000
Lakebay Marina Acquisition & Preservation (Lakebay) \$100,000	Puyallup Food Bank Facility Expansion (Puyallup) \$217,000
Levee Repair (Starbuck) \$50,000	Puyallup VFW Orting Civil War Medal of Honor Monument (Orting) \$7,000
Levee Repair (Waitsburg) \$100,000	Ramstead Regional Park (Everson) \$200,000
LGBTQ Senior Center (Seattle) \$500,000	REACH Literacy Center (Lacey) \$50,000
Lions Club Community Ctr. Generator (Lyle) \$5,000	Redondo Fishing Pier (Des Moines) \$350,000
Longview Police Dept. New Office (Longview) \$250,000	Renewable Hydrogen Production Pilot (East Wenatchee) \$250,000
Lower Yakima River Restoration (Richland) \$258,000	Replacement Hospice House (Richland) \$200,000
Magnuson Park Center for Excellence Building 2 (Seattle) \$78,000	Restroom Renovation (Ilwaco) \$35,000

Ridgefield Library Building Project (Ridgefield) \$500,000	Stevens Elementary Solar Panels (Seattle) \$120,000
Roy Water Tower (Roy) \$26,000	Sullivan Park Waterline Installation (Spokane Valley) \$130,000
S. Kitsap HS NJROTC Equipment (Port Orchard) \$24,000	Thurston Boys and Girls Club (Lacey) \$50,000
Safety Driven Replacement (Lake Stevens) \$125,000	Trail Lighting - Cross Kirkland Corridor (Kirkland) \$200,000
Salvation Army Community Resource Center (Yakima) \$200,000	Transitions TLC Transitional Housing Renovations (Spokane) \$100,000
Sargent Oyster House Restoration (Allyn) \$10,000	Vashon Food Bank Site Relocation (Vashon) \$36,000
Satsop Business Park (Elma) \$155,000	Vashon Youth and Family Services (Vashon) \$86,000
School and Transit Connector Sidewalk (Kirkland) \$120,000	WA Poison Center Emergency Response to COVID-19 (Seattle) \$124,000
School District & Comm Emergency Preparedness Center (Carbonado) \$200,000	Waikiki Springs Nature Preserve (Spokane) \$1,548,000
((Shelton Mason County YMCA (Shelton) \$200,000))	Washington State Horse Park and Covered Arena (Ellensburg) \$375,000
Shore Aquatic Center Expansion (Port Angeles) \$200,000	Wenatchee Valley Museum & Cultural Ctr. (Wenatchee) \$283,000
Sign Reinstallation at Maplewood Elementary (Puyallup) \$5,000	West Biddle Lake Dam Restoration (Vancouver) \$412,000
Skagit Pump Station Modernization Design (Mount Vernon) \$52,000	William Shore Pool (Port Angeles) \$500,000
Sky Valley Emergency Generators (Sultan) \$75,000	<u>Wishkah Road Flood Levee (Grays Harbor County) \$186,000</u>
Sky Valley Teen Center (Sultan) \$103,000	Yakima County Care Campus Conversion Project (Yakima) \$275,000
Sno Valley Kiosk (North Bend) \$20,000	Yelm Lions Club Cabin Renovation (Yelm) \$207,000
Snohomish Boys and Girls Club (Snohomish) \$125,000	(8) It is the intent of the legislature that future applications for state funding for the ASUW Shell House be made through competitive grant programs.
Snoqualmie Valley Shelter Service Resource (Snoqualmie) \$200,000	(9) The Creative Districts program funded in this section shall be administered by the Washington state arts commission. The commission is authorized to use up to three percent of the funds to administer the program.
South Yakima Conservation District Groundwater Mgmt (Yakima) \$45,000	(10) <u>Funds provided in this section for the Crosswalk Teen Shelter project are for preconstruction activities, including acquisition. Any remaining funds may be used for construction as long as the balance of nonstate funds</u>
Spokane Sportsplex (Spokane) \$200,000	
Spokane Valley Museum (Spokane Valley) \$70,000	
Star Park Shelter (Ferndale) \$180,000	

needed to complete the project are firmly committed.

Appropriation:

State Building Construction Account—
State (~~(\$29,970,000)~~)

\$32,672,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs)
\$0

TOTAL (~~(\$29,970,000)~~)

\$32,672,000

Sec. 6009. 2020 c 356 s 1009 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

Seattle Vocational Institute (40000136)

It is the intent of the legislature that this funding be provided for the Seattle Vocational Institute no later than June 30, 2021, once the community preservation and development authority has selected board members and the title of the Seattle Vocational Institute building has been transferred to the board.

Appropriation:

State Building Construction Account—
State (~~(\$1,300,000)~~)

\$1,125,000

State Taxable Building Construction Account—State \$175,000

Subtotal Appropriation \$1,300,000

Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs)
\$0

TOTAL \$1,300,000

Sec. 6010. 2019 c 413 s 1023 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

2017-19 Building Communities Fund Grant (30000883)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1015, chapter 2, Laws of 2018, except

that no funding may be directed to the Aging in PACE project.

Reappropriation:

State Building Construction Account—
State (~~(\$18,500,000)~~)

\$15,500,000

Prior Biennia (Expenditures)
\$12,400,000
Future Biennia (Projected Costs)
\$0

TOTAL (~~(\$18,500,000)~~)

\$27,900,000

Sec. 6011. 2019 c 413 s 1032 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

2019-21 Building for the Arts Grant Program (40000039)

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

(1) The appropriation is subject to the provisions of RCW 43.63A.750.

(2) Except as directed otherwise prior to the effective date of this section, the department may not expend the appropriation in this section unless and until the nonstate share of project costs have been either expended, or firmly committed, or both, in an amount sufficient to complete the project or a distinct phase of the project that is useable to the public for the purpose intended by this appropriation. This requirement does not apply to projects where a share of the appropriation is for design costs only.

(3) The appropriation is provided solely for the following list of projects:

- Seattle Theatre Group \$310,000
- Music Center of the Northwest \$300,000
- Seattle Symphony Orchestra \$912,000
- Broadway Center for the Performing Arts \$586,000
- Bainbridge Artisan Resource Network \$1,057,000
- Nordic Heritage Museum Foundation \$2,000,000

Imagine Children's Museum TOTAL ((~~\$1,475,000~~))
 \$2,000,000 \$1,578,000

Seattle Opera \$526,000

KidsQuest Children's Museum
 \$816,000

((~~Central Stage Theatre of County
 Kitsap \$964,000~~))

Roxy Bremerton Foundation
 \$51,000

Port Angeles Waterfront Center
 \$1,112,000

((~~Rehabilitating Fort Worden's
 Historic Warehouses \$712,000~~))

Sea Mar Museum of Chicano/a Latino/a
 Culture \$654,000

Appropriation:

State Building Construction Account—
 State ((~~\$12,000,000~~))
\$10,324,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
 \$48,000,000

TOTAL ((~~\$60,000,000~~))
\$58,324,000

Sec. 6012. 2019 c 413 s 1056
 (uncodified) is amended to read as
 follows:

FOR THE DEPARTMENT OF COMMERCE

Dental Capacity Grants (91001306)

The appropriation in this section is
 subject to the following conditions and
 limitations: The appropriation is
 provided solely for the following list of
 projects:

Bethel Dental Clinic \$500,000

Columbia County Dental ((~~\$250,000~~))
\$353,000

Skagit Valley College WDTEP
 \$550,000

Vancouver Dental \$175,000

Appropriation:

State Building Construction Account—
 State ((~~\$1,475,000~~))
\$1,578,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
 \$0

Sec. 6013. 2019 c 413 s 1058
 (uncodified) is amended to read as
 follows:

FOR THE DEPARTMENT OF COMMERCE

Projects for Jobs & Economic
 Development (92000151)

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

(1) Except as provided in subsection
 (2) of this section, the reappropriations
 are subject to the provisions of section
 1077, chapter 19, Laws of 2013 2nd sp.
 sess.

(2) \$1,000,000 of the reappropriation,
 not to exceed the amount remaining from
 the original appropriation, originally
 for the South Kirkland TOD/Cross Kirkland
 Corridor, may be used for the pedestrian
 crossing project at Kirkland Avenue and
 Lake Street.

Reappropriation:

Public Facility Construction Loan
 Revolving
 Account—State ((~~\$3,000,000~~))
\$2,528,000

State Building Construction Account—
 State \$1,000,000

Subtotal Reappropriation
 ((~~\$4,000,000~~))
\$3,528,000

Prior Biennia (Expenditures)
 \$33,109,000

Future Biennia (Projected Costs)
 \$0

TOTAL ((~~\$37,109,000~~))
\$36,637,000

Sec. 6014. 2019 c 413 s 1060
 (uncodified) is amended to read as
 follows:

FOR THE DEPARTMENT OF COMMERCE

Projects that Strengthen Communities &
 Quality of Life (92000230)

The reappropriations in this section
 are subject to the following conditions
 and limitations: The reappropriations
 are subject to the provisions of section

6006, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:

State Building Construction Account—
State \$1,400,000

~~(Appropriation—~~

~~Model Toxics Control Capital Account—
State \$40,000))~~

Prior Biennia (Expenditures)
\$30,688,000

Future Biennia (Projected Costs)
\$0

TOTAL ((~~\$32,128,000~~))

\$32,088,000

Sec. 6015. 2019 c 413 s 1012 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

Energy Efficiency and Solar Grants (30000835)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1035, chapter 3, Laws of 2015 3rd sp. sess.

Reappropriation:

State Building Construction Account—
State ((~~\$2,000,000~~))

\$597,000

Prior Biennia (Expenditures)
\$23,000,000

Future Biennia (Projected Costs)
\$0

TOTAL ((~~\$25,000,000~~))

\$23,597,000

Sec. 6016. 2019 c 413 s 1064 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

Behavioral Rehabilitation Services Capacity Grants (92000611)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1015, chapter 298, Laws of 2018.

Reappropriation:

State Building Construction Account—
State ((~~\$2,000,000~~))

\$1,719,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL ((~~\$2,000,000~~))

\$1,719,000

Sec. 6017. 2019 c 413 s 1066 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

Palouse to Cascades Trail Facilitation (92000833)

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

(1) The appropriation in this section is provided solely for the department of commerce to contract for facilitation and mediation of ownership, development, and use conflicts along the Palouse to Cascades trail in Adams and Whitman counties. The contractor shall convene a process that will make recommendations to the legislature by January 15, 2020. The parties to the facilitation shall include, but are not limited to: The state parks and recreation commission, the farm bureau, the department of natural resources, recreational trail user groups, local governments adjacent to the trail, and landowners adjacent to the trail.

(2) The recreation and conservation office shall not release funding for the following project on Washington wildlife and recreation program LEAP capital document No. 2019-5H: Palouse to Cascades Connection Malden and Rosalia, until July 1, 2020.

Appropriation:

State Building Construction Account—
State ((~~\$150,000~~))

\$134,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL ((~~\$150,000~~))

\$134,000

Sec. 6018. 2020 c 356 s 1022 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

Enhanced Shelter Capacity Grants (92000939)

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

(1) \$7,818,000 of the appropriation in this section is provided solely for a homeless shelter grant program for the following list of shelter projects:

Auburn Resource Center (Auburn)	\$1,500,000
Community House (Longview)	\$206,000
((Crosswalk Teen Shelter (Spokane)	\$1,500,000)
Harbor Hope Center Home for Girls (Gig Harbor)	\$294,000
Noah's Ark Homeless Shelter (Wapato)	\$100,000
Positive Adolescent Dev (PAD) Emergency Housing (Bellingham)	\$206,000
Rod's House Mixed Use Facility (Yakima)	\$2,000,000
ROOTS Young Adult Shelter (Seattle)	\$1,500,000
Snoqualmie Valley Resource Center (Snoqualmie)	\$206,000
St. Vincent de Paul Cold Weather Shelter (Renton)	\$206,000
YMCA Oasis Teen Shelter (Mount Vernon)	\$100,000

(2) In contracts for grants authorized under this section, the department of commerce must follow the guidelines and compliance requirements in the Housing Trust Fund program, including provisions that require that capital improvements be held by the grantee for a specified period of time appropriate to the amount of the grant and that facilities be used for the express purpose of the grant. If the grantee is found to be out of compliance with provisions of the contract, the grantee must repay to the state general fund the principal amount of the grant plus interest calculated at the rate of interest on state of Washington general obligation bonds

issued on the date most close in time to the date of authorization of the grant.

Appropriation:

State Building Construction Account—
State (~~(\$7,818,000)~~)

\$6,318,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL (~~(\$7,818,000)~~)

\$6,318,000

Sec. 6019. 2019 c 413 s 1061 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMERCE

Community Behavioral Health Beds - Acute & Residential (92000344)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 1007, chapter 35, Laws of 2016 sp. sess.

Reappropriation:

State Building Construction Account—
State (~~(\$5,000,000)~~)

\$4,515,000

Prior Biennia (Expenditures)
\$39,399,000

Future Biennia (Projected Costs)
\$0

TOTAL (~~(\$44,399,000)~~)

\$43,914,000

Sec. 6020. 2019 c 413 s 1074 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Transportation Building Preservation (30000777)

Reappropriation:

Capitol Building Construction Account—State (~~(\$3,925,000)~~)

\$1,725,000

Prior Biennia (Expenditures)
\$57,000

Future Biennia (Projected Costs)
\$0

TOTAL (~~(\$3,982,000)~~)

\$1,782,000

Sec. 6021. 2019 c 413 s 1076 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Legislative Building Systems Rehabilitation (30000791)

Reappropriation:

Capitol Building Construction Account—State (~~(\$150,000)~~)

\$33,000

Prior Biennia (Expenditures) \$843,000

Future Biennia (Projected Costs) \$0

TOTAL (~~(\$993,000)~~)

\$876,000

Sec. 6022. 2019 c 413 s 1079 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Building Envelope Repairs (30000829)

Reappropriation:

Capitol Building Construction Account—State (~~(\$2,537,000)~~)

\$2,010,000

State Building Construction Account—State \$2,167,000

Subtotal Reappropriation (~~(\$4,704,000)~~)

\$4,177,000

Prior Biennia (Expenditures) \$518,000

Future Biennia (Projected Costs) \$0

TOTAL (~~(\$5,222,000)~~)

\$4,695,000

Sec. 6023. 2019 c 413 s 1077 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Campus Physical Security & Safety Improvements (30000812)

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

(1) \$1,508,000 (~~(is)~~) of the capitol building construction account—state appropriation, \$1,000,000 of the Thurston county capital facilities account—state appropriation, and \$1,018,000 of the state building construction account—state appropriation are provided solely for the security improvements of distributed antenna system in the natural resource building, columbia, plaza, and department of transportation parking garages.

(2) The reappropriations are subject to the provisions of section 1025, chapter 298, Laws of 2018.

(3) The temporary security fencing on the capital campus must be removed by May 31, 2021, unless the Washington state patrol notifies the legislative leaders by May 15, 2021, and the majority and minority leaders of the senate and the speaker and the minority leader of the house of representatives concur that the Washington state patrol security assessment determines that the fence is unable to be removed.

Reappropriation:

State Building Construction Account—State \$1,625,000

Thurston County Capital Facilities Account—State \$710,000

Subtotal Reappropriation \$2,335,000

Appropriation:

Capitol Building Construction Account—State \$1,508,000

State Building Construction Account—State \$1,018,000

Thurston County Capital Facilities Account—State \$1,000,000

Subtotal Appropriation \$3,526,000

Prior Biennia (Expenditures) \$415,000

Future Biennia (Projected Costs) \$0

TOTAL (~~(\$4,258,000)~~)

\$6,276,000

Sec. 6024. 2020 c 356 s 1027 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ENTERPRISE SERVICES

Legislative Campus Modernization (92000020)

(1) The reappropriation in this section is subject to the following conditions and limitations: The final predesign for legislative campus modernization must be submitted to the office of financial management and legislative fiscal committees by ~~((September 1, 2020))~~ February 5, 2020. The department must consult with the senate facilities and operations committee or their designee(s) and the house of representatives executive rules committee or their designee(s) during the development of and prior to finalizing and submitting the final predesign ~~((on September 1, 2020))~~.

(a) With respect to the Irv Newhouse building replacement on opportunity site six, the final predesign must include demolition of buildings on opportunity site six ~~((, with the exception of the visitor center))~~. The predesign must include details and costs for temporary office space on Capitol Campus, for which modular space is an option, to be used at least during the construction of the building for Irv Newhouse occupants. The predesign must also consider an additional floor for the Irv Newhouse building, and this component of predesign must not delay nor impact the final predesign deliverable date. The predesign must assume the following:

(i) Necessary program space required to support senate offices and support functions;

(ii) A building facade similar to ~~((the American neoclassical style of existing legislative buildings on Capitol Campus))~~ the American neoclassical style with a base, shaft, and capitol expression focus with some relief expressed in modern construction methods to include adding more detailing and depth to the exterior so that it will fit with existing legislative buildings on west capitol campus, like the John Cherberg building;

(iii) Member offices of similar size as member offices in the John A. Cherberg building;

(iv) Design and construction of a high performance building that meets net-zero-ready energy standards, with an energy use intensity of no greater than thirty-five;

(v) Building construction that ~~((must))~~ may be procured using a performance-based contracting method, such as design-build, and ~~((must))~~ may include an energy performance guarantee comparing actual performance data with the energy design target;

(vi) Temporary office space on Capitol Campus, for which modular space is an option, to be used during the construction of the building. Maximizing efficient use of modular space with Pritchard renovation or replacement must be considered;

(vii) Demolition of the buildings ~~((not including the visitor center))~~ located on opportunity site six ~~((Demolition costs must not exceed six hundred thousand dollars))~~; and

(viii) At least bimonthly consultation with the senate facilities and operations committee or their designee(s).

(b) With respect to the Pritchard building replacement or renovation, and renovation of the third and fourth floors of the John L. O'Brien building, the predesign must assume the following:

(i) The necessary program space required to support house of representatives offices and support functions;

(ii) Building construction that ~~((must))~~ may be procured using a performance-based contracting method, such as design-build, and ~~((must))~~ may include an energy performance guarantee comparing actual performance data with the energy design target;

(iii) Design and construction that meets net-zero-ready energy standards, with an energy use intensity of no greater than thirty-five;

(iv) The detail and cost of temporary office space on Capitol Campus, for which modular space is an option, to be used during the construction of the buildings for state employed occupants of any impacted building. Maximizing efficient use of modular space with the Newhouse replacement must be considered; and

(v) At least bimonthly consultation with the leadership of the house of

representatives, the chief clerk of the house of representatives, or their designee(s), and tenants of any impacted buildings.

(c) The legislative campus modernization predesign must assume:

(i) Preference for the completion of construction of the Irv Newhouse building before the renovation or replacement of the Pritchard building and before the renovation of the third and fourth floors of the John L. O'Brien building;

(ii) The amount of parking on the capitol campus ((remains the same or increases)) may not result in a loss greater than 60 parking spots as a result of the legislative campus modernization construction projects; and

(iii) Options for relocation of the occupants of impacted buildings that are not employed by the state to alternative locations(~~(, including, but not limited to, the visitor center)~~).

(d) The legislative campus modernization predesign must include an analysis of comparative costs and benefits of locations for needed space, to include the following considerations:

(i) An additional floor added to the Irv Newhouse building replacement, and this component of design must not delay nor impact the final predesign deliverable date;

(ii) Additional space added to the Pritchard replacement or renovation; and

(iii) ~~((The impact to options to maintain, or increase, the amount of parking on Capitol Campus; and~~

~~(iv)))~~ Space needed for legislative support agencies.

(e) The final predesign must include an analysis of the relative costs and benefits of designing and constructing the projects authorized under this section under a single contract or individual subproject contracts, based on an evaluation of, at least, the following criteria:

(i) The interdependency and interaction of the design and construction phases of the subprojects;

(ii) Subproject phasing and sequencing, including the timing and utilization of modular temporary office space on Capitol Campus during the construction phases;

(iii) Potential cost efficiencies under each subproject;

(iv) Provide an evaluation for the most efficient and effective contracting method for subproject delivery, including design-bid-build, general contractor/construction manager, and design-build for each subproject; and

(v) Other collateral impacts.

(f) The department must have a check-in meeting by October 1, 2020, with the administrative office of the senate, the administrative office of the house of representatives, and the legislative capital budget leads. This check-in meeting must be after the predesign is submitted to the office of financial management and legislative fiscal committees.

(2) The appropriations in this section are subject to the following conditions and limitations: The new appropriations must be coded and tracked as separate discreet subprojects in the agency financial reporting system.

(a) \$3,370,000 of the appropriation is provided solely for the Irv Newhouse building replacement, and the appropriation in this subsection (2)(a) is provided solely for design and construction of the Irv Newhouse building replacement for the senate, located on opportunity site six. The design must assume:

(i) Necessary program space required to support senate offices and support functions;

(ii) A building facade similar to ((the American neoclassical style of existing legislative buildings on Capitol Campus)) the American neoclassical style with a base, shaft, and capitol expression focus with some relief expressed in modern construction methods to include adding more detailing and depth to the exterior so that it will fit with existing legislative buildings on west capitol campus, like the John Cherberg building;

(iii) Member offices of similar size as member offices in the John A. Cherberg building;

(iv) Design and construction of a high performance building that meets net-zero-ready energy standards, with an energy use intensity of no greater than thirty-five;

(v) Building construction that ~~((must))~~ may be procured using a performance-based contracting method, such as design-build, and ~~((must))~~ may include an energy performance guarantee comparing actual performance data with the energy design target;

(vi) Temporary office space on Capitol Campus, for which modular space is an option, to be used during the construction of the building. Maximizing efficient use of modular space with Pritchard renovation must be considered;

~~(vii) Demolition of the buildings (not including the visitor center,) located on opportunity site six (Demolition costs must not exceed six hundred thousand dollars);~~

(viii) At least bimonthly consultation with the leadership of the senate, or their designee(s), and Irv Newhouse tenants; and

~~(ix) ((Procurement of the design solution))~~ Design contract selection will be completed by ((February)) September 1, 2021, for the Irv Newhouse building replacement.

(b) \$6,530,000 of the appropriation is provided solely for the Pritchard building replacement or renovation ~~((and the renovation of the third and fourth floors of the John L. O'Brien building))~~. The appropriation in this subsection is provided solely for the design and construction and assumes:

(i) The necessary program space required to support house of representatives offices and support functions;

(ii) Additional office space necessary to offset house of representatives members and staff office space that may be eliminated in the renovation of the third and fourth floors of the John L. O'Brien building;

(iii) Design and construction of a high performance building that meets net-zero-ready energy standards, with an energy use intensity of no greater than thirty-five;

(iv) Building construction that ~~((must))~~ may be procured using a performance-based contracting method, such as design-build, and ~~((must))~~ may include an energy performance guarantee comparing actual performance data with the energy design target;

(v) Temporary office space on Capitol Campus, for which modular space is an option, to be used during the construction of the building. Maximizing efficient use of modular space with Newhouse replacement must be considered; and

(vi) At least bimonthly consultation with the leadership of the house of representatives, the chief clerk of the house of representatives, or their designee(s), and tenants of any impacted building.

(c) ~~(((\$100,000))~~ \$146,000 of the appropriation is provided solely for the completion of predesign efforts as described in subsection (1) of this section.

(3) The department may sell by auction the Ayers and Carlyon houses, known as the press houses, separate and apart from the underlying land, subject to the following conditions:

(a) The purchaser, at its sole cost and expense, must remove the houses by December 31, 2021;

(b) The state is not responsible for any costs or expenses associated with the sale, removal, or relocation of the buildings from opportunity site six; and

(c) Any sale proceeds must be deposited into the Thurston county capital facilities account.

(4) Implementation of subsection (3) of this section is not intended to delay the design and construction of any of the subprojects included in the legislative campus modernization project.

Reappropriation:

State Building Construction Account—
State \$256,000

Appropriation:

State Building Construction Account—
State ~~(((\$10,000,000))~~

\$10,046,000

Prior Biennia (Expenditures)
\$194,000

Future Biennia (Projected Costs)
\$89,000,000

TOTAL ~~(((\$99,450,000))~~

\$99,496,000

Sec. 6025. 2019 c 413 s 4002 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE PATROL

FTA Burn Building - Structural Repairs (30000256)

Appropriation:

Fire Service Training Account—State (~~(\$750,000)~~)

\$550,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL (~~(\$750,000)~~)

\$550,000

Sec. 6026. 2019 c 413 s 4004 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE PATROL

High Throughput DNA Laboratory (40000002)

The appropriation in this section is subject to the following conditions and limitations: (~~(\$277,000)~~) \$247,000 is provided solely for renovations to the crime lab.

Appropriation:

State Building Construction Account—State (~~(\$277,000)~~)

\$247,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL (~~(\$277,000)~~)

\$247,000

Sec. 6027. 2019 c 413 s 1097 (uncodified) is amended to read as follows:

FOR THE MILITARY DEPARTMENT

Minor Works Program 2017-19 Biennium (30000812)

Reappropriation:

General Fund—Federal (~~(\$20,395,000)~~)

\$1,395,000

Military Department Capital Account—State \$75,000

State Building Construction Account—State (~~(\$1,814,000)~~)

\$1,614,000

Subtotal Reappropriation (~~(\$22,284,000)~~)

\$3,084,000

Prior Biennia (Expenditures) \$2,413,000

Future Biennia (Projected Costs) \$0

TOTAL (~~(\$24,697,000)~~)

\$5,497,000

Sec. 6028. 2019 c 413 s 1098 (uncodified) is amended to read as follows:

FOR THE MILITARY DEPARTMENT

Centralia Readiness Center (30000818)

Reappropriation:

General Fund—Federal \$2,289,000

State Building Construction Account—State \$2,287,000

Subtotal Reappropriation \$4,576,000

Appropriation:

General Fund—Federal (~~(\$2,000,000)~~)

\$3,200,000

Prior Biennia (Expenditures) \$174,000

Future Biennia (Projected Costs) \$0

TOTAL (~~(\$6,750,000)~~)

\$7,950,000

Sec. 6029. 2019 c 413 s 2088 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

WCC: Replace Roofs (30000654)

Reappropriation:

State Building Construction Account—State \$675,000

Appropriation:

State Building Construction Account—State (~~(\$4,540,000)~~)

\$3,040,000

Prior Biennia (Expenditures)
\$1,595,000

\$36,260,000

Future Biennia (Projected Costs)
\$0

Sec. 6032. 2019 c 413 s 3091 (uncodified) is amended to read as follows:

TOTAL ((~~\$6,810,000~~))

FOR THE DEPARTMENT OF ECOLOGY

\$5,310,000

2019-21 Protect Investments in Cleanup Remedies (40000194)

Sec. 6030. 2019 c 413 s 2089 (uncodified) is amended to read as follows:

The appropriation in this section is subject to the following conditions and limitations: ((~~\$2,260,000~~)) \$827,000 of the model toxics control capital account appropriation is provided solely for reimbursing the Lakewood water district for costs for the Ponders drinking water treatment system, including costs incurred prior to July 1, 2019.

FOR THE DEPARTMENT OF CORRECTIONS

CBCB: Replace Fire Alarm System (30000748)

Reappropriation:

State Building Construction Account—
State \$180,000

Appropriation:

Appropriation:

State Building Construction Account—
State ((~~\$5,284,000~~))

Model Toxics Control Capital Account—
State ((~~\$9,637,000~~))

\$4,284,000

\$8,204,000

Prior Biennia (Expenditures)
\$175,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

Future Biennia (Projected Costs)
\$40,000,000

TOTAL ((~~\$5,639,000~~))

TOTAL ((~~\$49,637,000~~))

\$48,204,000

Sec. 6031. 2019 c 413 s 3020 (uncodified) is amended to read as follows:

Sec. 6033. 2020 c 356 s 3025 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

ASARCO Cleanup (30000334)

FOR THE DEPARTMENT OF ECOLOGY

~~((The reappropriation in this section is subject to the following conditions and limitations: \$400,000 of the reappropriation is provided solely for the city of Tacoma to reimburse for clean up and remediation of the former Ruston Way tunnel, including costs that occurred prior to June 30, 2019.))~~

Clean Up Toxics Sites - Puget Sound (91000032)

Appropriation:

Reappropriation:

Model Toxics Control Capital Account—
State ((~~\$179,000~~))

Cleanup Settlement Account—State
((~~\$2,095,000~~))

\$38,000

\$1,695,000

Prior Biennia (Expenditures)
\$9,091,000

Prior Biennia (Expenditures)
\$34,565,000

Future Biennia (Projected Costs)
\$0

Future Biennia (Projected Costs)
\$0

TOTAL ((~~\$9,270,000~~))

\$9,129,000

TOTAL ((~~\$36,660,000~~))

Sec. 6034. 2019 c 413 s 3278 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF NATURAL RESOURCES

Pasco Local Improvement District (40000019)

Appropriation:
 State Building Construction Account—
 State (~~(\$4,000,000)~~)
\$2,894,000
 Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs)
 \$0
 TOTAL (~~(\$4,000,000)~~)
\$2,894,000

Sec. 6035. 2019 c 413 s 3301 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF NATURAL RESOURCES

Fircrest Property (91000103)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for the following purposes:

(1) The department must, in consultation with the office of financial management and the department of social and health services, develop recommendations for future use of underutilized portions of the Fircrest School campus, including the southeast and southwest corners. Recommendations must include options for developing affordable housing and public open space on underutilized portions of the Fircrest School campus and any specific statutory language necessary to implement these recommendations. Recommendations must consider: (a) Current zoning restrictions; (b) current use; (c) current ownership; (d) current revenue generating capacity; (e) any specific statutory language necessary to implement these recommendations; and (f) any legal constraints.

(2) The department must submit a report to the appropriate committees of the legislature by December 31, 2019.

Appropriation:
 Charitable, Educational, Penal, Reformatory,
 Institutional Account—State
 (~~(\$250,000)~~)
\$8,000
 Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
 \$0
 TOTAL (~~(\$250,000)~~)
\$8,000

Sec. 6036. 2019 c 413 s 3217 (uncodified) is amended to read as follows:

FOR THE RECREATION AND CONSERVATION OFFICE

Upper Quinault River Restoration
 ((~~Phase 3 (WCRI) (910000958)~~)) Project (91000958)

Appropriation:
 State Building Construction Account—
 State \$2,000,000
 Prior Biennia (Expenditures) \$0
 Future Biennia (Projected Costs)
 \$0
 TOTAL \$2,000,000

Sec. 6037. 2019 c 413 s 3235 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE

Migratory Waterfowl Habitat (20082045)
 Reappropriation:

State Wildlife Account—State
 (~~(\$500,000)~~)
\$285,000

Appropriation:
 State Wildlife Account—State
 \$600,000
 Prior Biennia (Expenditures)
 \$1,388,000
 Future Biennia (Projected Costs)
 \$1,800,000
 TOTAL (~~(\$4,288,000)~~)
\$4,073,000

Sec. 6038. 2020 c 356 s 3062 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE

(1) Nothing in this section alters the obligation set forth in the permanent injunction, including the compliance deadline, entered on March 29, 2013, in *United States v. Washington*, sub-

proceeding 01-1 (Culverts), or the guidelines for compliance within the specified timeline with the permanent injunction as developed by the state agencies during the implementation process.

(2) Nothing in this section creates an obligation on the part of the state to provide funding for corrections for nonstate-owned culverts. Nothing in this section precludes the state from providing funding for corrections for nonstate-owned culverts.

(3) In order to provide recommendations, the Brian Abbott fish barrier removal board must develop a comprehensive statewide culvert remediation plan that works in conjunction with the state approach and that fully satisfies the requirements of the *United States v. Washington* permanent injunction and makes both local and state funding recommendations for additional nonstate barrier corrections across state culvert correction programs that maximize the fisheries habitat gain and other benefits to prey available for southern resident killer whale and salmon recovery.

(4) The comprehensive statewide culvert remediation plan must be consistent with the principles and requirements of the *United States v. Washington* permanent injunction and RCW 77.95.180 and must achieve coordinated investment strategy goals of permanent injunction compliance and the following additional resource benefits. The Brian Abbott fish barrier removal board chair, representing the board and the appropriate department of fish and wildlife executive management, shall consult with tribes to develop a watershed approach. Provided it is consistent with the *United States v. Washington* permanent injunction, prioritization of barrier corrections must be developed on a watershed basis and must maximize the following resource priorities:

(a) Stocks that are listed as threatened or endangered under the federal endangered species act;

(b) Stocks that contribute to protection and recovery of southern resident orca whales;

(c) Critical stocks of anadromous fish that limit or prevent harvest of anadromous fish, as identified in the Pacific salmon treaty; and

(d) Weak stocks of anadromous fish that limit or prevent harvest of anadromous fish, as determined in North of Cape Falcon process.

(5) The comprehensive statewide culvert remediation plan must include recommendations on methods and procedures for state agencies and local governments to complete and maintain accurate barrier inventories. This plan must also allow for efficient bundling of projects to minimize disruption to the public due to construction as well as adjustments in response to obstacles and opportunities encountered during delivery.

(6) The Brian Abbott fish barrier removal board must also:

(a) Provide to the office of financial management and the fiscal committees of the legislature its recommendation as to statutory or policy changes, or budget needs for the board or state capital budget programs, for better implementation and coordination among the state's culvert correction programs by (~~January 15, 2021~~) June 30, 2021; and

(b) Develop a plan to seek and maximize the chances of success of significant federal investment in the comprehensive statewide culvert remediation plan.

(7) It is the intent of the legislature that, in developing future budgets, state agencies administering state culvert correction programs will recommend, to the maximum extent possible, funding in their culvert correction programs for correction of barriers that are part of the comprehensive statewide culvert remediation plan developed by the Brian Abbott fish barrier removal board under this section.

(8) By November 1, 2020, and March 1, 2021, the Brian Abbott fish barrier removal board and the department of transportation must provide updates on the development of the statewide culvert remediation plan to the office of financial management and the legislative fiscal committees. The first update must include a project timeline and plan to ensure that all agencies with culvert correction programs are involved in the creation of the comprehensive plan.

(9) Prior to presenting the comprehensive statewide culvert remediation plan, the Brian Abbott fish barrier removal board must present the

status of the plan to the annual Washington state and Western Washington treaty tribes fish passage barrier repair progress and coordination meeting. The board must submit the comprehensive statewide culvert remediation plan and the process by which it will be adaptively managed over time to the governor and the legislative fiscal committees by ((January 15, 2021)) June 30, 2021.

Sec. 6039. 2019 c 413 s 5011 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

2017-19 School Construction Assistance Program (40000003)

The reappropriations in this section are subject to the following conditions and limitations: The reappropriations are subject to the provisions of section 5003, chapter 298, Laws of 2018.

Reappropriation:

State Building Construction Account—
State ((~~\$475,282,000~~))
\$493,020,000

Common School Construction Account—
State ((~~\$255,948,000~~))
\$238,210,000

Subtotal Reappropriation
\$731,230,000

Prior Biennia (Expenditures)
\$217,520,000

Future Biennia (Projected Costs)
\$0

TOTAL \$948,750,000

Sec. 6040. 2020 c 356 s 5002 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

2019-21 School Construction Assistance Program - Maintenance Level (40000013)

The appropriations in this section are subject to the following conditions and limitations: \$1,005,000 of the common school construction account—state appropriation is provided solely for study and survey grants and for completing inventory and building condition assessments for public school districts every six years.

Appropriation:

State Building Construction Account—
State ((~~\$851,208,000~~))
\$833,470,000

Common School Construction Account—
State \$185,908,000

Common School Construction Account—
Federal \$3,840,000

Subtotal Appropriation
((~~\$1,040,956,000~~))

\$1,023,218,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$4,870,192,000

TOTAL ((~~\$5,911,148,000~~))

\$5,893,410,000

Sec. 6041. 2019 c 413 s 5020 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

STEM Pilot Program (91000402)

The reappropriation in this section is subject to the following conditions and limitations: The reappropriation is subject to the provisions of section 5005, chapter 35, Laws of 2016 sp. sess.

Reappropriation:

State Building Construction Account—
State ((~~\$3,046,000~~))
\$2,956,000

Prior Biennia (Expenditures)
\$9,454,000

Future Biennia (Projected Costs)
\$0

TOTAL ((~~\$12,500,000~~))

\$12,410,000

Sec. 6042. 2020 c 356 s 5011 (uncodified) is amended to read as follows:

FOR THE UNIVERSITY OF WASHINGTON

Behavioral Health Teaching Facility (40000038)

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

(1)(a) The appropriation is provided solely for implementation of Engrossed Second Substitute House Bill No. 1593 (behavioral health teaching facility). The appropriation provided may be used for predesign, siting, design costs, enabling projects, ~~((and))~~ early work packages, and construction, equipment, furnishings, and completion. ~~((If the bill is not enacted by June 30, 2019, the amount provided in this section shall lapse.))~~

(b) The university must submit the predesign to the appropriate legislative committees by February 1, 2020.

(2) The behavioral health teaching facility must provide a minimum of ~~((fifty))~~ 75 long-term civil commitment beds, ~~((fifty geriatric/voluntary))~~ 25 geriatric and adult psychiatric beds, and fifty licensed medical/surgery beds, ~~((with the capacity))~~ available to treat medical and surgical problems for patients ~~((with))~~ who also have a psychiatric ~~((diagnoses))~~ diagnosis and/or substance use ~~((disorders))~~ disorder diagnosis. The University should maximize the use of these medical/surgery beds for patients with psychiatric diagnoses or substance use disorders to the extent practicable. The project construction must also include construction of a 24/7 telehealth consultation program within the facility.

Appropriation:

State Building Construction Account—
State \$33,250,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$191,250,000

TOTAL \$224,500,000

Sec. 6043. 2019 c 413 s 5047 (uncodified) is amended to read as follows:

FOR THE UNIVERSITY OF WASHINGTON

Behavioral Health Institute at Harborview Medical Center ~~((910000025))~~ (91000025)

Appropriation:

State Building Construction Account—
State ~~((500,000))~~

\$469,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs)
\$0

TOTAL ~~((500,000))~~

\$469,000

NEW SECTION. Sec. 6044. The following acts or parts of acts are each repealed:

- (1) 2019 c 413 s 1004 (uncodified);
- (2) 2019 c 413 s 1107 (uncodified);
- (3) 2019 c 413 s 1108 (uncodified);
- (4) 2019 c 413 s 1109 (uncodified); and
- (5) 2019 c 413 s 2034 (uncodified).

PART 7

MISCELLANEOUS PROVISIONS

NEW SECTION. Sec. 7001. RCW 43.88.031 requires the disclosure of the estimated debt service costs associated with new capital bond appropriations. The estimated debt service costs for the appropriations contained in this act are \$46,768,901 for the 2021-2023 biennium, \$314,662,796 for the 2023-2025 biennium, and \$447,088,148 for the 2025-2027 biennium.

NEW SECTION. Sec. 7002. ACQUISITION OF PROPERTIES AND FACILITIES THROUGH FINANCIAL CONTRACTS. (1) The following agencies may enter into financial contracts, paid from any funds of an agency, appropriated or nonappropriated, for the purposes indicated and in not more than the principal amounts indicated, plus financing expenses and required reserves pursuant to chapter 39.94 RCW. When securing properties under this section, agencies shall use the most economical financial contract option available, including long-term leases, lease-purchase agreements, lease-development with option to purchase agreements or financial contracts using certificates of participation. Expenditures made by an agency for one of the indicated purposes before the issue date of the authorized financial contract and any certificates of participation therein are intended to be reimbursed from proceeds of the financial contract and any certificates of participation therein to the extent provided in the agency's financing plan approved by the state finance committee.

(2) Those noninstructional facilities of higher education institutions authorized in this section to enter into financial contracts are not eligible for

state funded maintenance and operations. Instructional space that is available for regularly scheduled classes for academic transfer, basic skills, and workforce training programs may be eligible for state funded maintenance and operations.

(3) Secretary of state: Enter into a financing contract for up to \$119,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct a new library-archives building.

(4) Washington state patrol: Enter into a financing contract for up to \$7,706,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct a burn building for live fire training.

(5) Department of social and health services: Enter into a financing contract for up to \$115,700,000 plus costs and financing expenses and required reserves pursuant to chapter 39.94 RCW to construct a nursing facility on the fircrest residential habilitation center campus. The department may contract to lease develop or lease purchase the facility. Before entering into a contract, the department must consult with the office of financial management and the office of the state treasurer. Should the department of social and health services choose to use a financing contract that does not provide for the issuance of certificates of participation, the financing contract shall be subject to approval by the state finance committee as required by RCW 39.94.010. In approving a financing contract not providing for the use of certificates of participation, the state finance committee should be reasonably certain that the contract is excluded from the computation of indebtedness, particularly that the contract is not backed by the full faith and credit of the state and the legislature is expressly not obligated to appropriate funds to make payments. For purposes of this subsection, "financing contract" includes but is not limited to a certificate of participation and tax exempt financing similar to that authorized in RCW 47.79.140.

(6) Community and technical colleges:

(a) Enter into a financing contract on behalf of Grays Harbor College for up to \$3,200,000 plus financing expenses and required reserves pursuant to chapter

39.94 RCW to construct a student services and instructional building.

(b) Enter into a financing contract on behalf of Shoreline Community College for up to \$3,128,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct an allied health, science, and manufacturing replacement building.

(c) Enter into a financing contract on behalf of South Puget Sound Community College for up to \$5,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to renovate a health education building.

(d) Enter into a financing contract on behalf of Bates Technical College for up to \$1,350,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to purchase land and facilities.

(7) The department of ecology: Submit a financing contract proposal to fully fund the Lacey headquarters parking garage preservation project, including financing expenses and required reserves pursuant to chapter 39.94 RCW, in the department's 2022 supplemental capital budget request.

NEW SECTION. Sec. 7003. (1) To ensure that major construction projects are carried out in accordance with legislative and executive intent, agencies must complete a predesign for state construction projects with a total anticipated cost in excess of \$5,000,000, or \$10,000,000 for higher education institutions. "Total anticipated cost" means the sum of the anticipated cost of the predesign, design, and construction phases of the project.

(2) Appropriations for design may not be expended or encumbered until the office of financial management has reviewed and approved the agency's predesign.

(3) The predesign must explore at least three project alternatives. These alternatives must be both distinctly different and viable solutions to the issue being addressed. The chosen alternative should be the most reasonable and cost-effective solution. The predesign document must include, but not be limited to, program, site, and cost analysis, and an analysis of the life-cycle costs of the alternatives explored, in accordance with the predesign manual

adopted by the office of financial management.

(4) The office of financial management may make an exception to the predesign requirements in this section after notifying the legislative fiscal committees and waiting ten days for comment by the legislature regarding the proposed exception.

(5) If House Bill No. 1023 (predesign) is enacted by June 30, 2021 this section is null and void.

NEW SECTION. Sec. 7004. (1) To ensure that major construction projects are carried out in accordance with legislative and executive intent, agencies must complete a predesign for state construction projects with a total anticipated cost in excess of \$10,000,000. For purposes of this section, "total anticipated cost" means the sum of the anticipated cost of the predesign, design, and construction phases of the project.

(2) Appropriations for design may not be expended or encumbered until the office of financial management has reviewed and approved the agency's predesign.

(3) The predesign must explore at least three project alternatives. These alternatives must be both distinctly different and viable solutions to the issue being addressed. The chosen alternative should be the most reasonable and cost-effective solution. The predesign document must include, but not be limited to, program, site, and cost analysis, and an analysis of the life-cycle costs of the alternatives explored, in accordance with the predesign manual adopted by the office of financial management.

(4) For projects exceeding the \$10,000,000 predesign threshold established in this section, the office of financial management may make an exception to some or all of the predesign requirements in this section. The office of financial management shall report any exception to the fiscal committees of the legislature:

(a) A description of the major capital project for which the predesign waiver is made;

(b) An explanation of the reason for the waiver; and

(c) A rough order of magnitude cost estimate for the project's design and construction.

(5) In deliberations related to submitting an exception under this section, the office of financial management shall consider the following factors:

(a) Whether there is any determination to be made regarding the site of the project;

(b) Whether there is any determination to be made regarding whether the project will involve renovation, new construction, or both;

(c) Whether, within six years of submitting the request for funding, the agency has completed, or initiated the construction of, a substantially similar project;

(d) Whether there is any anticipated change to the project's program or the services to be delivered at the facility;

(e) Whether the requesting agency indicates that the project may not require some or all of the predesign requirements in this section due to a lack of complexity; and

(f) Whether any other factors related to project complexity or risk, as determined by the office of financial management, could reduce the need for, or scope of, a predesign.

(6) If under this section, some or all predesign requirements are waived, the office of financial management may instead propose a professional project cost estimate instead of a request for predesign funding.

(7) If House Bill No. 1023 (predesign) is not enacted by June 30, 2021, this section is null and void.

NEW SECTION. Sec. 7005. (1) The legislature finds that use of life-cycle cost analysis will aid public entities, architects, engineers, and contractors in making design and construction decisions that positively impact both the initial construction cost and the ongoing operating and maintenance cost of a project. To ensure that the total cost of a project is accounted for and the most reasonable and cost efficient design is used, agencies shall develop life-cycle costs for any construction project over \$10,000,000. The life-cycle costs must represent the present value sum of

capital costs, installation costs, operating costs, and maintenance costs over the life expectancy of the project. The legislature further finds the most effective approach to the life-cycle cost analysis is to integrate it into the early part of the design process.

(2) Agencies must develop a minimum of three project alternatives for use in the life-cycle cost analysis. These alternatives must be both distinctly different and viable solutions to the issue being addressed. Agencies must choose the most reasonable and cost-effective solution, as supported by the life-cycle cost analysis. A brief description of each project alternative and why it was chosen must be included in the life-cycle cost analysis section of the predesign.

(3) The office of financial management shall: (a) Make available a life-cycle cost model to be used for analysis; (b) in consultation with the department of enterprise services, provide assistance in using the life-cycle cost model; and (c) update the life-cycle cost model annually including assumptions for inflation rates, discount rates, and energy rates.

(4) Agencies shall consider architectural and engineering firms' and general contractors' experience using life-cycle costs, operating costs, and energy efficiency measures when selecting an architectural and engineering firm, or when selecting contractors using alternative contracting methods.

NEW SECTION. **Sec. 7006.** Agencies administering construction projects with a total anticipated cost in excess of \$5,000,000, or \$10,000,000 for higher education institutions, must submit progress reports to the office of financial management and to the fiscal committees of the house of representatives and senate. "Total anticipated cost" means the sum of the anticipated cost of the predesign, design, and construction phases of the project. Reports must be submitted on July 1st and December 31st of each year in a format determined by the office of financial management. After the project is completed, agencies must also submit a closeout report that identifies the total project cost and any unspent appropriations.

NEW SECTION. **Sec. 7007.** (1) Allotments for appropriations in this act shall be provided in accordance with the capital project review requirements adopted by the office of financial management and in compliance with RCW 43.88.110. Projects that will be employing alternative public works construction procedures under chapter 39.10 RCW are subject to the allotment procedures defined in this section and RCW 43.88.110.

(2) Each project is defined as proposed in the legislative budget notes or in the governor's budget document.

NEW SECTION. **Sec. 7008.** (1) The office of financial management may authorize a transfer of appropriation authority provided for a capital project that is in excess of the amount required for the completion of such project to another capital project for which the appropriation is insufficient. No such transfer may be used to expand the capacity of any facility beyond that intended in making the appropriation. Such transfers may be effected only between capital appropriations to a specific department, commission, agency, or institution of higher education and only between capital projects that are funded from the same fund or account. No transfers may occur between projects to local government agencies except where the grants are provided within a single omnibus appropriation and where such transfers are specifically authorized by the implementing statutes that govern the grants.

(2) The office of financial management may find that an amount is in excess of the amount required for the completion of a project only if: (a) The project as defined in the notes to the budget document is substantially complete and there are funds remaining; or (b) bids have been let on a project and it appears to a substantial certainty that the project as defined in the notes to the budget document can be completed within the biennium for less than the amount appropriated in this act.

(3) For the purposes of this section, the intent is that each project be defined as proposed to the legislature in the governor's budget document, unless it clearly appears from the legislative history that the legislature intended to define the scope of a project in a different way.

(4) A report of any transfer effected under this section, except emergency projects or any transfer under \$250,000, shall be filed with the fiscal committees of the legislature by the office of financial management at least thirty days before the date the transfer is effected. The office of financial management shall report all emergency or smaller transfers within thirty days from the date of transfer.

NEW SECTION. **Sec. 7009.** (1) It is expected that projects be ready to proceed in a timely manner depending on the type or phase of the project or program that is the subject of the appropriation in this act. Except for major projects that customarily may take more than two biennia to complete from predesign to the end of construction, or large infrastructure grant or loan programs supporting projects that often take more than two biennia to complete, the legislature generally does not intend to reappropriate funds more than once, particularly for smaller grant programs, local/community projects, and minor works.

(2) Agencies shall expedite the expenditure of reappropriations and appropriations in this act in order to:

(a) Rehabilitate infrastructure resources; (b) accelerate environmental rehabilitation and restoration projects for the improvement of the state's natural environment; (c) reduce additional costs associated with acquisition and construction inflationary pressures; and (d) provide additional employment opportunities associated with capital expenditures.

(3) To the extent feasible, agencies are directed to accelerate expenditure rates at their current level of permanent employees and shall use contracted design and construction services wherever necessary to meet the goals of this section.

NEW SECTION. **Sec. 7010.** (1) Any building project that receives over \$10,000,000 in funding from the capital budget must be built to sustainable standards. "Sustainable building" means a building that integrates and optimizes all major high-performance building attributes, including energy efficiency, durability, life-cycle performance, and occupant productivity, and minimizes greenhouse gas emissions. The following design and construction attributes must be integrated into the building project:

(a) **Employ integrated design principles:** Use a collaborative, integrated planning and design process that initiates and maintains an integrated project team in all stages of a project's planning and delivery. Establish performance goals for siting, energy, water, materials, and indoor environmental quality along with other comprehensive design goals and ensures incorporation of these goals throughout the design and life-cycle of the building. Consider all stages of the building's life-cycle, including deconstruction.

(b) **Commissioning:** Employ commissioning practices tailored to the size and complexity of the building and its system components in order to verify performance of building components and systems and help ensure that design requirements are met. This should include an experienced commissioning provider, inclusion of commissioning requirements in construction documents, a commissioning plan, verification of the installation and performance of systems to be commissioned, and a commissioning report.

(c) **Optimize energy performance:** Establish a whole building performance target that takes into account the intended use, occupancy, operations, plug loads, other energy demands, and design to earn the ENERGY STAR targets for new construction and major renovation where applicable. For new construction target low energy use index. For major renovations, target reducing energy use by 50 percent below prerenovations baseline.

(d) **On-site renewable energy:** Implement renewable energy generation projects on agency property for agency use, when life-cycle cost effective.

(e) **High-efficiency electric equipment:** Use only high-efficiency electric equipment for water and space heating needs not met through on-site renewable energy, when life-cycle cost effective.

(f) **Measurement and verification:** For buildings over 50,000 square feet, install building level electricity meters in new major construction and renovation projects to track and continuously optimize performance. Include equivalent meters for natural gas and steam, where natural gas and steam are used. Where appropriate, install

dashboards inside buildings to display and incentivize occupants on energy use.

(g) Benchmarking: Compare performance data from the first year of operation with the energy design target. Verify that the building performance meets or exceeds the design target. For other building and space types, use an equivalent benchmarking tool.

NEW SECTION. **Sec. 7011.** State agencies, including institutions of higher education, shall allot and report full-time equivalent staff for capital projects in a manner comparable to staff reporting for operating expenditures.

NEW SECTION. **Sec. 7012.** Executive Order No. 21-02, archaeological and cultural resources, was issued effective November 10, 2005. Agencies shall comply with the requirements set forth in this executive order and must consult with the department of archaeology and historic preservation and affected tribes on the potential effects of projects on cultural resources and historic properties proposed in state-funded construction or acquisition projects, including grant or pass-through funding that culminates in construction or land acquisitions. Consultation with the department of archaeology and historic preservation and affected tribes must be initiated early in the project planning process, prior to construction or taking title.

Sec. 7013. RCW 43.19.501 and 2020 c 356 s 7005 are each amended to read as follows:

The Thurston county capital facilities account is created in the state treasury. The account is subject to the appropriation and allotment procedures under chapter 43.88 RCW. Moneys in the account may be expended for capital projects in facilities owned and managed by the department in Thurston county.

During the 2019-2021 and 2021-2023 fiscal ~~((biennium))~~ biennia, the Thurston county capital facilities account may be appropriated for costs associated with staffing to support capital budget and project activities and lease and facility oversight activities.

NEW SECTION. **Sec. 7014.** FOR THE ARTS COMMISSION—ART WORK ALLOWANCE. (1) One-half of one percent of moneys appropriated in this act for original construction of school plant facilities is provided solely for the purposes of RCW 28A.335.210.

(2) One-half of one percent of moneys appropriated in this act for original construction or any major renovation or remodel work exceeding \$200,000 by colleges or universities is provided solely for the purposes of RCW 28B.10.027.

(3) One-half of one percent of moneys appropriated in this act for original construction of any public building by a state agency identified in RCW 43.17.200 is provided solely for the purposes of RCW 43.17.200.

(4) At least 80 percent of the moneys spent by the Washington state arts commission during the 2021-2023 biennium for the purposes of RCW 28A.335.210, 28B.10.027, and 43.17.200 must be expended solely for direct acquisition of works of art. Except for art allocations made under K-3 class size reduction grants under section 5030 of this act, art allocations not expended within the ensuing two biennia will lapse. The commission may use up to \$200,000 of this amount to conserve or maintain existing pieces in the state art collection.

NEW SECTION. **Sec. 7015.** To carry out the provisions of this act, the governor may assign responsibility for predesign, design, construction, and other related activities to any appropriate agency.

NEW SECTION. **Sec. 7016.** If any federal moneys appropriated by this act for capital projects are not received by the state, the department or agency to which the moneys were appropriated may replace the federal moneys with funds available from private or local sources. No replacement may occur under this section without the prior approval of the director of financial management in consultation with the senate ways and means committee and the house of representatives capital budget committee.

NEW SECTION. **Sec. 7017.** (1) Unless otherwise stated, for all appropriations under this act that require a match of nonstate money or in-kind contributions, the following requirement, consistent with RCW 43.88.150, shall apply: Expenditures of state money shall be timed so that the state share of project expenditures never exceeds the intended state share of total project costs.

(2) Provision of the full amount of required matching funds is not required to permit the expenditure of capital budget appropriations for phased

projects if a proportional amount of the required matching funds is provided for each distinct, identifiable phase of the project.

NEW SECTION. Sec. 7018. NONTAXABLE AND TAXABLE BOND PROCEEDS. Portions of the appropriation authority granted by this act from the state building construction account, or any other account receiving bond proceeds, may be transferred to the state taxable building construction account as deemed necessary by the state finance committee to comply with the federal internal revenue service rules and regulations pertaining to the use of nontaxable bond proceeds. Portions of the general obligation bond proceeds authorized by chapter . . . (Substitute House Bill No. 1081), Laws of 2021, (State General Bonds and General Accounts) for deposit into the state taxable building construction account that are in excess of amounts required to comply with the federal internal revenue service rules and regulations shall be deposited into the state building construction account. The state treasurer shall submit written notification to the director of financial management if it is determined that a shift of appropriation authority between the state building construction account, or any other account receiving bond proceeds, and the state taxable building construction account is necessary, or that a shift of appropriation authority from the state taxable building construction account to the state building construction account may be made.

NEW SECTION. Sec. 7019. (1) Minor works project lists are single line appropriations that include multiple projects of a similar nature and that are valued between \$25,000 and \$1,000,000 each, with the exception of higher education minor works projects that may be valued up to \$2,000,000. Funds appropriated in this act for minor works may not be initially allotted until agencies submit project lists to the office of financial management for review and approval.

(2) Revisions to the project lists, including the addition of projects and the transfer of funds between projects, are allowed but must be submitted to the office of financial management, the house of representatives capital budget committee, and the senate ways and means committee for review and comment, and

must include an explanation of variances from prior approved lists. Any project list revisions must be approved by the office of financial management before funds may be expended from the minor works appropriation.

(3) (a) All minor works projects should be completed within two years of the appropriation with the funding provided.

(b) Agencies are prohibited from including projects on their minor works lists that are a phase of a larger project, and that if combined over a continuous period of time, would exceed \$1,000,000, or \$2,000,000 for higher education minor works projects.

(c) Minor works appropriations may not be used for the following: Studies, except for technical or engineering reviews or designs that lead directly to and support a project on the same minor works list; planning; design outside the scope of work on a minor works list; movable, temporary, and traditionally funded operating equipment not in compliance with the equipment criteria established by the office of financial management; software not dedicated to control of a specialized system; moving expenses; land or facility acquisition; rolling stock; computers; or to supplement funding for projects with funding shortfalls unless expressly authorized. The office of financial management may make an exception to the limitations described in this subsection (3)(c) for exigent circumstances after notifying the legislative fiscal committees and waiting ten days for comments by the legislature regarding the proposed exception.

(d) Minor works preservation projects may include program improvements of no more than 25 percent of the individual minor works preservation project cost.

(e) Improvements for accessibility in compliance with the Americans with disabilities act may be included in any of the minor works categories.

NEW SECTION. Sec. 7020. FOR THE STATE TREASURER—TRANSFERS

(1) Public Works Assistance Account:
For transfer

to the drinking water assistance account, up to

\$5,500,000 for fiscal year 2022 and up to \$5,500,000 for

fiscal year 2023 \$11,000,000

(2) Public Works Assistance Account:
For

transfer to the water pollution
control revolving

account, up to \$7,500,000 for fiscal
year 2022 and

up to \$7,500,000 for fiscal year 2023
\$15,000,000

(3) Public Works Assistance Account:
For transfer to the statewide broadband
account, up to \$7,000,000 for fiscal year
2022 and up to \$7,000,000 for fiscal year
2023 \$14,000,000

NEW SECTION. Sec. 7021. To the extent
that any appropriation authorizes
expenditures of state funds from the
state building construction account, or
from any other capital project account in
the state treasury, for a capital project
or program that is specified to be funded
with proceeds from the sale of bonds, the
legislature declares that any such
expenditures for that project or program
made prior to the issue date of the
applicable bonds are intended to be
reimbursed from proceeds of those bonds
in a maximum amount equal to the amount
of such appropriation.

NEW SECTION. Sec. 7022. In order to
accelerate the reduction of embodied
carbon and improve the environmental
performance of construction materials,
agencies shall, whenever possible,
review and consider embodied carbon
reported in environmental product
declarations when evaluating proposed
structural materials for construction
projects.

NEW SECTION. Sec. 7023. The joint
legislative task force created in 2018 c
298 s 7011 (uncodified) is hereby
reauthorized through June 30, 2023,
subject to the requirements that studies
and selection of scientists or
organizations to implement the studies
must be made by a 60 percent majority of
the members of the task force and that if
a member has not been designated for a
position set forth in section 7011(2),
chapter 298, Laws of 2018 (uncodified),
that position may not be counted for
purposes of determining a quorum.

Sec. 7024. RCW 90.94.090 and 2019 c
413 s 7035 are each reenacted and amended
to read as follows:

(1) A joint legislative task force on
water resource mitigation is established
to review the treatment of surface water
and groundwater appropriations as they
relate to instream flows and fish
habitat, to develop and recommend a
mitigation sequencing process and
scoring system to address such
appropriations, and to review the
Washington supreme court decision in
Foster v. Department of Ecology, 184
Wn.2d 465, 362 P.3d 959 (2015).

(2) The task force must consist of the
following members:

(a) Two members from each of the two
largest caucuses of the senate, appointed
by the president of the senate;

(b) Two members from each of the two
largest caucuses of the house of
representatives, appointed by the
speaker of the house of representatives;

(c) A representative from the
department, appointed by the director of
the department;

(d) A representative from the
department of fish and wildlife,
appointed by the director of the
department of fish and wildlife;

(e) A representative from the
department of agriculture, appointed by
the director of the department of
agriculture;

(f) One representative from each of
the following groups, appointed by the
consensus of the cochairs of the task
force:

(i) An organization representing the
farming industry in Washington;

(ii) An organization representing
Washington cities;

(iii) Two representatives from an
environmental advocacy organization or
organizations;

(iv) An organization representing
municipal water purveyors;

(v) An organization representing
business interests;

(vi) Representatives of two federally
recognized Indian tribes, one invited by
recommendation of the Northwest Indian
fisheries commission, and one invited by
recommendation of the Columbia river
intertribal fish commission.

(3) If a member has not been designated
for a position set forth in subsection

(2) of this section, that position may not be counted for purposes of determining a quorum.

(4) One cochair of the task force must be a member of the majority caucus of one chamber of the legislature, and one cochair must be a member of the minority caucus of the other chamber of the legislature, as those caucuses existed as of January 19, 2018.

(5) The first meeting of the task force must occur by June 30, 2018.

(6) Staff support for the task force must be provided by the office of program research and senate committee services. The department and the department of fish and wildlife shall cooperate with the task force and provide information as the cochairs reasonably request.

(7) Within existing appropriations, the expenses of the operations of the task force, including the expenses associated with the task force's meetings, must be paid jointly and in equal amounts by the senate and the house of representatives. Task force expenditures are subject to approval by the house executive rules committee and the senate facility and operations committee. 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.

(8)(a) By November 15, 2019, and November 15, 2022, the joint legislative task force must make recommendations to the legislature in compliance with RCW 43.01.036. ~~((The task force may update its November 15, 2019, recommendations by November 15, 2020, if a majority of the members of the task force determine that such an update is appropriate based on additional information developed as a result of the pilot projects established under subsection (9) of this section.))~~

(b) Recommendations of the joint legislative task force must be made by a sixty percent majority of the appointed members of the task force. The representatives of the departments of fish and wildlife, ecology, and agriculture are not eligible to vote on the recommendations. Minority

recommendations that achieve the support of at least five of the appointed voting members of the task force may also be submitted to the legislature.

(9) The department shall issue permit decisions for up to five water resource mitigation pilot projects. It is the intent of the legislature to use the pilot projects to inform the legislative task force process while also enabling the processing of water right applications that address water supply needs. The department is authorized to issue permits in reliance upon water resource mitigation of impacts to instream flows and closed surface water bodies under the following mitigation sequence:

(a) Avoiding impacts by: (i) Complying with mitigation required by adopted rules that set forth minimum flows, levels, or closures; or (ii) making the water diversion or withdrawal subject to the applicable minimum flows or levels; or

(b) Where avoidance of impacts is not reasonably attainable, minimizing impacts by providing permanent new or existing trust water rights or through other types of replacement water supply resulting in no net annual increase in the quantity of water diverted or withdrawn from the stream or surface water body and no net detrimental impacts to fish and related aquatic resources; or

(c) Where avoidance and minimization are not reasonably attainable, compensating for impacts by providing net ecological benefits to fish and related aquatic resources in the water resource inventory area through in-kind or out-of-kind mitigation or a combination thereof, that improves the function and productivity of affected fish populations and related aquatic habitat. Out-of-kind mitigation may include instream or out-of-stream measures that improve or enhance existing water quality, riparian habitat, or other instream functions and values for which minimum instream flows or closures were established in that watershed.

(10) The department must monitor the implementation of the pilot projects, including all mitigation associated with each pilot project, approved under this section at least annually through December 31, 2028.

(11) The pilot projects eligible for processing under this section, based on criteria as of January 19, 2018, include:

(a) A city operating a group A water system in Kitsap county and water resource inventory area 15, with a population between 13,000 and 14,000;

(b) A city operating a group A water system in Pierce county and water resource inventory area 10, with a population between 9,500 and 10,500;

(c) A city operating a group A water system in Thurston county and water resource inventory area 11, with a population between 8,500 and 9,500;

(d) A nonprofit mutual water system operating a group A water system in Pierce county and water resource inventory area 12, with between 10,500 and 11,500 service connections; and

(e) An irrigation district located in Whatcom county and water resource inventory area 1, solely for the purpose of processing changes of water rights from surface water to groundwater, and implementing flow augmentation to benefit instream flows.

(12) Water right applicants eligible to be processed under this pilot project authority must elect to be included in the pilot project review by notifying the department by July 1, 2018. Once an applicant notifies the department of its intent to be processed under this pilot project authority, subsection (9) of this section applies to final decisions issued by the department, even if such a final decision is issued after the expiration of this section.

(13) By November 15, 2018, the department must furnish the task force with information on conceptual mitigation plans for each water resource mitigation pilot project application. By November 15, 2019, and November 15, 2022, the department must provide the task force with an update on the mitigation plans based on additional information developed after November 15, 2018.

(14) To ensure that the processing of pilot project applications can inform the task force process in a timely manner, the department must expedite processing of applications for water resource mitigation pilot projects. The applicant for each pilot project must reimburse the department for the department's costs of processing the applicant's application.

(15) The water resource mitigation pilot project authority granted to the department does not affect or modify any

other procedural requirements of chapter 90.03, 90.44, or 90.54 RCW that apply to the processing of such applications.

(16) The joint legislative task force expires December 31, ~~((2020))~~ 2022. During the period from November 16, 2019, through December 31, ~~((2020))~~ 2022, the work of the task force is limited to:

(a) A review of any additional information that may be developed after November 15, 2019, as a result of the pilot projects established under subsection (9) of this section; and

(b) An update of the task force's November 15, 2019, recommendations ~~((under subsection (8) of this section))~~.

(17) This section expires January 1, 2029.

Sec. 7025. RCW 28B.15.210 and 2019 c 413 s 7023 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 2017-2019 biennium, sums credited to the University of Washington building account may also be used for routine facility maintenance, utility costs, and facility condition assessments.))~~ During the 2019-2021 biennium, sums credited to the University of Washington building account may also

be used for routine facility maintenance, utility costs, and facility condition assessments. During the 2021-2023 biennium, sums credited to the University of Washington building account may also be used for routine facility maintenance, utility costs, and facility condition assessments.

Sec. 7026. RCW 28B.15.310 and 2019 c 413 s 7024 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 2017-2019 biennium, sums credited to the Washington State University building account may also be used for routine facility maintenance, utility costs, and facility condition assessments.))~~ During the 2019-2021 biennium, sums credited to the Washington State University building account may also be used for routine facility maintenance, utility costs, and facility condition assessments. During the 2021-2023 biennium, sums credited to the Washington State University building account may 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. 7027. RCW 28B.20.725 and 2019 c 413 s 7025 are each amended to read as follows:

The board is hereby empowered:

(1) To reserve the right to issue bonds later on a parity with any bonds being issued;

(2) To authorize the investing of moneys in the bond retirement fund and any reserve account therein;

(3) To authorize the transfer of money from the University of Washington building account to the bond retirement fund when necessary to prevent a default in the payments required to be made out of such fund;

(4) To create a reserve account or accounts in the bond retirement fund to secure the payment of the principal of and interest on any bonds;

(5) To authorize the transfer to the University of Washington building account of any money on deposit in the bond retirement fund in excess of debt service for a period of three years from the date of such transfer on all outstanding bonds payable out of such fund. ~~((However, during the 2017-2019 fiscal biennium, the legislature may transfer to the University of Washington building account moneys that are in excess of the debt service due within the 2017-2019 fiscal biennium from the date of such transfer on all outstanding bonds payable out of the bond retirement fund.))~~ However, during the 2019-2021 fiscal biennium, the legislature may transfer to the University of Washington building account moneys that are in excess of the debt service due within the 2019-2021 fiscal biennium from the date of such transfer on all outstanding bonds payable out of the bond retirement fund. However, during the 2021-2023 fiscal biennium, the legislature may transfer to the University of Washington building account moneys that are in excess of the debt service due within the 2021-2023 fiscal biennium from the date of such transfer on all outstanding bonds payable out of the bond retirement fund.

Sec. 7028. RCW 28B.30.750 and 2019 c 413 s 7026 are each amended to read as follows:

The board is hereby empowered:

(1) To reserve the right to issue bonds later on a parity with any bonds being issued;

(2) To authorize the investing of moneys in the bond retirement fund and any reserve account therein;

(3) To authorize the transfer of money from the Washington State University building account to the bond retirement fund when necessary to prevent a default in the payments required to be made out of such fund;

(4) To create a reserve account or accounts in the bond retirement fund to secure the payment of the principal of and interest on any bonds;

(5) To authorize the transfer to the Washington State University building account of any money on deposit in the bond retirement fund in excess of debt service for a period of three years from the date of such transfer on all outstanding bonds payable out of such fund. (~~However, during the 2017-2019 fiscal biennium, the legislature may transfer to the Washington State University building account moneys that are in excess of the debt service due within the 2017-2019 fiscal biennium from the date of such transfer on all outstanding bonds payable out of the bond retirement fund.~~) However, during the 2019-2021 fiscal biennium, the legislature may transfer to the Washington State University building account moneys that are in excess of the debt service due within the 2019-2021 fiscal biennium from the date of such transfer on all outstanding bonds payable out of the bond retirement fund. However, during the 2021-2023 fiscal biennium, the legislature may transfer to the Washington State University building account moneys that are in excess of the debt service due within the 2021-2023 fiscal biennium from the date of such transfer on all outstanding bonds payable out of the bond retirement fund.

Sec. 7029. RCW 28B.35.370 and 2019 c 413 s 7027 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. (~~During the 2017-2019 biennium, sums in the respective capital accounts may also be used for routine facility maintenance, utility costs, and facility condition assessments.~~) During the 2019-2021 biennium, sums in the respective capital accounts may also be used for routine facility maintenance, utility costs, and facility condition assessments. During the 2021-2023 biennium, sums in the respective capital accounts may 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. 7030. RCW 28B.50.360 and 2019 c 413 s 7028 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. (~~During the 2017-2019 biennium, sums in the capital projects account may also be used for routine facility maintenance and utility costs.~~) During the 2019-2021 biennium, sums in the capital projects account may also be used for routine facility maintenance and utility costs. During the 2021-2023 biennium, sums in the capital projects account may 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.

Sec. 7031. RCW 43.155.050 and 2019 c 415 s 972 and 2019 c 413 s 7033 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 grants and to give financial guarantees to local governments for public works projects. Moneys in the account may also be appropriated or transferred to the water pollution control revolving fund and the drinking water assistance account to provide for state match requirements under federal law. Not more than twenty percent of the biennial capital budget

appropriation to the public works board from this account may be expended or obligated for preconstruction loans and grants, emergency loans and grants, or loans and grants for capital facility planning under this chapter. Not more than ten percent of the biennial capital budget appropriation to the public works board from this account may be expended or obligated as grants for preconstruction, emergency, capital facility planning, and construction projects. During the 2017-2019 and 2019-2021 fiscal biennia, the legislature may appropriate moneys from the account for activities related to rural economic development, the growth management act, the aviation revitalization loan program, the community economic revitalization board broadband program, and the voluntary stewardship program. During the 2021-2023 biennium, the legislature may appropriate moneys from the account for activities related to the aviation revitalization board. During the 2017-2019 and 2019-2021 fiscal biennia, 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. ~~((If chapter 365, Laws of 2019 (Second Substitute Senate Bill No. 5511, broadband service) is enacted by June 30, 2019, then during))~~ During the 2019-2021 and 2021-2023 fiscal ((biennium)) biennia, the legislature may direct the state treasurer to make transfers of moneys in the public works assistance account to the statewide broadband account.

Sec. 7032. RCW 43.185.050 and 2018 c 223 s 4 are each amended to read as follows:

(1) The department must use moneys from the housing trust fund and other legislative appropriations to finance in whole or in part any loans or grant projects that will provide housing for persons and families with special housing needs and with incomes at or below fifty percent of the median family income for the county or standard metropolitan statistical area where the project is located. At least thirty percent of these moneys used in any given funding cycle must be for the benefit of projects located in rural areas of the state as defined by the department. If the department determines that it has not

received an adequate number of suitable applications for rural projects during any given funding cycle, the department may allocate unused moneys for projects in nonrural areas of the state.

(2) Activities eligible for assistance from the housing trust fund and other legislative appropriations include, but are not limited to:

(a) New construction, rehabilitation, or acquisition of low and very low-income housing units;

(b) Rent subsidies;

(c) Matching funds for social services directly related to providing housing for special-need tenants in assisted projects;

(d) Technical assistance, design and finance services and consultation, and administrative costs for eligible nonprofit community or neighborhood-based organizations;

(e) Administrative costs for housing assistance groups or organizations when such grant or loan will substantially increase the recipient's access to housing funds other than those available under this chapter;

(f) Shelters and related services for the homeless, including emergency shelters and overnight youth shelters;

(g) Mortgage subsidies, including temporary rental and mortgage payment subsidies to prevent homelessness;

(h) Mortgage insurance guarantee or payments for eligible projects;

(i) Down payment or closing cost assistance for eligible first-time home buyers;

(j) Acquisition of housing units for the purpose of preservation as low-income or very low-income housing;

(k) Projects making housing more accessible to families with members who have disabilities; and

(l) Remodeling and improvements as required to meet building code, licensing requirements, or legal operations to residential properties owned and operated by an entity eligible under RCW 43.185A.040, which were transferred as described in RCW 82.45.010(3)(t) by the parent of a child with developmental disabilities.

(3) Preference must be given for projects that include an early learning facility.

(4) Legislative appropriations from capital bond proceeds may be used only for the costs of projects authorized under subsection (2)(a), (i), and (j) of this section, and not for the administrative costs of the department, except that during the 2021-2023 fiscal biennium, the department may use up to three percent of the appropriations from capital bond proceeds for administrative costs associated with application, distribution, and project development activities of the housing assistance program.

(5) Moneys from repayment of loans from appropriations from capital bond proceeds may be used for all activities necessary for the proper functioning of the housing assistance program except for activities authorized under subsection (2)(b) and (c) of this section.

(6) Administrative costs associated with application, distribution, and project development activities of the department may not exceed three percent of the annual funds available for the housing assistance program. Reappropriations must not be included in the calculation of the annual funds available for determining the administrative costs.

(7) Administrative costs associated with compliance and monitoring activities of the department may not exceed one-quarter of one percent annually of the contracted amount of state investment in the housing assistance program.

Sec. 7033. RCW 43.155.150 and 2017 3rd sp.s. c 10 s 11 are each amended to read as follows:

(1) An interagency, multijurisdictional system improvement team must identify, implement, and report on system improvements that achieve the designated outcomes, including:

(a) Projects that maximize value, minimize overall costs and disturbance to the community, and ensure long-term durability and resilience;

(b) Projects that are designed to meet the unique needs of each community, rather than the needs of particular funding programs;

(c) Project designs that maximize long-term value by fully considering and responding to anticipated long-term environmental, technological, economic and population changes;

(d) The flexibility to innovate, including utilizing natural systems, addressing multiple regulatory drivers, and forming regional partnerships;

(e) The ability to plan and collaborate across programs and jurisdictions so that different investments are packaged to be complementary, timely, and responsive to economic and community opportunities;

(f) The needed capacity for communities, appropriate to their unique financial, planning, and management capacities, so they can design, finance, and build projects that best meet their long-term needs and minimize costs;

(g) Optimal use and leveraging of federal and private infrastructure dollars; and

(h) Mechanisms to ensure periodic, system-wide review and ongoing achievement of the designated outcomes.

(2) The system improvement team must consist of representatives of state infrastructure programs that provide funding for drinking water, wastewater, ~~((and))~~ stormwater, and broadband programs, including but not limited to representatives from the public works board, department of ecology, department of health, and the department of commerce. The system improvement team may invite representatives of other infrastructure programs, such as transportation ~~((and))~~, energy, and broadband, as needed in order to achieve efficiency, minimize costs, and maximize value across infrastructure programs. The system improvement team shall also consist of representatives of users of those programs, representatives of infrastructure project builders, and other parties the system improvement team determines would contribute to achieving the desired outcomes, including but not limited to representatives from a state association of cities, a state association of counties, a state association of public utility districts, a state association of water and sewer districts, a state association of general contractors, and a state organization representing building trades. The public works board, a representative from the department of ecology, department of

health, and department of commerce shall facilitate the work of the system improvement team.

(3) The system improvement team must focus on achieving the designated outcomes within existing program structures and authorities. The system improvement team shall use lean practices to achieve the designated outcomes.

(4) The system improvement team shall provide briefings as requested to the public works board on the current state of infrastructure programs to build an understanding of the infrastructure investment program landscape and the interplay of its component parts.

(5) If the system improvement team encounters statutory or regulatory barriers to system improvements, the system improvement team must inform the public works board and consult on possible solutions. When achieving the designated outcomes would be best served through changes in program structures or authorities, the system improvement team must report those findings to the public works board.

(6) By September 1, 2022, in compliance with RCW 43.01.036, the system improvement team must submit a report to the appropriate committees of the legislature that includes the following:

(a) A list of all projects funded by members of the system improvement team;

(b) A description of the coordination the system improvement team has completed with other grant programs and funds leveraged; and

(c) A description of regional planning that has occurred.

(7) This section expires June 30, ((2021)) 2025.

Sec. 7034. RCW 43.88D.010 and 2019 c 413 s 7032 are each amended to read as follows:

(1) By October 1st of each even-numbered year, the office of financial management shall complete an objective analysis and scoring of all capital budget projects proposed by the public four-year institutions of higher education and submit the results of the scoring process to the legislative fiscal committees and the four-year institutions. Each project must be reviewed and scored within one of the following categories, according to the

project's principal purpose. Each project may be scored in only one category. The categories are:

(a) Access-related projects to accommodate enrollment growth at all campuses, at existing or new university centers, or through distance learning. Growth projects should provide significant additional student capacity. Proposed projects must demonstrate that they are based on solid enrollment demand projections, more cost-effectively provide enrollment access than alternatives such as university centers and distance learning, and make cost-effective use of existing and proposed new space;

(b) Projects that replace failing permanent buildings. Facilities that cannot be economically renovated are considered replacement projects. New space may be programmed for the same or a different use than the space being replaced and may include additions to improve access and enhance the relationship of program or support space;

(c) Projects that renovate facilities to restore building life and upgrade space to meet current program requirements. Renovation projects should represent a complete renovation of a total facility or an isolated wing of a facility. A reasonable renovation project should cost between sixty to eighty percent of current replacement value and restore the renovated area to at least twenty-five years of useful life. New space may be programmed for the same or a different use than the space being renovated and may include additions to improve access and enhance the relationship of program or support space;

(d) Major stand-alone campus infrastructure projects;

(e) Projects that promote economic growth and innovation through expanded research activity. The acquisition and installation of specialized equipment is authorized under this category; and

(f) Other project categories as determined by the office of financial management in consultation with the legislative fiscal committees.

(2) The office of financial management, in consultation with the legislative fiscal committees, shall establish a scoring system and process for each four-year project category that is based on the framework used in the

community and technical college system of prioritization. Staff from the state board for community and technical colleges and the four-year institutions shall provide technical assistance on the development of a scoring system and process.

(3) The office of financial management shall consult with the legislative fiscal committees in the scoring of four-year institution project proposals, and may also solicit participation by independent experts.

(a) For each four-year project category, the scoring system must, at a minimum, include an evaluation of enrollment trends, reasonableness of cost, the ability of the project to enhance specific strategic master plan goals, age and condition of the facility if applicable, and impact on space utilization.

(b) Each four-year project category may include projects at the predesign, design, or construction funding phase.

(c) To the extent possible, the objective analysis and scoring system of all capital budget projects shall occur within the context of any and all performance agreements between the office of financial management and the governing board of a public, four-year institution of higher education that aligns goals, priorities, desired outcomes, flexibility, institutional mission, accountability, and levels of resources.

(4) In evaluating and scoring four-year institution projects, the office of financial management shall take into consideration project schedules that result in realistic, balanced, and predictable expenditure patterns over the ensuing three biennia.

(5) The office of financial management shall distribute common definitions, the scoring system, and other information required for the project proposal and scoring process as part of its biennial budget instructions. The office of financial management, in consultation with the legislative fiscal committees, shall develop common definitions that four-year institutions must use in developing their project proposals and lists under this section.

(6) In developing any scoring system for capital projects proposed by the

four-year institutions, the office of financial management:

(a) Shall be provided with all required information by the four-year institutions as deemed necessary by the office of financial management;

(b) May utilize independent services to verify, sample, or evaluate information provided to the office of financial management by the four-year institutions; and

(c) Shall have full access to all data maintained by the joint legislative audit and review committee concerning the condition of higher education facilities.

(7) By August 1st of each even-numbered year each public four-year higher education institution shall prepare and submit prioritized lists of the individual projects proposed by the institution for the ensuing six-year period in each category. The lists must be submitted to the office of financial management and the legislative fiscal committees. The four-year institutions may aggregate minor works project proposals by primary purpose for ranking purposes. Proposed minor works projects must be prioritized within the aggregated proposal, and supporting documentation, including project descriptions and cost estimates, must be provided to the office of financial management and the legislative fiscal committees.

(8) For the ~~((2017-2019 fiscal biennium and the))~~ 2019-2021 fiscal biennium and the 2021-2023 fiscal biennium, pursuant to subsection (1) of this section, by November 1, ~~((2020))~~ 2022, the office of financial management must score higher education capital project criteria with a rating scale that assesses how well a particular project satisfies those criteria. The office of financial management may not use a rating scale that weighs the importance of those criteria.

(9) For the ~~((2017-2019 fiscal biennium and the))~~ 2019-2021 fiscal biennium and the 2021-2023 fiscal biennium, pursuant to subsection (6)(a) of this section and in lieu of the requirements of subsection (7) of this section, by August 15, ~~((2020))~~ 2022, the institutions of higher education shall prepare and submit or resubmit to the office of financial management and the legislative fiscal committees:

(a) Individual project proposals developed pursuant to subsection (1) of this section;

(b) Individual project proposals scored in prior biennia pursuant to subsection (1) of this section; and

(c) A prioritized list of up to five project proposals submitted pursuant to (a) and (b) of this subsection.

NEW SECTION. Sec. 7035. The public use general aviation airport loan revolving account is created in the custody of the state treasurer. All receipts from moneys directed by law to the account must be deposited into the account. Expenditures from the account may be used only for the purposes described in section 7036 of this act. Only the community aviation revitalization board or the board'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. 7036. (1)(a) The community aviation revitalization board is established to exercise the powers granted under this section.

(b) The board must consist of a representative from the department of transportation's aviation division, the public works board, and a nonlegislative member of the community economic revitalization board. The board must also consist of the following members appointed by the secretary of transportation: One port district official, one county official, one city official, one representative of airport managers, and one representative of a general aviation pilots organization within Washington that has an active membership and established location, chapter, or appointed representative within Washington. The appointive members must initially be appointed to terms as follows: Two members for two-year terms, and three members for three-year terms that must include the chair. Thereafter, each succeeding term must be for three years. The secretary of transportation must select the chair of the board. The members of the board must elect one of their members to serve as vice chair.

(c) The department of transportation must provide management services, including fiscal and contract services,

to assist the board in implementing this section.

(d) If a vacancy occurs by death, resignation, or otherwise of appointive members of the board, the secretary of transportation must fill the vacancy for the unexpired term. Members of the board may be removed for malfeasance or misfeasance in office, upon specific written charges by the secretary of transportation, under chapter 34.05 RCW.

(e) A member appointed by the secretary of transportation may not be absent from more than 50 percent of the regularly scheduled meetings in any one calendar year. Any member who exceeds this absence limitation has withdrawn from the board and may be replaced by the secretary of transportation.

(f) A majority of members currently appointed constitutes a quorum.

(g) The board must meet three times a year or as deemed necessary by the department of transportation.

(h) The department of transportation must provide staff support as needed.

(2) In addition to other applicable provisions of law pertaining to conflicts of interest of public officials, any community aviation revitalization board member, appointive or otherwise, may not participate in any decision on any board contract in which the board member has any interests, direct or indirect, with any firm, partnership, corporation, or association that would be the recipient of any aid under this section. If such participation occurs, the board must void the transaction and the involved member is subject to further sanctions as provided by law. The board must adopt a code of ethics for its members, which must be designed to protect the state and its citizens from any unethical conduct by the board.

(3) The community aviation revitalization board may:

(a) Adopt bylaws for the regulation of its affairs and the conduct of its business;

(b) Adopt an official seal and alter the seal at its pleasure;

(c) Use the services of other governmental agencies;

(d) Accept from any federal agency loans or grants for the planning or financing of any project and enter into

an agreement with the agency respecting the loans or grants;

(e) Conduct examinations and investigations and take testimony at public hearings of any matter material for its information that will assist in determinations related to the exercise of the board's lawful powers;

(f) Accept any gifts, grants, loans or funds, property, or financial or other aid in any form from any other source on any terms and conditions that are not in conflict with this section;

(g) Enter into agreements or other transactions with and accept grants and cooperation from any governmental agency in furtherance of this section;

(h) Adopt rules under chapter 34.05 RCW as necessary to carry out the purposes of this section; and

(i) Perform all acts and things necessary or convenient to carry out the powers expressly granted or implied under this section.

(4) (a) (i) The community aviation revitalization board may make direct loans to airport sponsors of public use airports in the state for the purpose of airport improvements that primarily support general aviation activities. The board may provide loans for the purpose of airport improvements only if the state is receiving commensurate public benefit, which must include, as a condition of the loan, a commitment to provide public access to the airport for a period of time equivalent to one and one-half times the term of the loan.

(ii) For purposes of this subsection (4) (a), "public use airports" means all public use airports not listed as having more than \$75,000 annual commercial air service passenger enplanements as published by the federal aviation administration.

(b) An application for loan funds under this section must be made in the form and manner that the board prescribes. When evaluating loan applications, the board must prioritize applications that provide conclusive justification that completion of the loan application project will create revenue-generating opportunities. The board is not limited to, but must also use, the following expected outcome conditions when evaluating loan applications:

(i) A specific private development or expansion is ready to occur and will occur only if the aviation facility improvement is made;

(ii) The loan application project results in the creation of jobs or private sector capital investment as determined by the board;

(iii) The loan application project improves opportunities for the successful maintenance, operation, or expansion of an airport or adjacent airport business park;

(iv) The loan application project results in the creation or retention of long-term economic opportunities; and

(v) The loan application project results in leveraging additional federal funding for an airport.

(c) (i) If the board chooses to require a local match, the board must develop guidelines for local participation and allowable match and activities.

(ii) An application must:

(A) Be supported by the port district, city, or county in which the project is located; or

(B) Clearly identify the source of funds intended to repay the loan.

(5) The public use general aviation airport loan program, when authorized by the community aviation revitalization board, is subject to the following conditions:

(a) The moneys in the public use general aviation airport loan revolving account created in section 7035 of this act must be used only to fulfill commitments arising from loans authorized in this section. The total outstanding amount that the board must dispense at any time pursuant to this section must not exceed the moneys available from the account.

(b) On contracts made for public use general aviation airport loans, the board must determine the interest rate that loans must bear. The interest rate must not exceed the amount needed to cover the administrative expenses of the board and the loan program. The board may provide reasonable terms and conditions for the repayment of loans, with the repayment of a loan to begin no later than three years after the award date of the loan. The loans must not exceed 20 years in duration.

(c) The repayment of any loan made from the public use general aviation airport loan revolving account under the contracts for aviation loans must be paid into the public use general aviation airport loan revolving account.

(6) All receipts from moneys collected under this section must be deposited into the public use general aviation airport loan revolving account.

NEW SECTION. Sec. 7037. Sections 7035 and 7036 of this act do not take effect if chapter . . . (Senate Bill 5031), Laws of 2021 (community aviation revitalization loan program) is enacted by June 30, 2021.

NEW SECTION. Sec. 7038. The state board for community and technical colleges shall report to the fiscal committees of the legislature by December 15, 2021, on alternative methods of prioritizing and presenting the list of requested capital projects for community and technical colleges in the 2023-2025 fiscal biennium. This report shall take into consideration: (a) The need to balance long term community and technical college system planning and growth management priorities; (b) the need to balance major capital project requests for design and construction funding, given the fiscal impact of funded design projects on the state's capital budget; and (c) the need to balance state funding between design and construction to meet the community and technical colleges' priorities. The alternative methods included in the report may include, but are not limited to, the following concepts:

(1) Separately ranking the following types of requests for project funding: (a) Requests for major projects' construction phase, including those projects for which design and construction funding are requested together to facilitate alternative public works contracting procedures pursuant to chapter 39.10 RCW; (b) requests solely for the design phase of major projects; and (c) requests for minor works funding; and

(2) Requiring that the number of major project funding requests that are solely for the design phase may not exceed the number of major projects funding requests that include funding for the construction phase.

Sec. 7039. RCW 43.330.520 and 2019 c 404 s 2 are each amended to read as follows:

(1) The department must produce a biennial report identifying a list of projects to address incompatible developments near military installations.

(a) The list must include a description of each project, the estimated cost of the project, the amount of recommended state funding, and the amount of any federal or local funds documented to be available to be used for the project.

(b) Projects on the list must be prioritized with consideration given to:

(i) The recommendations of the recent United States department of defense base realignment and closure (BRAC) processes, joint land use studies, or other federally initiated land use processes; and

(ii) Whether a branch of the United States armed forces has identified the project as increasing the viability of military installations for current or future missions.

(c) The department may consult with the commanders of United States military installations in Washington to understand impacts and identify the viability of community identified projects to reduce incompatibility.

(2) The department must submit the report to appropriate committees of the house of representatives and the senate, including the joint committee on veterans' and military affairs and the house of representatives capital budget committee, by January 1, 2020, and every two years thereafter.

(3) For the 2021-2023 fiscal biennium, the department shall develop the report in subsection (2) of this section by November 1, 2022, rather than by January 1, 2022.

Sec. 7040. RCW 43.155.160 and 2019 c 365 s 7 are each amended to read as follows:

(1) The board, in collaboration with the office, shall establish a competitive grant and loan program to award funding to eligible applicants in order to promote the expansion of access to broadband service in unserved areas of the state.

(2) (a) Grants and loans may be awarded under this section to assist in funding acquisition, installation, and construction of middle mile and last mile infrastructure that supports broadband services and to assist in funding strategic planning for deploying broadband service in unserved areas.

(b) The board may choose to fund all or part of an application for funding, provided that the application meets the requirements of subsection (9) of this section.

(3) Eligible applicants for grants and loans awarded under this section include:

- (a) Local governments;
- (b) Tribes;
- (c) Nonprofit organizations;
- (d) Cooperative associations;
- (e) Multiparty entities comprised of public entity members;
- (f) Limited liability corporations organized for the purpose of expanding broadband access; and
- (g) Incorporated businesses or partnerships.

(4) (a) The board shall develop administrative procedures governing the application and award process. The board shall act as fiscal agent for the program and is responsible for receiving and reviewing applications and awarding funds under this section.

(b) At least sixty days prior to the first day applications may be submitted each fiscal year, the board must publish on its web site the specific criteria and any quantitative weighting scheme or scoring system that the board will use to evaluate or rank applications and award funding.

(c) The board may maintain separate accounting in the statewide broadband account created in RCW 43.155.165 as the board deems necessary to carry out the purposes of this section.

(d) The board must provide a method for the allocation of loans, grants, provision of technical assistance, and interest rates under this section.

(5) An applicant for a grant or loan under this section must provide the following information on the application:

(a) The location of the project;

(b) Evidence regarding the unserved nature of the community in which the project is to be located;

(c) Evidence that proposed infrastructure will be capable of scaling to greater download and upload speeds;

(d) The number of households passed that will gain access to broadband service as a result of the project or whose broadband service will be upgraded as a result of the project;

(e) The estimated cost of retail services to end users facilitated by a project;

(f) The proposed actual download and upload speeds experienced by end users;

(g) Evidence of significant community institutions that will benefit from the proposed project;

(h) Anticipated economic, educational, health care, or public safety benefits created by the project;

(i) Evidence of community support for the project;

(j) If available, a description of the applicant's user adoption assistance program and efforts to promote the use of newly available broadband services created by the project;

(k) The estimated total cost of the project;

(l) Other sources of funding for the project that will supplement any grant or loan award;

(m) A demonstration of the project's long-term sustainability, including the applicant's financial soundness, organizational capacity, and technical expertise;

(n) A strategic plan to maintain long-term operation of the infrastructure;

(o) Evidence that no later than six weeks before submission of the application, the applicant contacted, in writing, all entities providing broadband service near the proposed project area to ask each broadband service provider's plan to upgrade broadband service in the project area to speeds that meet or exceed the state's definition for broadband service as defined in RCW 43.330.530, within the time frame specified in the proposed grant or loan activities;

(p) If applicable, the broadband service providers' written responses to the inquiry made under (o) of this subsection; and

(q) Any additional information requested by the board.

(6) (a) Within thirty days of the close of the grant and loan application process, the board shall publish on its web site the proposed geographic broadband service area and the proposed broadband speeds for each application submitted.

(b) Any existing broadband service provider near the proposed project area may, within thirty days of publication of the information under (a) of this subsection, submit in writing to the board an objection to an application. An objection must contain information demonstrating that:

(i) The project would result in overbuild, meaning that the objecting provider currently provides, or has begun construction to provide, broadband service to end users in the proposed project area at speeds equal to or greater than the state speed goals contained in RCW 43.330.536; or

(ii) The objecting provider commits to complete construction of broadband infrastructure and provide broadband service to end users in the proposed project area at speeds equal to or greater than the state speed goals contained in RCW 43.330.536, no later than twenty-four months after the date awards are made under this section for the grant and loan cycle under which the application was submitted.

(c) Objections submitted to the board under this subsection must be certified by affidavit.

(d) The board may evaluate the information submitted under this section by the objecting provider and must consider it in making a determination on the application objected to. The board may request clarification or additional information. The board may choose to not fund a project if the board determines that the objecting provider's commitment to provide broadband service that meets the requirements of (b) of this subsection in the proposed project area is credible. In assessing the commitment, the board may consider whether the objecting provider has or will provide a bond, letter of credit, or other indicia

of financial commitment guaranteeing the project's completion.

(e) If the board denies funding to an applicant as a result of a broadband service provider's objection made under this section, and the broadband service provider does not fulfill its commitment to provide broadband service in the project area, then for the following two grant and loan cycles, the board is prohibited from denying funding to an applicant on the basis of a challenge by the same broadband service provider, unless the board determines that the broadband service provider's failure to fulfill the provider's commitment was the result of factors beyond the broadband service provider's control. The board is not prohibited from denying funding to an applicant for reasons other than an objection by the same broadband service provider.

(f) An applicant or broadband service provider that objected to the application may request a debriefing conference regarding the board's decision on the application. Requests for debriefing must be coordinated by the office and must be submitted in writing in accordance with procedures specified by the office.

(g) Confidential business and financial information submitted by an objecting provider under this subsection is exempt from disclosure under chapter 42.56 RCW.

(7) (a) In evaluating applications and awarding funds, the board shall give priority to applications that are constructed in areas identified as unserved.

(b) In evaluating applications and awarding funds, the board may give priority to applications that:

(i) Provide assistance to public-private partnerships deploying broadband infrastructure from areas currently served with broadband service to areas currently lacking access to broadband services;

(ii) Demonstrate project readiness to proceed;

(iii) Construct infrastructure that is open access, meaning that during the useful life of the infrastructure, service providers may use network services and facilities at rates, terms, and conditions that are not

discriminatory or preferential between providers, and employing accountable interconnection arrangements published and available publicly;

(iv) Are submitted by tribal governments whose reservations are in rural and remote areas where reliable and efficient broadband services are unavailable to many or most residents;

(v) Bring broadband service to tribal lands, particularly to rural and remote tribal lands or areas servicing rural and remote tribal entities;

(vi) Are submitted by tribal governments in rural and remote areas that have spent significant amounts of tribal funds to address the problem but cannot provide necessary broadband services without either additional state support, additional federal support, or both;

(vii) Serve economically distressed areas of the state as the term "distressed area" is defined in RCW 43.168.020;

(viii) Offer new or substantially upgraded broadband service to important community anchor institutions including, but not limited to, libraries, educational institutions, public safety facilities, and health care facilities;

(ix) Facilitate the use of telemedicine and electronic health records, especially in deliverance of behavioral health services and services to veterans;

(x) Provide technical support and train residents, businesses, and institutions in the community served by the project to utilize broadband service;

(xi) Include a component to actively promote the adoption of newly available broadband services in the community;

(xii) Provide evidence of strong support for the project from citizens, government, businesses, and community institutions;

(xiii) Provide access to broadband service to a greater number of unserved households and businesses, including farms;

(xiv) Utilize equipment and technology demonstrating greater longevity of service;

(xv) Seek the lowest amount of state investment per new location served and

leverage greater amounts of funding for the project from other private and public sources;

(xvi) Include evidence of a customer service plan;

(xvii) Consider leveraging existing broadband infrastructure and other unique solutions;

(xviii) Benefit public safety and fire preparedness; or

(xix) Demonstrate other priorities as the board, in collaboration with the office, may prescribe by rule.

(c) The board shall endeavor to award funds under this section to qualified applicants in all regions of the state.

(d) The board shall consider affordability and quality of service to end users in making a determination on any application.

(e) The board, in collaboration with the office, may develop additional rules for eligibility, project applications, the associated objection process, and funding priority, as provided under this subsection and subsections (3), (5), and (6) of this section.

(f) The board, in collaboration with the office, may adopt rules for a voluntary nonbinding mediation between incumbent providers and applicants to the grant and loan program created in this section.

(8) To ensure a grant or loan to a private entity under this section primarily serves the public interest and benefits the public, any such grant or loan must be conditioned on a guarantee that the asset or infrastructure to be developed will be maintained for public use for a period of at least fifteen years.

(9)(a) No funds awarded under this section may fund more than fifty percent of the total cost of the project, except as provided in (b) of this subsection.

(b) The board may choose to fund up to ninety percent of the total cost of a project in financially distressed areas as the term "distressed area" is defined in RCW 43.168.020, and in areas identified as Indian country as the term "Indian country" is defined in WAC 458-20-192.

(c) Funds awarded to a single project under this section must not exceed two

million dollars, except that the board may choose to fund projects qualifying for the exception in (b) of this subsection up to, but not to exceed, five million dollars.

(10) (~~Prior~~) Except for during the 2021-2023 fiscal biennium, prior to awarding funds under this section, the board must consult with the Washington utilities and transportation commission. The commission must provide to the board an assessment of the technical feasibility of a proposed application. The board must consider the commission's assessment as part of its evaluation of a proposed application.

(11) The board shall have such rights of recovery in the event of default in payment or other breach of financing agreement as may be provided in the agreement or otherwise by law.

(12) The community economic revitalization board shall facilitate the timely transmission of information and documents from its broadband program to the board in order to effectuate an orderly transition.

(13) The definitions in RCW 43.330.530 apply throughout this section unless the context clearly requires otherwise.

NEW SECTION. Sec. 7041. (1) The department of enterprise services shall convene a construction industry work group to recommend how to apply successful carbon reduction strategies, incorporate necessary parameters of design and construction considerations, and allow for efficient and cost effective state construction projects. The work group must be comprised of construction industry professionals as recommended by a leading association on Washington business in design, specification, construction, and material supply and construction professionals that have successfully realized real and measurable results. The work group must also include a representative from the department of enterprise services, representatives from environmental groups, and someone of applicable expertise from the Washington academy of sciences.

(2) The work group shall identify and recommend carbon reduction strategies and environmental product declaration principles to successfully apply in state construction projects and:

(a) Clarify the definition of environmental product declaration to ensure that environmental product declarations (EPD) are applied properly, consistently, and as intended and provide a baseline of understanding based on accepted metrics to obtain measurable results for state construction projects;

(b) Suggest a pilot project or project review to apply construction industry recommendations and create an education and standards brief that accompanies the report required under subsection (3) of this section;

(c) Outline the environmental project review data collection process in functional detail and use existing data gathering resources such as EC3; and

(d) Identify measurable outcome criteria to establish a project baseline summary for use during design from estimated project material quantities using industry average environmental product declarations.

(3) The work group shall provide their recommendations in a report to the fiscal committees of the legislature by January 1, 2022.

(d) Identify measurable outcome criteria to establish a project baseline summary for use during design from estimated project material quantities using industry average environmental product declarations; and

(e) Identify sustainable and low-carbon emitting building materials, including but not limited to, aggregate and recycled concrete materials, as described in subsection (4) of this section.

(3) The work group shall provide their recommendations in a report to the fiscal committees of the legislature by January 1, 2022.

(4)(a) The legislature continues to prioritize Washington state's sustainability goals and reaffirms its determination that recyclable construction aggregate and recycled concrete materials are too valuable to be wasted and landfilled. The legislature further finds that the reuse of construction aggregate and recycled concrete materials into construction projects is known to:

(i) Reduce the need for consumption of new construction aggregate materials and conserves existing aggregate resources;

(ii) Encourages reuse and recycling, reduces waste, and discourages landfilling of readily available natural resources;

(iii) Reduces truck trips and related transportation emissions; and

(iv) Reduces greenhouse gases related to the construction of state funded construction projects, reduce embodied energy, and improve and advance the sustainable principles and practices of Washington state.

(b) These recyclable materials have well established markets, are substantially a primary or secondary product of necessary construction processes and production, as a commodity substantially meets widely recognized international, national, and local standards and specifications, and are managed as an item of commercial value.

Sec. 7042. RCW 43.63A.750 and 2020 c 356 s 7008 are each amended to read as follows:

(1) A competitive grant program to assist nonprofit organizations in acquiring, constructing, or rehabilitating performing arts, art museums, and cultural facilities is created.

(2)(a) The department shall submit a list of recommended performing arts, art museum projects, and cultural organization projects eligible for funding to the governor and the legislature in the department's biennial capital budget request beginning with the 2001-2003 biennium and thereafter. The list, in priority order, shall include a description of each project, the amount of recommended state funding, and documentation of nonstate funds to be used for the project. The total amount of recommended state funding for projects on a biennial project list shall not exceed twelve million dollars, except that lists submitted during the 2019-2021 and 2021-2023 fiscal (~~biennium~~) biennia may not exceed sixteen million dollars.

(b) The department shall establish a competitive process to prioritize applications for state assistance as follows:

(i) The department shall conduct a statewide solicitation of project applications from nonprofit organizations, local governments, and other entities, as determined by the

department. The department shall evaluate and rank applications in consultation with a citizen advisory committee, including a representative from the state arts commission, using objective criteria. The evaluation and ranking process shall also consider local community support for projects and an examination of existing assets that applicants may apply to projects.

(ii) The department may establish the amount of state grant assistance for individual project applications but the amount shall not exceed twenty percent, or thirty-three and one-third percent for lists submitted during the 2019-2021 fiscal biennium, of the estimated total capital cost or actual cost of a project, whichever is less. The remaining portions of the project capital cost shall be a match from nonstate sources. The nonstate match may include cash, the value of real property when acquired solely for the purpose of the project, and in-kind contributions. The department is authorized to set matching requirements for individual projects. State assistance may be used to fund separate definable phases of a project if the project demonstrates adequate progress and has secured the necessary match funding.

(iii) The department shall not sign contracts or otherwise financially obligate funds under this section until the legislature has approved a specific list of projects. In contracts for grants authorized under this section, the department shall include provisions requiring that capital improvements be held by the grantee for a specified period of time appropriate to the amount of the grant and that facilities be used for the express purpose of the grant. If the grantee is found to be out of compliance with provisions of the contract, the grantee shall repay to the state general fund the principal amount of the grant plus interest calculated at the rate of interest on state of Washington general obligation bonds issued most closely to the date of authorization of the grant.

NEW SECTION. Sec. 7043. The office of financial management must compile a list of 2021-2023 fiscal biennium capital budget grant programs managed by state agencies and the direct and indirect administrative fee percentages charged for each. For the purposes of this section, "administrative fee

percentages" means rates charged by state agencies and the rates grant recipients are allowed to charge for direct and/or indirect administrative costs. The office of financial management must submit the list of capital budget grant programs and their associated administrative fee percentages to the house capital budget committee and the senate ways and means committee by October 1, 2021.

Sec. 7044. RCW 28B.77.070 and 2019 c 413 s 7029 are each amended to read as follows:

(1) The council shall identify budget priorities and levels of funding for higher education, including the two and four-year institutions of higher education and state financial aid programs. It is the intent of the legislature for the council to make budget recommendations for allocations for major policy changes in accordance with priorities set forth in the ten-year plan, but the legislature does not intend for the council to review and make recommendations on individual institutional budgets. It is the intent of the legislature that recommendations from the council prioritize funding needs for the overall system of higher education in accordance with priorities set forth in the ten-year plan. It is also the intent of the legislature that the council's recommendations take into consideration the total per-student funding at similar public institutions of higher education in the global challenge states.

(2) By December of each odd-numbered year, the council shall outline the council's fiscal priorities under the ten-year plan that it must distribute to the institutions, the state board for community and technical colleges, the office of financial management, and the joint higher education committee.

(a) Capital budget outlines for the two-year institutions shall be submitted to the office of financial management by August 15th of each even-numbered year, and shall include the prioritized ranking of the capital projects being requested, a description of each capital project, and the amount and fund source being requested.

(b) Capital budget outlines for the four-year institutions must be submitted to the office of financial management by August 15th of each even-numbered year,

and must include: The institutions' priority ranking of the project; the capital budget category within which the project will be submitted to the office of financial management in accordance with RCW 43.88D.010; a description of each capital project; and the amount and fund source being requested.

(c) The office of financial management shall reference these reporting requirements in its budget instructions.

(3) The council shall submit recommendations on the operating budget priorities to support the ten-year plan to the office of financial management by October 1st each year, and to the legislature by January 1st each year.

(4)(a) The office of financial management shall develop one prioritized list of capital projects for the legislature to consider that includes all of the projects requested by the four-year institutions of higher education that were scored by the office of financial management pursuant to chapter 43.88D RCW, including projects that were previously scored but not funded. The prioritized list of capital projects shall be based on the following priorities in the following order:

(i) Office of financial management scores pursuant to chapter 43.88D RCW;

(ii) Preserving assets;

(iii) Degree production; and

(iv) Maximizing efficient use of instructional space.

(b) The office of financial management shall include all of the capital projects requested by the four-year institutions of higher education, except for the minor works projects, in the prioritized list of capital projects provided to the legislature.

(c) The form of the prioritized list for capital projects requested by the four-year institutions of higher education shall be provided as one list, ranked in priority order with the highest priority project ranked number "1" through the lowest priority project numbered last. The ranking for the prioritized list of capital projects may not:

(i) Include subpriorities;

(ii) Be organized by category;

(iii) Assume any state bond or building account biennial funding level to prioritize the list; or

(iv) Assume any specific share of projects by institution in the priority list.

(5) Institutions and the state board for community and technical colleges shall submit any supplemental capital budget requests and revisions to the office of financial management by November 1st and to the legislature by January 1st.

(6) For the ~~((2017-2019 fiscal biennium and the))~~ 2019-2021 fiscal biennium and the 2021-2023 fiscal biennium, pursuant to subsection (4) of this section, the office of financial management may, but is not obligated to, develop one prioritized list of capital projects for the legislature to consider that includes all of the projects requested by the four-year institutions of higher education that were scored by the office of financial management pursuant to chapter 43.88D RCW, including projects that were previously scored but not funded.

Sec. 7045. RCW 28A.320.330 and 2019 c 411 s 3 and 2019 c 410 s 3 are each reenacted and amended to read as follows:

School districts shall establish the following funds in addition to those provided elsewhere by law:

(1)(a) A general fund for the school district to account for all financial operations of the school district except those required to be accounted for in another fund.

(b) By the 2018-19 school year, a local revenue subfund of its general fund to account for the financial operations of a school district that are paid from local revenues. The local revenues that must be deposited in the local revenue subfund are enrichment levies and transportation vehicle levies collected under RCW 84.52.053, local effort assistance funding received under chapter 28A.500 RCW, and other school district local revenues including, but not limited to, grants, donations, and state and federal payments in lieu of taxes, but do not include other federal revenues, or local revenues that operate as an offset to the district's basic education allocation under RCW 28A.150.250. School districts must track expenditures from this subfund

separately to account for the expenditure of each of these streams of revenue by source, and must provide the supplemental expenditure schedule under (c) of this subsection, and any other supplemental expenditure schedules required by the superintendent of public instruction or state auditor, for purposes of RCW 43.09.2856.

(c) Beginning in the 2019-20 school year, the superintendent of public instruction must require school districts to provide a supplemental expenditure schedule by revenue source that identifies the amount expended by object for each of the following supplementary enrichment activities beyond the state funded amount:

(i) Minimum instructional offerings under RCW 28A.150.220 or 28A.150.260 not otherwise included on other lines;

(ii) Staffing ratios or program components under RCW 28A.150.260, including providing additional staff for class size reduction beyond class sizes allocated in the prototypical school model and additional staff beyond the staffing ratios allocated in the prototypical school formula;

(iii) Program components under RCW 28A.150.200, 28A.150.220, or 28A.150.260, not otherwise included on other lines;

(iv) Program components to support students in the program of special education;

(v) Program components of professional learning, as defined by RCW 28A.415.430, beyond that allocated under RCW 28A.150.415;

(vi) Extracurricular activities;

(vii) Extended school days or an extended school year;

(viii) Additional course offerings beyond the minimum instructional program established in the state's statutory program of basic education;

(ix) Activities associated with early learning programs;

(x) Activities associated with providing the student transportation program;

(xi) Any additional salary costs attributable to the provision or administration of the enrichment

activities allowed under RCW 28A.150.276;

(xii) Additional activities or enhancements that the office of the superintendent of public instruction determines to be a documented and demonstrated enrichment of the state's statutory program of basic education under RCW 28A.150.276; and

(xiii) All other costs not otherwise identified in other line items.

(d) For any salary and related benefit costs identified in (c)(xi), (xii), and (xiii) of this subsection, the school district shall maintain a record describing how these expenditures are documented and demonstrated enrichment of the state's statutory program of basic education. School districts shall maintain these records until the state auditor has completed the audit under RCW 43.09.2856.

(2) A capital projects fund shall be established for major capital purposes. All statutory references to a "building fund" shall mean the capital projects fund so established. Money to be deposited into the capital projects fund shall include, but not be limited to, bond proceeds, proceeds from excess levies authorized by RCW 84.52.053, state apportionment proceeds as authorized by RCW 28A.150.270, earnings from capital projects fund investments as authorized by RCW 28A.320.310 and 28A.320.320, and state forest revenues transferred pursuant to subsection (3) of this section.

Money derived from the sale of bonds, including interest earnings thereof, may only be used for those purposes described in RCW 28A.530.010, except that accrued interest paid for bonds shall be deposited in the debt service fund.

Money to be deposited into the capital projects fund shall include but not be limited to rental and lease proceeds as authorized by RCW 28A.335.060, and proceeds from the sale of real property as authorized by RCW 28A.335.130.

Money legally deposited into the capital projects fund from other sources may be used for the purposes described in RCW 28A.530.010, and for the purposes of:

(a) Major renovation and replacement of facilities and systems where periodical repairs are no longer economical or extend the useful life of

the facility or system beyond its original planned useful life. Such renovation and replacement shall include, but shall not be limited to, major repairs, exterior painting of facilities, replacement and refurbishment of roofing, exterior walls, windows, heating and ventilating systems, floor covering in classrooms and public or common areas, and electrical and plumbing systems.

(b) Renovation and rehabilitation of playfields, athletic fields, and other district real property.

(c) The conduct of preliminary energy audits and energy audits of school district buildings. For the purpose of this section:

(i) "Preliminary energy audits" means a determination of the energy consumption characteristics of a building, including the size, type, rate of energy consumption, and major energy using systems of the building.

(ii) "Energy audit" means a survey of a building or complex which identifies the type, size, energy use level, and major energy using systems; which determines appropriate energy conservation maintenance or operating procedures and assesses any need for the acquisition and installation of energy conservation measures, including solar energy and renewable resource measures.

(iii) "Energy capital improvement" means the installation, or modification of the installation, of energy conservation measures in a building which measures are primarily intended to reduce energy consumption or allow the use of an alternative energy source.

(d) Those energy capital improvements which are identified as being cost-effective in the audits authorized by this section.

(e) Purchase or installation of additional major items of equipment and furniture: PROVIDED, That vehicles shall not be purchased with capital projects fund money.

(f) (i) Costs associated with implementing technology systems, facilities, and projects, including acquiring hardware, licensing software, and online applications and training related to the installation of the foregoing. However, the software or applications must be an integral part of

the district's technology systems, facilities, or projects.

(ii) Costs associated with the application and modernization of technology systems for operations and instruction including, but not limited to, the ongoing fees for online applications, subscriptions, or software licenses, including upgrades and incidental services, and ongoing training related to the installation and integration of these products and services. However, to the extent the funds are used for the purpose under this subsection (2)(f)(ii), the school district shall transfer to the district's general fund the portion of the capital projects fund used for this purpose. The office of the superintendent of public instruction shall develop accounting guidelines for these transfers in accordance with internal revenue service regulations.

(g) Major equipment repair, painting of facilities, and other major preventative maintenance purposes. However, to the extent the funds are used for the purpose under this subsection (2)(g), the school district shall transfer to the district's general fund the portion of the capital projects fund used for this purpose. The office of the superintendent of public instruction shall develop accounting guidelines for these transfers in accordance with internal revenue service regulations. Based on the district's most recent two-year history of general fund maintenance expenditures, funds used for this purpose may not replace routine annual preventive maintenance expenditures made from the district's general fund.

(h) During the (~~(2019-2021)~~) 2021-2023 fiscal biennium, renovation and replacement of facilities and systems, purchase or installation of items of equipment and furniture, including maintenance vehicles and machinery, and other preventative maintenance or infrastructure improvement purposes.

(3) A debt service fund to provide for tax proceeds, other revenues, and disbursements as authorized in chapter 39.44 RCW. State forestland revenues that are deposited in a school district's debt service fund pursuant to RCW 79.64.110 and to the extent not necessary for payment of debt service on school district bonds may be transferred by the school district into the district's capital projects fund.

(4) An associated student body fund as authorized by RCW 28A.325.030.

(5) Advance refunding bond funds and refunded bond funds to provide for the proceeds and disbursements as authorized in chapter 39.53 RCW.

NEW SECTION. **Sec. 7046.** The department of natural resources, in coordination with the department of social and health services, shall enter into long-term, revenue-generating opportunities for under used portions of the Fircrest Residential Habilitation Center bounded by 15th Ave NE and NE 150th Street to benefit the charitable, educational, penal, and reformatory institutions account. Long-term, revenue generating opportunities may include, but are not limited to, land leases, land sales, and land swaps. The department of social and health services and the department of natural resources must amend their lease under chapter 7, Laws of 1986 if necessary to conform with this section.

NEW SECTION. **Sec. 7047.** The legislature intends to consider predesign funding for the Washington state patrol crime laboratory I-5 consolidated facility in the 2022 supplemental capital budget. By December 1, 2021, the Washington state patrol must provide data to support the request for a consolidated crime lab. The agency must provide legislative fiscal staff with operating budget financial information including, but not limited to, a list of each leased facility that will be vacated when the consolidated lab is completed. For each facility, the Washington state patrol must provide at least the following:

- (1) Lease contract number;
- (2) Lease contract term;
- (3) Lease facility street address;
- (4) Lease facility cost, by fund and by state fiscal year for fiscal years 2020, 2021, 2022, and 2023;
- (5) Lease facility and maintenance staffing levels and funding by state fiscal year for fiscal years 2020, 2021, 2022, and 2023;
- (6) The most current six-year facilities plan;
- (7) An estimated certificate of participation payback schedule; and

(8) A summary of how the operating costs from subsection (1) of this section will offset the certification of participation costs from subsection (3) of this section by state fiscal year.

NEW SECTION. **Sec. 7048.** The coronavirus capital projects account is created in the state treasury. All receipts from the federal coronavirus capital projects fund moneys under P.L. 117-2, Sec. 604, must be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for capital projects directly enabling work, education and health monitoring, including remote options, in response to the public health emergency with respect to the coronavirus disease.

Sec. 7049. RCW 39.35D.030 and 2011 c 99 s 1 are each amended to read as follows:

(1) All major facility projects of public agencies receiving any funding in a state capital budget, or projects financed through a financing contract as defined in RCW 39.94.020, must be designed, constructed, and certified to at least the LEED silver standard. This subsection applies to major facility projects that have not entered the design phase prior to July 24, 2005, and to the extent appropriate LEED silver standards exist for that type of building or facility.

(2) All major facility projects of any entity other than a public agency or public school district receiving any funding in a state capital budget must be designed, constructed, and certified to at least the LEED silver standard. This subsection applies to major facility projects that have not entered the grant application process prior to July 24, 2005, and to the extent appropriate LEED silver standards exist for that type of building or facility.

(3)(a) Public agencies, under this section, shall monitor and document ongoing operating savings resulting from major facility projects designed, constructed, and certified as required under this section.

(b) Public agencies, under this section, shall report annually to the department on major facility projects and operating savings.

(4) The department shall consolidate the reports required in subsection (3) of

this section into one report and report to the governor and legislature by September 1st of each even-numbered year beginning in 2006 and ending in 2016. In its report, the department shall also report on the implementation of this chapter, including reasons why the LEED standard was not used as required by RCW 39.35D.020(5)(b). The department shall make recommendations regarding the ongoing implementation of this chapter, including a discussion of incentives and disincentives related to implementing this chapter.

(5) For the purposes of determining compliance with the requirement for a project to be designed, constructed, and certified to at least the LEED silver standard, the department must credit one additional point for a project that uses wood products with a credible third-party sustainable forest certification or from forests regulated under chapter 76.09 RCW, the Washington forest practices act. For projects that qualify for this additional point, and for which an additional point would have resulted in formal certification under the LEED silver standard, the project must be deemed to meet the standard under this section.

(6) During the 2021-2023 fiscal biennium, an alternative high-performance building certification, as determined by the legislature, may be used instead of the LEED silver building design, construction, and certification standard required by this section.

NEW SECTION. **Sec. 7050.** 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. 7051.** 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."

On page 1, line 2 of the title, after "improvements;" strike the remainder of the title and insert "amending RCW 43.19.501, 28B.15.210, 28B.15.310, 28B.20.725, 28B.30.750, 28B.35.370, 28B.50.360, 43.185.050, 43.88D.010, 43.155.150, 43.330.520, 43.155.160, 43.63A.750, 28B.77.070, and 39.35D.030; amending 2019 c 413 ss 1007, 1010, 1014, 1023, 1032, 1056, 1058, 1060, 1012, 1064,

1066, 1061, 1074, 1076, 1079, 1077, 4002, 4004, 1097, 1098, 2088, 2089, 3020, 3091, 3278, 3301, 3217, 3235, 5011, 5020, and 5047, and 2020 c 356 ss 6002, 1003, 1006, 1011, 1013, 1009, 1022, 1027, 3025, 3062, 5002, and 5011 (uncodified); reenacting and amending RCW 90.94.090, 43.155.050, and 28A.320.330; creating new sections; repealing 2019 c 413 ss 1004, 1107, 1108, 1109, and 2034 (uncodified); making appropriations; providing a contingent effective date; providing an expiration date; and declaring an emergency."

and the same is herewith transmitted.

Sarah Bannister, Deputy, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 1080 and advanced the bill, as amended by the Senate, to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives Tharinger, Steele, Abbarno and Callan spoke in favor of the passage of the bill.

The Speaker stated the question before the House to be the final passage of Substitute House Bill No. 1080, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1080, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 98; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Klippert, Kloba, Kraft, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McCaslin, McEntire, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

SUBSTITUTE HOUSE BILL NO. 1080, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

RESOLUTION

HOUSE RESOLUTION NO. 2021-4632, by Representatives Jenkins, Wilcox, Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Klippert, Kloba, Kraft, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McCaslin, McEntire, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Robertson, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wylie, Ybarra, and Young

WHEREAS, Cathy Maynard has served as Speaker's Attorney for longer than anyone can remember; certainly no one remembers hiring her, but everyone agrees she is just part of the House of Representatives, much like the piano on the floor (but considerably more useful); and

WHEREAS, As best can be recreated, President Thomas Jefferson sent Lewis and Clark on their famous expedition in 1806 with specific instructions to "explore and discover a wondrous expanse wherein a future state can be formed and in which can be born a parliamentary legend and giant of process and policy for said state, and also be careful of bears"; and

WHEREAS, Historians debate the authenticity of this Jefferson quote, but it cannot be debated that Olympia was eventually made the capital of the great State of Washington, and that the first state legislature met in 1889; and

WHEREAS, After that first legislature met in 1889, they all agreed that they had no idea what they were really doing, so they decided to just wing it and hope for the best until someone could come and make sense of the hot mess that was their parliamentary process; and

WHEREAS, Pretty much nothing happened after that until an auspicious April 1st, commonly known as April Fool's Day, when Cathy Maynard was born, and her parents recall her first words as being "So ordered," with her asking for things and then saying "So ordered," and her parents would go to fetch them; and

WHEREAS, Cathy did some other stuff that doesn't really matter, because what matters is that she eventually started her true calling in the Legislature with That Other Body, serving as a legislative aide, counsel, and staff coordinator in the Senate from 1986-1989; and

WHEREAS, In 1989, Cathy realized that her life was going nowhere, and she further realized that it wasn't her (it was Them; she just wasn't really that into Them!), and so she left That Other Body and came to the true beacon of liberty, justice, policy, and much quicker voting: The august House of Representatives; and

WHEREAS, There was an inexplicable period where for some strange reason (probably lapse of collective judgment) Cathy was not Speaker's Counsel, serving instead as just a regular (but still awesome!) counsel and then a senior counsel in the House of Representatives; and

WHEREAS, In 1999, everyone finally figured out what was wrong and made her Speaker's Attorney, which really worked much better for everyone and ushered in a new era of comity, great policy, stellar referrals, and all around good floor type stuff ever since; and

WHEREAS, While there have been other qualified and capable Speaker's Attorneys throughout the history of this illustrious body, only Cathy has been able to quell uprisings, restore order, and even completely defeat motions and amendments with no more than a harsh glance directed at the lead rabble-rouser; and

WHEREAS, Her parliamentary feats are renowned far and wide to the point that it is hard to separate myth from truth, and so we may never know whether she once found a bill out of order for being outside its own scope, but it sounds like something she could do for sure; and

WHEREAS, Cathy's institutional memory, legislative finesse, and constitutional expertise often led a former Speaker of the House to refer to his attorney as "Mrs. Speaker"; and

WHEREAS, Hiring Cathy proved to be the greatest economic development program ever undertaken by the state, with the state economy nearly doubling and companies such as Amazon, Starbucks, Microsoft, and Costco becoming titans on her watch; and

WHEREAS, She really has no faults, except that she refuses to drive in the snow, and so it is that a series of drivers has had the honor of picking her up for work and bringing her through the frozen wastes, including the current Speaker of the House (who, in addition to possessing considerable legislative prowess, seems also to be pretty okay at driving in the snow); and

WHEREAS, We don't know for sure when the next Rules Committee meeting will be, nor do we know how many pulls everyone will get, and there's no such thing as a "Hold List" (but, if there were, your bill is for sure on it), so just stop asking Cathy about all this because she already knows you want your bill pulled and ran on the floor, so just stop it, stop it right now, okay? We're running a retirement resolution, for crying out loud!; and

WHEREAS, Cathy Maynard has afforded the House the highest levels of excellence, loyalty, decorum, and appropriate feistiness during her many capacities as a most distinguished lawyer and supporter of the Legislature; and

WHEREAS, Cathy has counseled, mentored, and advised members and staff, both experienced and new, on parliamentary rules, procedures, ethics, and the nuances of lawmaking; and

WHEREAS, Cathy has announced that she is retiring this year; we think it has something to do with Peppers closing down, and no one really knows what to do about it

because she's certainly earned it, but we're honestly not sure if we can keep having the Legislature without her (we're checking); and

WHEREAS, There's both so much more to say and yet nothing left to say about such a great woman, other than we wish she wouldn't retire (please?);

NOW, THEREFORE, BE IT RESOLVED, That the House of Representatives hereby direct the Chief Clerk to look into Cathy's paperwork and take such steps as may be necessary or advisable to deny her retirement; and

BE IT FURTHER RESOLVED, That whatever must be done to prevail upon Cathy to stay on as Speaker's Attorney for just a couple more decades be done, including getting her some of those Oaxacan carvings she likes so much; and

BE IT FURTHER RESOLVED, That if Cathy cannot be made to stay on and not leave us, then we reluctantly wish her the best and urge everyone to join with us to celebrate and honor the life, legacy, work, service, and general awesomeness of Cathy Maynard.

Representatives Chopp, Kretz, Lovick, Maycumber, Fitzgibbon, Harris, Stonier, (President of the Senate) Denny Heck, Wilcox and Sullivan spoke in favor of the adoption of the resolution.

HOUSE RESOLUTION NO. 4632 was adopted.

The Speaker called upon Representative Lovick to preside.

The Speaker assumed the chair.

SIGNED BY THE SPEAKER

The Speaker signed the following bills:

ENGROSSED SUBSTITUTE HOUSE BILL NO. 1054
 ENGROSSED SECOND SUBSTITUTE HOUSE
 BILL NO. 1310
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1336
 ENGROSSED SECOND SUBSTITUTE HOUSE
 BILL NO. 1365
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1476
 SENATE BILL NO. 5008
 ENGROSSED SUBSTITUTE SENATE BILL NO.
 5038
 ENGROSSED SUBSTITUTE SENATE BILL NO.
 5044
 ENGROSSED SECOND SUBSTITUTE SENATE
 BILL NO. 5051
 ENGROSSED SECOND SUBSTITUTE SENATE
 BILL NO. 5052
 SUBSTITUTE SENATE BILL NO. 5066
 ENGROSSED SUBSTITUTE SENATE BILL NO.
 5097
 ENGROSSED SECOND SUBSTITUTE SENATE
 BILL NO. 5128
 SUBSTITUTE SENATE BILL NO. 5140

ENGROSSED SECOND SUBSTITUTE SENATE
 BILL NO. 5141
 SUBSTITUTE SENATE BILL NO. 5151
 SUBSTITUTE SENATE BILL NO. 5185
 ENGROSSED SUBSTITUTE SENATE BILL NO.
 5203
 ENGROSSED SUBSTITUTE SENATE BILL NO.
 5229
 SUBSTITUTE SENATE BILL NO. 5273
 ENGROSSED SECOND SUBSTITUTE SENATE
 BILL NO. 5304
 ENGROSSED SUBSTITUTE SENATE BILL NO.
 5321
 SECOND SUBSTITUTE SENATE BILL NO. 5331
 SUBSTITUTE SENATE BILL NO. 5361
 SECOND SUBSTITUTE SENATE BILL NO. 5362

Brad Hendrickson, Secretary
 April 24, 2021

Mme. SPEAKER:

The President has signed:

HOUSE BILL NO. 1022,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1120,
 SECOND SUBSTITUTE HOUSE BILL NO. 1168,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1189,
 SUBSTITUTE HOUSE BILL NO. 1218,
 HOUSE BILL NO. 1316,
 SUBSTITUTE HOUSE BILL NO. 1348,
 ENGROSSED HOUSE BILL NO. 1386,
 ENGROSSED SUBSTITUTE HOUSE BILL NO. 1410,
 SUBSTITUTE HOUSE BILL NO. 1411,
 SUBSTITUTE HOUSE BILL NO. 1438,
 ENGROSSED HOUSE BILL NO. 1482,

The Speaker called upon Representative Lovick to
 preside.

There being no objection, the House reverted to the third
 order of business.

and the same are herewith transmitted.

Brad Hendrickson, Secretary
 April 24, 2021

MESSAGES FROM THE SENATE

April 24, 2021

Mme. SPEAKER:

The Senate concurred in the House amendment(s) to the
 following bills and passed the bills as amended by the
 House:

ENGROSSED SECOND SUBSTITUTE SENATE BILL NO.
 5126,

Mme. SPEAKER:

The President has signed:

SECOND SUBSTITUTE SENATE BILL NO. 5192,
 ENGROSSED SECOND SUBSTITUTE SENATE BILL NO.
 5237,
 SUBSTITUTE SENATE BILL NO. 5317,
 SUBSTITUTE SENATE BILL NO. 5318,
 ENGROSSED SENATE BILL NO. 5330,

and the same is herewith transmitted.

and the same are herewith transmitted.

Brad Hendrickson, Secretary
 April 24, 2021

Brad Hendrickson, Secretary
 April 24, 2021

Mme. SPEAKER:

The Senate has adopted the report of the Conference
 Committee on ENGROSSED SECOND SUBSTITUTE
 HOUSE BILL NO. 1477, and has passed the bill as
 recommended by the Conference Committee.

Brad Hendrickson, Secretary
 April 24, 2021

Mme. SPEAKER:

The President has signed:

SECOND SUBSTITUTE SENATE BILL NO. 5383,
 and the same is herewith transmitted.

Brad Hendrickson, Secretary

There being no objection, the House advanced to the
 seventh order of business.

**THIRD READING
 MESSAGE FROM THE SENATE**

April 7, 2021

The Senate concurred in the House amendment(s) to the
 following bills and passed the bills as amended by the
 House:

ENGROSSED SUBSTITUTE SENATE BILL NO. 5478,
 and the same is herewith transmitted.

Madame Speaker:

The Senate has passed SUBSTITUTE HOUSE BILL NO. 1137 with the following amendment:

On page 1, line 18, after "services" insert ", including the state ferry system"

and the same is herewith transmitted.

Sarah Bannister, Deputy Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to SUBSTITUTE HOUSE BILL NO. 1137 and advanced the bill as amended by the Senate to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representatives McCaslin and Fey spoke in favor of the passage of the bill.

MOTION

On motion of Representative Griffey, Representatives McEntire and Robertson were excused.

The Speaker (Representative Lovick presiding) stated the question before the House to be the final passage of Substitute House Bill No. 1137, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Substitute House Bill No. 1137, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 84; Nays, 12; Absent, 0; Excused, 2.

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Cody, Corry, Davis, Dent, Dolan, Duerr, Dufault, Dye, Entenman, Eslick, Fey, Gilday, Goehner, Goodman, Graham, Griffey, Hackney, Hansen, Harris, Hoff, Jacobsen, J. Johnson, Kirby, Klicker, Klippert, Kraft, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Maycumber, McCaslin, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramos, Riccelli, Rude, Rule, Ryu, Santos, Schmick, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Vick, Volz, Walen, Walsh, Wilcox, Wylie, Ybarra, Young and Mme. Speaker.

Voting nay: Representatives Berry, Chopp, Fitzgibbon, Frame, Gregerson, Harris-Talley, Kloba, Macri, Ramel, Sells, Valdez and Wicks.

Excused: Representatives McEntire and Robertson.

SUBSTITUTE HOUSE BILL NO. 1137, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

CONFERENCE COMMITTEE REPORT

April 23, 2021

Substitute Senate Bill No. 5165

Includes "New Item": YES

Madame Speaker:

We of your Conference Committee, to whom was referred SUBSTITUTE SENATE BILL NO. 5165, making transportation appropriations for the 2021-2023 fiscal biennium, have had the same under consideration and we recommend that:

All previous amendments not be adopted and that the attached striking amendment H-1625.3 be adopted.

Strike everything after the enacting clause and insert the following:

"2021-2023 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, 2023.

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

(a) "Fiscal year 2022" or "FY 2022" means the fiscal year ending June 30, 2022.

(b) "Fiscal year 2023" or "FY 2023" means the fiscal year ending June 30, 2023.

(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	\$546,000

NEW SECTION. Sec. 102. FOR THE UTILITIES AND TRANSPORTATION COMMISSION

Grade Crossing Protective Account—State	Appropriation	\$504,000
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Pilotage Account—State	Appropriation	\$150,000
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Multimodal Transportation Account—State	Appropriation	\$225,000
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TOTAL APPROPRIATION	\$879,000
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The appropriations in this section are subject to the following conditions and limitations:

(1) \$225,000 of the multimodal transportation account—state appropriation is provided solely for the commission to prepare an inventory of rail safety oversight conducted by state agencies in other states identified for review by program area as compared to the role of state agencies in Washington due September 1, 2022. This inventory must include a comparison of the oversight conducted by state agencies in California and New York, as well as other state agencies selected by the commission that play a broader role in rail safety oversight than state agencies in Washington. In developing its inventory, the commission shall include consideration of the relationship of state efforts to federal law. The inventory must include information related to safety oversight, coordination, communication, and enforcement of state and federal laws and regulations relating to transportation of persons or commodities, or both, of any nature or description by rail.

(2) The commission must host one workshop with interested parties. The purpose of the workshop is to ensure consideration of relevant information in development of an inventory of current efforts in rail safety oversight by other states that can inform the legislature's intended expansion of the role of the commission in rail safety in the state of Washington. The purpose of the workshop is not to foreclose consideration of a specific legislative approach. Interested legislators and legislative staff and staff of the governor's office may participate in the workshop or workshops. Participation in the workshop must include, but is not limited to, representatives of:

- (a) Host and tenant railroads;
- (b) Rail labor organizations;
- (c) The state safety oversight agency for rail fixed guideway public transportation systems;
- (d) Operators of, and entities providing financial support for, intercity passenger rail and rail fixed guideway systems;
- (e) Local jurisdictions;
- (f) Rail advocacy organizations;
- (g) State emergency management organizations;
- (h) The department of ecology;
- (i) The department of labor and industries;
- (j) The national transportation safety board;
- (k) The federal railroad administration; and
- (l) The pipeline and hazardous materials safety administration.

(3) The commission shall review, at a minimum, the report of the national transportation safety board report on the 2017 Amtrak derailment, the joint transportation committee's 2020 rail safety governance study, Engrossed Substitute House Bill No. 1418 (2021), as passed by the house on March 7, 2021, relevant federal laws and rules, and state rail safety plans.

(4) The commission's inventory must include, but is not limited to:

- (a) An analysis of expanding the commission's role to match the role of

other state agencies examined, including as it relates to oversight of implementation of new and materially changed railroad operations and infrastructure; operator safety management practices; the safety of transportation of crude oil by rail and enforcement of chapter 90.56 RCW; the safety and oversight of rail fixed guideway systems as defined in RCW 81.104.015; annual reporting practices; and rail safety communication and collaboration efforts, including through the use of a rail safety committee;

(b) A review of federal preemption issues and analysis of state rail safety authority in the context of the current rail safety oversight role of other states, as examined in this section;

(c) A review of workshop discussions;

(d) Estimated costs associated with implementation in Washington state of the safety program elements included in the inventory required in this section, itemized by program area and level of oversight performed, including estimated costs of options to improve the safety of transportation of crude oil by rail and enforcement of chapter 90.56 RCW;

(e) A review of revenue sources that support rail safety oversight activities in other states included in the inventory, including federal revenue sources. For each source, the review must also include:

(i) Estimates of revenue generated if imposed in Washington;

(ii) Estimates of how much would be paid by different types of entities; and

(f) A review of the level of liability protection afforded agencies that perform rail safety oversight under state law in the states examined in the inventory conducted.

NEW SECTION. Sec. 103. FOR THE OFFICE OF FINANCIAL MANAGEMENT

Motor Vehicle	Account-State
Appropriation	\$1,441,000

Puget Sound Ferry Operations	Account-State
Appropriation	\$126,000

Multimodal Transportation	Account-State
Appropriation	\$250,000

TOTAL APPROPRIATION	\$1,817,000
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The appropriations in this section are subject to the following conditions and limitations:

\$250,000 of the multimodal transportation account-state appropriation is provided solely for the office of financial management, in collaboration with the Washington department of transportation and the office of the chief information officer, to conduct an evaluation of short term and long term facility and information technology needs. In conducting the evaluation, the office of financial management may contract with an entity with direct expertise in this area. The office of financial management must submit a final report of their evaluation by October 1, 2022. The evaluation must be coordinated with any legislatively directed study regarding leased space. The evaluation must include, but is not limited to:

(1) Development of a status quo scenario based on current policy and projections and two alternative scenarios of the number of people and percentage of staff in telework status on a permanent basis with one alternative being the minimum feasible level of teleworking and one alternative being the maximum feasible level of teleworking;

(2) Current and projected facility needs by location and function for the scenarios in subsection (1) of this section;

(3) The specific number of employees and percentage of the workforce expected to be teleworking by location and function and the anticipated impact on facility space needs for the scenarios in subsection (1) of this section;

(4) Analysis of opportunities to colocate with other state, local, and other public agencies to reduce costs and improve cost-efficiency;

(5) Detailed information on any increased costs, such as end-user devices, software, technology infrastructure, and other types of assistance needed to meet the teleworking levels in each of the scenarios in subsection (1) of this section;

(6) Detailed information on any reduced costs, such as leases, facility maintenance, and utilities, resulting from the projected teleworking levels for the scenarios in subsection (1) of this section; and

(7) Cost-benefit analysis detailing the net impact of teleworking on facility and total costs for the scenarios in subsection (1) of this section.

NEW SECTION. Sec. 104. FOR THE STATE PARKS AND RECREATION COMMISSION

Motor	Vehicle	Account-State
Appropriation	\$1,186,000	

The appropriation in this section is subject to the following conditions and limitations: The 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	\$1,346,000	

NEW SECTION. Sec. 106. FOR THE LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE

Motor	Vehicle	Account-State
Appropriation	\$668,000	

NEW SECTION. Sec. 107. FOR THE EVERGREEN STATE COLLEGE

Motor	Vehicle	Account-State
Appropriation	\$150,000	

The appropriation in this section is subject to the following conditions and limitations: The total appropriation in this section is provided solely for the Washington state institute for public policy to conduct a cost-benefit analysis for an exclusive or partial American steel requirement for future transportation contracts and subcontracts authorized in the transportation budget. This cost-benefit analysis must, to the extent feasible: (1) Compare existing types and uses of steel to made in America steel alternatives including evaluation of quality; (2) examine benefits to Washington workers and the Washington economy; (3) examine lifecycle and embodied carbon greenhouse gas emissions; (4) identify requirements for purchasing American steel that minimize costs and maximize benefits; and (5) evaluate American steel requirements or preferences in other states. The Washington state institute for public policy may solicit input for the analysis from representatives of interested parties to include, but not be limited to, the construction and manufacturing sectors, organized labor in the construction and manufacturing sectors,

cities, counties, American steel manufacturing companies, environmental advocacy organizations, and appropriate state agencies. A final report is due to the legislature by December 1, 2021.

NEW SECTION. Sec. 108. FOR THE OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES

Motor	Vehicle	Account-State
Appropriation	\$2,000,000	

The appropriation in this section is subject to the following conditions and limitations: The entire appropriation in this section is provided solely for increasing the number of certified women and minority-owned contractors outside of the Puget Sound area in the transportation sector and supporting these contractors to successfully compete and earn more transportation contracting opportunities. This shall be done through various programs including but not limited to: (1) Outreach to women and minority business communities and individuals; (2) technical assistance as needed in areas such as financing, accounting, contracting, procurement, and resolution of disputes and grievances; (3) language access programs for those with limited English proficiency; and (4) other programs that aim to increase the number of women and minority contractors that are successful in obtaining contracts in the transportation sector either directly with state agencies such as the department, with local jurisdictions, or as subcontractors for prime contractors.

NEW SECTION. Sec. 109. FOR THE BOARD OF PILOTAGE COMMISSIONERS

Pilotage	Account-State
Appropriation	\$5,777,000

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

(1) \$2,926,000 of the pilotage account-state appropriation is provided solely for self-insurance liability premium expenditures; however, this appropriation is contingent upon the board:

(a) Annually depositing the first \$150,000 collected through Puget Sound pilotage district pilotage tariffs into the pilotage account; and

(b) Assessing a self-insurance premium surcharge of \$16 per pilotage assignment

on vessels requiring pilotage in the Puget Sound pilotage district.

(2) The board of pilotage commissioners shall file the annual report to the governor and chairs of the transportation committees required under RCW 88.16.035(1)(f) by September 1, 2021, and annually thereafter. The report must 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.

NEW SECTION. Sec. 110. FOR THE HOUSE OF REPRESENTATIVES

Motor Vehicle	Account-State
Appropriation	\$3,210,000

NEW SECTION. Sec. 111. FOR THE SENATE

Motor Vehicle	Account-State
Appropriation	\$3,085,000

NEW SECTION. Sec. 112. FOR THE DEPARTMENT OF FISH AND WILDLIFE

Motor Vehicle	Account-State
Appropriation	\$400,000

The appropriation in this section is subject to the following

conditions and limitations: \$400,000 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 association of Washington cities to inventory and assess fish passage barriers associated with city roads located in the *U.S. v. Washington* case area, water resource inventory area numbers one through 23. The study is a continuation of previous inventories, and must finalize a complete inventory of city-owned fish passage barriers in water resource inventory area numbers one through 23. The inventories and assessments must be conducted using the methods described in the department's fish passage, inventory, assessment, and prioritization manual. A report of the study must be provided to the office of financial management and the transportation committees of the legislature by July 1, 2023.

NEW SECTION. Sec. 113. FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE

Puget Sound Ferry Capital Construction Account-State

Appropriation \$300,000

Multimodal Transportation Account-State Appropriation \$200,000

TOTAL APPROPRIATION \$500,000

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

(1) \$300,000 of the Puget Sound ferry capital construction account-state is provided solely for an independent review of the design-build contracting process for the hybrid-electric Olympic class vessels. The review must evaluate, at minimum, the department's cost estimation and cost management practices relating to the design and construction of the first hybrid-electric vessel. The review must include recommendations to benefit the full program for the design and construction of five hybrid-electric vessels. The joint legislative audit and review committee must report to the legislature with the findings by October 1, 2022.

(2) \$200,000 of the multimodal transportation account-state appropriation is provided solely for the joint legislative audit and review committee to conduct a review of the method used to determine the rates for leasing state-owned lands and air space to a regional transit authority. As part of this review, the committee must examine and evaluate the accounting and valuation methodology for debits and credits used in the land bank accounting program utilized by the department of transportation and a regional transit authority. The review must also provide an evaluation of the specific type of lease agreements used for air space leasing by the department of transportation with a regional transit authority and the valuation methodology used to determine the lease rate for the property and the cost and benefits of long-term leases based on the periodic land value appraisals under the terms of the land bank agreement. The committee must identify the full cost to the state transportation system if the entire plan for land and air rights leases by a regional transit authority is undertaken at full economic rent, and the difference in costs to the regional transit authority if the leases were to be issued at less than economic rent, including a scenario in which the value of the land

and air rights are discounted by the federal share of the funds that were used to acquire or improve the property originally. The committee shall complete the review and provide a report to the transportation committees of the legislature by December 1, 2022.

TRANSPORTATION AGENCIES—OPERATING

NEW SECTION. Sec. 201. FOR THE WASHINGTON TRAFFIC SAFETY COMMISSION

Highway	Safety	Account—State	
Appropriation		\$4,625,000	
Highway	Safety	Account—Federal	
Appropriation		\$27,202,000	
Highway	Safety	Account—Private/Local	
Appropriation		\$60,000	
School	Zone	Safety	Account—State
Appropriation		\$850,000	
TOTAL APPROPRIATION			\$32,737,000

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

(1) The Washington traffic safety commission may oversee a demonstration project in one county, coordinating with a public transportation benefit area (PTBA) and the department of transportation, to test the feasibility and accuracy of the use of automated enforcement technology for high occupancy vehicle (HOV) lane passenger compliance. All costs associated with the demonstration project must be borne by the participating public transportation benefit area. Any photograph, microphotograph, or electronic images of a driver or passengers are for the exclusive use of the PTBA in the determination of whether an HOV passenger violation has occurred to test the feasibility and accuracy of automated enforcement under this subsection and are not open to the public and may not be used in a court in a pending action or proceeding. All photographs, microphotographs, and electronic images must be destroyed after determining a passenger count and no later than the completion of the demonstration project. No warnings or notices of infraction may be issued under the demonstration project.

For purposes of the demonstration project, an automated enforcement technology device may record an image of a driver and passenger of a motor vehicle. The county and PTBA must erect

signs marking the locations where the automated enforcement for HOV passenger requirements is occurring.

The PTBA, in consultation with the Washington traffic safety commission, must provide a report to the transportation committees of the legislature with the number of violations detected during the demonstration project, whether the technology used was accurate and any recommendations for future use of automated enforcement technology for HOV lane enforcement by June 30, 2022.

(2) The Washington traffic safety commission may oversee a pilot program in up to three cities implementing the use of automated vehicle noise enforcement cameras in zones that have been designated by ordinance as "Stay Out of Areas of Racing."

(a) Any programs authorized by the commission must be authorized by December 31, 2022.

(b) If a city has established an authorized automated vehicle noise enforcement camera pilot program under this section, the compensation paid to the manufacturer or vendor of the equipment used must be based upon the value of the equipment and services provided or rendered in support of the system.

(c) Any city administering a pilot program overseen by the traffic safety commission shall use the following guidelines to administer the program:

(i) Automated vehicle noise enforcement camera may record photographs or audio of the vehicle and vehicle license plate only while a violation is occurring. The picture must not reveal the face of the driver or of passengers in the vehicle;

(ii) The law enforcement agency of the city or county government shall install two signs facing opposite directions within 200 feet, or otherwise consistent with the uniform manual on traffic control devices, where the automated vehicle noise enforcement camera is used that state "Street Racing Noise Pilot Program in Progress";

(iii) Cities testing the use of automated vehicle noise enforcement cameras must post information on the city website and notify local media outlets indicating the zones in which the

automated vehicle noise enforcement cameras will be used;

(iv) A city may only issue a warning notice with no penalty for a violation detected by automated vehicle noise enforcement cameras in a Stay Out of Areas of Racing zone. Warning notices must be mailed to the registered owner of a vehicle within fourteen days of the detected violation;

(v) A violation detected through the use of automated vehicle noise enforcement cameras is not part of the registered owner's driving record under RCW 46.52.101 and 46.52.120;

(vi) Notwithstanding any other provision of law, all photographs, videos, microphotographs, audio recordings, or electronic images prepared under this section are for the exclusive use of law enforcement in the discharge of duties under this section and are not open to the public and may not be used in a court in a pending action or proceeding. No photograph, microphotograph, audio recording, or electronic image may be used for any purpose other than the issuance of warnings for violations under this section or retained longer than necessary to issue a warning notice as required under this subsection (2); and

(vii) By June 30, 2023, the participating cities shall provide a report to the commission and appropriate committees of the legislature regarding the use, public acceptance, outcomes, warnings issued, data retention and use, and other relevant issues regarding automated vehicle noise enforcement cameras demonstrated by the pilot projects.

(3) The Washington traffic safety commission shall coordinate with each city that implements a pilot program as authorized in RCW 46.63.170, chapter 224, Laws of 2020 to provide the transportation committees of the legislature with the following information by June 30, 2023:

(a) The number of warnings and infractions issued to first-time violators under the pilot program;

(b) The number of warnings and infractions issued to the registered owners of vehicles that are not registered with an address located in the city conducting the pilot program; and

(c) The frequency with which warnings and infractions are issued on weekdays versus weekend days.

NEW SECTION. Sec. 202. FOR THE COUNTY ROAD ADMINISTRATION BOARD

Rural Arterial Trust Account—State Appropriation	\$1,134,000
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Motor Vehicle Account—State Appropriation	\$4,760,000
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County Arterial Preservation Account—State	
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Appropriation	\$1,669,000
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TOTAL APPROPRIATION	\$7,563,000
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The appropriations in this section are subject to the following conditions and limitations: \$2,000,000 of the motor vehicle account—state appropriation is provided solely for deposit into the county road administration board emergency loan account—state account.

NEW SECTION. Sec. 203. FOR THE TRANSPORTATION IMPROVEMENT BOARD

Transportation Improvement Account—State	
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Appropriation	\$4,510,000
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NEW SECTION. Sec. 204. FOR THE JOINT TRANSPORTATION COMMITTEE

Motor Vehicle Account—State Appropriation	\$2,679,000
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Multimodal Transportation Account—State Appropriation	\$420,000
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TOTAL APPROPRIATION	\$3,099,000
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The appropriations in this section are subject to the following conditions and limitations:

(1) (a) \$250,000 of the motor vehicle account—state appropriation is for the joint transportation committee to convene a vehicle registration payment work group to study and recommend new options for payment of vehicle fees or taxes due at the time of application for vehicle registration.

(b) The work group must consist of, but is not limited to, the following members: A representative of the department of licensing, a representative of county auditors, a representative of subagents, a representative of local taxing authorities imposing a fee or tax due at the time of application for vehicle registration, a representative of a city

offering or considering a rebate program for vehicle fees or taxes due at the time of application for vehicle registration, a representative of vehicle owners subject to a motor vehicle excise tax, a representative of vehicle owners subject to an electric car or transportation electrification fee, and an advocate for multimodal transportation options. Work group members are eligible for reimbursement or allowance for expenses pursuant to RCW 43.03.220.

(c) The work group must engage with members of the public who are interested in new options for payment of fees or taxes due at the time of application for vehicle registration, including persons from communities of color, low-income households, vulnerable populations, and displaced communities. Input from members of the public must inform the work group's recommendations. The work group must notify members of the public of opportunities to engage through a variety of communication channels including, but not limited to, the following: Outreach through community organizations, print and broadcast media, and social media.

(d) The work group's recommendations must include, but are not limited to, the following:

(i) Options to provide or encourage rebates to vehicle owners who pay taxes and fees due at the time of application for vehicle registration;

(ii) An agreed upon service fee structure for vehicle registration payment plans;

(iii) An agreed upon service fee revenue allocation method;

(iv) A process to allow agents and subagents to determine if a vehicle owner has paid all taxes and fees due prior to renewal of a vehicle registration;

(v) Options for reducing revenue loss due to missed payments, transfer of the certificate of title, or registration of a vehicle out of state; and

(vi) Options to reduce impacts to communities of color, low-income households, vulnerable populations, and displaced communities.

(e) A report of the work group's findings and recommendations is due to the transportation committees of the legislature by September 30, 2022.

(2) \$50,000 of the motor vehicle account-state appropriation is for the joint transportation committee to contract for a legal consultant to analyze and recommend options for the formation of a bistate bridge authority for the purpose of constructing, financing, operating and maintaining a new replacement bridge over the Columbia River near Hood River connecting Klickitat county in Washington to Hood River county in Oregon. The consultant may confer with the Hood River Bistate Working Group to understand the work and analysis that has been completed.

The Washington interlocal cooperation act, chapter 39.34 RCW, authorizes public agencies to contract with other public agencies via interlocal agreements that enable cooperation among the agencies to perform governmental activities and deliver public services, including agreements with public entities in other states. Such interstate agreements are deemed interstate compacts. The legal analysis must identify and recommend alternative and/or additional statutory authority that would be necessary to allow for the formation of a local government bistate bridge authority or governance structure for the Hood River Bridge replacement that at a minimum may:

(a) Issue bonds for bridge construction;

(b) Collect tolls; and

(c) Secure and administer state or federal grants and loans.

The legal analysis must be presented to the transportation committees of the legislature by September 30, 2021.

(3) \$220,000 of the multimodal transportation account-state appropriation is for overseeing a consultant study to provide recommendations related to the Washington state department of transportation's role in broadband service expansion efforts as directed in chapter . . . (Engrossed Substitute House Bill No. 1457), Laws of 2021 (broadband along state highways). If chapter . . . (Engrossed Substitute House Bill No. 1457), Laws of 2021 (broadband along state highways) is not enacted by June 30, 2021, the amount provided in this subsection lapses.

(4) \$215,000 of the motor vehicle account-state appropriation is provided solely for the joint transportation

committee, from amounts set aside out of statewide fuel taxes distributed to cities according to RCW 46.68.110(2), to convene a study on the impacts of current and historical city transportation investments on designated populations, including communities of color, low-income households, vulnerable populations, and displaced communities. The study must identify and measure the true costs of underinvestment of accessible transportation for designated populations, including the secondary impacts to public health, economic opportunity, educational access, and environmental risk factors. The assessment must include specific approaches to addressing existing inequities within cities, as well as recommendations to develop best practices to improve, diversify, and expand city transportation investments. A report must be provided to the office of financial management and the transportation committees of the legislature by December 20, 2022.

(5) \$400,000 of the motor vehicle account—state appropriation is for the development of a workforce plan for the Washington state ferries which addresses recruitment, retention, diversity, training needs, leadership development, succession planning and other elements needed to ensure sufficient and cost-effective crewing and staffing of the ferry system. In developing the scope of work for the plan and throughout plan development, the joint transportation committee must solicit input from representatives of the Washington state ferries division and the human resources division of the Washington state department of transportation. Represented employee groups must also be consulted as part of plan development. The plan must include a roadmap for Washington state ferries to comprehensively address persistent staffing challenges and strategically position itself for its future workforce needs. The joint transportation committee must issue an interim report identifying short-term strategies to reduce reliance on overtime for staffing day-to-day ferry service. The interim report is due to the transportation committees of the legislature by January 1, 2022. The final report is due to the transportation committees of the legislature by December 20, 2022.

(6) \$200,000 of the multimodal transportation account—state

appropriation is for the joint transportation committee to update the Washington State Short Line Rail Inventory and Needs Assessment, prepared in 2015, and to facilitate a stakeholder process to assess the effectiveness of state support for short line rail infrastructure based on current and future short line rail infrastructure needs. This assessment must include consideration of current state grant and loan programs, including state investment in nonstate owned short lines, the state's role and investments in the Palouse River and Coulee City (PCC) rail system, and any other ongoing state activities related to short line rail infrastructure. The joint transportation committee must solicit input from all regions of the state from representatives of: Short line rail infrastructure owners, short line rail operators, short line rail customers from representative industries, ports served by short line rail infrastructure, the Washington state department of transportation, the utilities and transportation commission, and other relevant stakeholders as identified by the joint transportation committee. A report with recommendations to enhance the state's support for short line rail infrastructure is due to the transportation committees of the legislature by January 1, 2022.

(7) (a) \$200,000 of the motor vehicle account—state appropriation is for the joint transportation committee to develop a truck parking action plan with recommendations for immediate next steps for near-term and lasting change in the availability of truck parking for short-haul and long-distance commercial vehicle drivers who require reasonable accommodations for parking commercial motor vehicles, obtaining adequate services, and complying with federal rest requirements. For each opportunity identified, the action plan must:

(i) Assess the magnitude of potential impact;

(ii) Assess the potential difficulty level of implementation; and

(iii) Explain barriers to success and specific steps required to overcome them.

(b) The action plan must focus on approaches that would be most impactful and feasible and may include, but not be limited to:

(i) Specific cooperative private sector and government actions;

(ii) Legal and regulatory frameworks at the state level to drive private and/or public-sector action;

(iii) Incentive-based government programs to spur private sector innovation and investment; and

(iv) Direct government action at the state, regional, and/or local level.

(c) The action plan must identify specific, promising projects and approaches, and provide a clear roadmap to what is needed to drive real, substantial improvements in truck parking.

(d) Outreach for action plan input, including on the feasibility of each opportunity evaluated, must include outreach to representatives of: The trucking industry; truck labor organizations; the shipping industry; truck stop owners; commercial freight delivery recipients, including warehouse and retail recipients; the association of Washington cities; the Washington state association of counties; the Washington state department of transportation; the Washington state patrol; and an academic or research institution that can provide input on technical components of the plan.

(e) A concise action plan with specific recommended next steps is due to the transportation committees of the legislature by January 1, 2022.

NEW SECTION. Sec. 205. FOR THE TRANSPORTATION COMMISSION

Motor Vehicle Account-State
Appropriation \$2,438,000

Interstate 405 and State Route Number
167 Express Toll Lanes

Account-State Appropriation
\$127,000

State Route Number 520 Corridor
Account-State

Appropriation \$276,000

Tacoma Narrows Toll Bridge Account-State

Appropriation \$180,000

Alaskan Way Viaduct Replacement
Project

Account-State Appropriation
\$172,000

TOTAL APPROPRIATION \$3,193,000

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

(1) The commission shall reconvene the road usage charge steering committee, with the same membership described in chapter 297, Laws of 2018, and shall periodically report to the steering committee with updates on activities undertaken in accordance with the federal grant awarded July 2020 ("Forward Drive"). A year-end update on the status of any federally-funded project for which federal funding is secured must be provided to the governor's office and the transportation committees of the legislature by January 1, 2022, and by January 1, 2023. 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 president of the senate for a senate member vacancy.

(2) \$200,000 of the motor vehicle account-state appropriation is provided solely for the implementation of chapter . . . (Substitute Senate Bill No. 5444), Laws of 2021 (per mile charge). If chapter . . . (Substitute Senate Bill No. 5444), Laws of 2021 is not enacted by June 30, 2021, the amount provided in this subsection lapses.

(3) \$127,000 of the Interstate 405 and state route number 167 express toll lanes account-state appropriation, \$276,000 of the state route number 520 corridor account-state appropriation, \$180,000 of the Tacoma Narrows toll bridge account-state appropriation, and \$172,000 of the Alaskan Way viaduct replacement project account-state appropriation are provided solely for the transportation commission's proportional share of time spent supporting tolling operations for the respective tolling facilities.

(4) \$50,000 of the motor vehicle account-state appropriation is provided solely for the commission to identify and measure how a road usage charge could be adjusted so that vehicles of comparable efficiency pay the same rate regardless of their means of propulsion and examine options for indexing to stabilize revenue as vehicle fleets become more efficient over time. If chapter . . . (Substitute Senate Bill No. 5444), Laws of 2021 is not enacted by June 30, 2021, the amount provided in this subsection lapses.

(5) (a) The transportation budget is currently reliant on vehicle and driver related fees. Motor vehicle registrations, driver licenses, tolls, and the motor vehicle fuel tax provide the primary revenues for the transportation budget. These user revenues no longer adequately support the transportation system's needs. Many of the transportation modes have no or little ability to generate revenue, yet are important elements of a functioning transportation network. Providing transportation options that do not involve passenger vehicles is critical. The tax burden in the transportation budget falls on people that own and drive vehicles. It fails to provide the money needed for the system quality that the people of Washington want.

(b) Therefore, the commission is directed to evaluate, identify, and consider agencies, programs, and activities that are currently funded in the transportation budget that provide a public good that might be paid for using other revenues. The commission is directed to make recommendations for potential changes to funding sources for the transportation system with the goal of providing funding to maintain existing transportation assets in a state of good repair without exclusively relying on vehicle owners or drivers as the revenue source. Preliminary findings must be presented to the Joint Transportation Committee by September 30, 2022, and a final report issued to the appropriate committees of the legislature by December 1, 2022.

NEW SECTION. Sec. 206. FOR THE FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD

Freight Mobility Investment Account—State

Appropriation \$831,000

NEW SECTION. Sec. 207. FOR THE WASHINGTON STATE PATROL

State Patrol Highway Account—State Appropriation \$517,391,000

State Patrol Highway Account—Federal Appropriation \$15,838,000

State Patrol Highway Account—Private/Local

Appropriation \$4,267,000

Highway Safety Account—State Appropriation \$1,214,000

Ignition Interlock Device Revolving Account—State

Appropriation \$5,053,000

Multimodal Transportation Account—State Appropriation \$288,000

State Route Number 520 Corridor Account—State

Appropriation \$433,000

Tacoma Narrows Toll Bridge Account—State

Appropriation \$77,000

I-405 and SR 167 Express Toll Lanes Account—State

Appropriation \$1,348,000

TOTAL APPROPRIATION \$545,909,000

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) \$580,000 of the state patrol highway account—state appropriation is provided solely for the operation of and administrative support to 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 the additional vehicle registration fees, sales and use taxes, and local vehicle fees remitted to the state pursuant to activity conducted by the license investigation unit. Beginning October 1, 2021, and quarterly thereafter, the Washington state patrol shall submit a report detailing the additional revenue amounts generated since January 1, 2021, to the director of the office of financial management and the transportation committees of the legislature. At the end of the calendar quarter in which it is estimated that more than \$625,000 in state sales and use

taxes have been remitted to the state since January 1, 2021, the Washington state patrol shall notify the state treasurer and the state treasurer shall transfer funds pursuant to section 406 of this act.

(3) \$4,000,000 of the state patrol highway account–state appropriation is provided solely for a third arming and a third trooper basic training class. The cadet class is expected to graduate in June 2023.

(4) By December 1st of each year during the 2021–2023 biennium, the Washington state patrol must report to the house and senate transportation committees on the status of recruitment and retention activities as follows:

(a) A summary of recruitment and retention strategies;

(b) The number of transportation funded staff vacancies by major category;

(c) The number of applicants for each of the positions by these categories;

(d) The composition of workforce;

(e) Other relevant outcome measures with comparative information with recent comparable months in prior years; and

(f) Activities related to the implementation of the agency's workforce diversity plan, including short-term and long-term, specific comprehensive outreach and recruitment strategies to increase populations underrepresented within both commissioned and noncommissioned employee groups.

(5) \$493,000 of the state patrol highway account–state appropriation is provided solely for aerial criminal investigation tools, including software licensing and maintenance, and annual certification, and is subject to the conditions, limitations, and review requirements of section 701 of this act.

(6) \$7,962,000 of the state patrol highway account–state appropriation is provided solely for the land mobile radio system replacement, upgrade, and other related activities. Beginning January 1, 2022, the Washington state patrol must report semiannually to the office of the state chief information officer on the progress related to the projects and activities associated with the land mobile radio system, including the governance structure, outcomes achieved in the prior six month time period, and

how the activities are being managed holistically as recommended by the office of the chief information officer. At the time of submittal to the office of the state chief information officer, this report shall be transmitted to the office of financial management and the house and senate transportation committees.

(7) \$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.

(8) \$1,348,000 of the Interstate 405 and state route number 167 express toll lanes account–state appropriation, \$433,000 of the state route number 520 corridor account–state appropriation, and \$77,000 of the Tacoma Narrows toll bridge account–state appropriation are provided solely for the Washington state patrol's proportional share of time spent supporting tolling operations and enforcement for the respective tolling facilities.

(9) \$289,000 of the state patrol highway account–state appropriation is provided solely for the replacement of 911 workstations.

(10) \$35,000 of the state patrol highway account–state appropriation is provided solely for the replacement of bomb response equipment.

(11) \$713,000 of the state patrol highway account–state appropriation is provided solely for information technology infrastructure maintenance.

(12) The Washington state patrol must provide a report to the office of financial management and the house and senate transportation committees on its plan for implementing a transition to cloud computing and storage with its 2023–2025 budget submittal.

(13) \$945,000 of the state patrol highway account–state appropriation is provided solely for implementation of chapter . . . (Substitute House Bill No. 1223), Laws of 2021 (custodial interrogations). If chapter . . . (Substitute House Bill No. 1223), Laws of 2021 (custodial interrogations) is not enacted by June 30, 2021, the amount provided in this subsection lapses.

(14) \$46,000 of the state patrol highway account—state appropriation is provided solely for implementation of chapter . . . (Engrossed Substitute House Bill No. 1054), Laws of 2021 (peace officer tactics). If chapter . . . (Engrossed Substitute House Bill No. 1054), Laws of 2021 (peace officer tactics) is not enacted by June 30, 2021, the amount provided in this subsection lapses.

(15) \$46,000 of the state patrol highway account—state appropriation is provided solely for implementation of chapter . . . (Engrossed Second Substitute House Bill No. 1310), Laws of 2021 (use of force by officers). If chapter . . . (Engrossed Second Substitute House Bill No. 1310), Laws of 2021 (use of force by officers) is not enacted by June 30, 2021, the amount provided in this subsection lapses.

(16) (a) The legislature finds that the water connection extension constructed by the Washington state patrol from the city of Shelton's water facilities to the Washington state patrol academy was necessary to meet the water supply needs of the academy. The legislature also finds that the water connection provides an ongoing water supply that is necessary to the operation of the training facility, that the state is making use of the water connection for these public activities, and that any future incidental use of the municipal infrastructure put in place to support these activities will not impede the Washington state patrol's ongoing use of the water connection extension.

(b) \$2,220,000 of the transfer from the waste tire removal account to the motor vehicle fund, as required under RCW 70A.205.425, reimburses the motor vehicle fund for the portion of the water project costs assigned by the agreement to properties, other than the Washington state patrol academy, that make use of the water connection while the agreement remains in effect. This reimbursement to the motor vehicle fund is intended to address any possibility that the termination of this agreement could be determined to result in the unconstitutional use of 18th amendment designated funds for nonhighway purposes under the constitution of the state of Washington; however, this transfer is not intended to indicate that the incidental use of this infrastructure by these properties necessarily requires such

reimbursement under the state Constitution. Immediately following the transfer of funds, Washington state patrol and the city of Shelton shall meet to formally update the terms of their "Agreement for Utility Connection and Reimbursement of Water Extension Expenses" executed on June 12, 2017, to reflect the intent of the proviso.

(17) The appropriations in this section provide sufficient funding for state patrol staffing assuming vacancy savings which may change over time. Funding for staffing will be monitored and adjusted in the 2022 supplemental budget to restore funding as authorized staffing levels are achieved.

NEW SECTION. Sec. 208. FOR THE DEPARTMENT OF LICENSING

Marine Fuel Tax Refund Account—State
Appropriation \$34,000

Motorcycle Safety Education Account—State

Appropriation \$4,894,000

Limited Fish and Wildlife Account—State

Appropriation \$917,000

Highway Safety Account—State
Appropriation \$241,868,000

Highway Safety Account—Federal
Appropriation \$1,294,000

Motor Vehicle Account—State
Appropriation \$73,327,000

Motor Vehicle Account—Federal
Appropriation \$150,000

Motor Vehicle Account—Private/Local
Appropriation \$6,600,000

Ignition Interlock Device Revolving Account—State

Appropriation \$6,071,000

Department of Licensing Services Account—State

Appropriation \$8,157,000

License Plate Technology Account—State
Appropriation \$4,250,000

Abandoned Recreational Vehicle Account—State

Appropriation \$3,066,000

Limousine Carriers Account—State
Appropriation \$110,000

Electric Vehicle Account-State	
Appropriation \$405,000	
DOL Technology Improvement & Data Management	
Account-State	Appropriation
\$748,000	
Agency Financial Transaction Account-State	
Appropriation	\$21,257,000
Driver Licensing Technology Support	
Account-State	Appropriation
\$1,373,000	
TOTAL APPROPRIATION	\$374,521,000

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

(1) \$1,100,000 of the highway safety account-state appropriation is provided solely for the department to provide an interagency transfer to the department of social and health services, children's administration division for the purpose of providing driver's license support to a larger population of foster youth than is already served within existing resources. Support services include reimbursement of driver's license issuance costs, fees for driver training education, and motor vehicle liability insurance costs.

(2) The appropriations in this section assume implementation by the department of cost recovery mechanisms to recoup at least \$21,257,000 during the 2021-2023 biennium in credit card and other financial transaction costs as part of charges imposed for driver and vehicle fee transactions. During the 2021-2023 fiscal biennium, the department must report any amounts recovered to the office of financial management and appropriate committees of the legislature on a quarterly basis.

(3) (a) For the 2021-2023 biennium, the department shall charge \$6,600,000 for the administration and collection of a motor vehicle excise tax on behalf of a regional transit authority, as authorized under RCW 82.44.135. The amount in this subsection must be deducted before distributing any revenues to a regional transit authority.

(b) \$100,000 of the motor vehicle account-state appropriation is provided solely for the department to work with the regional transit authority imposing

a motor vehicle excise tax pursuant to RCW 81.104.160 and transportation benefit districts imposing vehicle fees pursuant to RCW 82.80.140, and other relevant parties, to determine cost recovery options for the administration and collection of the taxes and fees. The options must include:

(i) Full cost recovery for the direct and indirect expenses by the department of licensing, subagents, and counties;

(ii) Marginal cost recovery for the direct and indirect expenses by the department of licensing, subagents, and counties;

(iii) The estimated costs if the regional transit authority or transportation benefit districts had to contract out the entire collection and administrative activity with a nongovernmental entity.

(4) \$12,000 of the motorcycle safety education account-state appropriation, \$2,000 of the limited fish and wildlife account-state appropriation, \$728,000 of the highway safety account-state appropriation, \$238,000 of the motor vehicle account-state appropriation, \$10,000 of the ignition interlock device revolving account-state appropriation, and \$10,000 of the department of licensing services account-state appropriation are provided solely for the department to redesign and improve its online services and website, and are subject to the conditions, limitations, and review requirements of section 701 of this act.

(5) \$28,636,000 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 department shall report on a quarterly basis on the use of these funds, associated workload, and information with comparative information with recent comparable months in prior years. The report must include detailed statewide and by licensing service office information on staffing levels, average monthly wait times, the number of enhanced drivers' licenses and enhanced identicards issued/renewed, and the number of primary drivers' licenses and identicards issued/renewed. Within the amounts provided in this subsection, the department shall implement efficiency measures to reduce the time for licensing transactions and wait times including,

but not limited to, the installation of additional cameras at licensing service offices that reduce bottlenecks and align with the "keep your customer" initiative.

(6) \$500,000 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 continue the outreach plan that includes informational material that can be effectively communicated to all communities and populations in Washington. To accomplish this work, the department shall contract with an external vendor with demonstrated experience and expertise in outreach and marketing to underrepresented communities in a culturally responsive fashion.

(7) \$523,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter . . . (Substitute House Bill No. 1207), Laws of 2021 (DOL issued documents). If chapter . . . (Substitute House Bill No. 1207), Laws of 2021 is not enacted by June 30, 2021, the amount provided in this subsection lapses.

(8) \$1,373,000 of the driver licensing technology support account—state appropriation is provided solely for the implementation of chapter . . . (Engrossed Substitute Senate Bill No. 5226), Laws of 2021 (suspension of licenses for traffic infractions). If chapter . . . (Engrossed Substitute Senate Bill No. 5226), Laws of 2021 is not enacted by June 30, 2021, the amount provided in this subsection lapses.

(9) \$23,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter 10 (Engrossed Substitute House Bill No. 1078), Laws of 2021 (restoring voter eligibility after felony conviction).

(10) \$3,074,000 of the abandoned recreational vehicle disposal account—state appropriation is provided solely for providing reimbursements in accordance with the department's abandoned recreational vehicle disposal reimbursement program. It is the intent of the legislature that the department prioritize this funding for allowable and approved reimbursements and not to build a reserve of funds within the account.

During the 2021-2023 fiscal biennium, the department must report any amounts recovered to the office of financial management and appropriate committees of the legislature on a quarterly basis.

(11)(a) \$54,000 of the motor vehicle account—state appropriation is provided solely for the issuance of nonemergency medical transportation vehicle decals to implement the high occupancy vehicle lane access pilot program established in section 216 of this act. A for hire nonemergency medical transportation vehicle is a vehicle that is a "for hire vehicle" under RCW 46.04.190 that provides nonemergency medical transportation, including for life-sustaining transportation purposes, to meet the medical transportation needs of individuals traveling to medical practices and clinics, cancer centers, dialysis facilities, hospitals, and other care providers.

(b) As part of this pilot program, the owner of a for hire nonemergency medical transportation vehicle may apply to the department, county auditor or other agent, or subagent appointed by the director, for a high occupancy vehicle exempt decal for a for hire nonemergency medical transportation vehicle. The high occupancy vehicle exempt decal allows the for hire nonemergency medical transportation vehicle to use a high occupancy vehicle lane as specified in RCW 46.61.165 and 47.52.025 during the 2021-2023 fiscal biennium.

(c) For the exemption in this subsection to apply to a for hire nonemergency medical transportation vehicle, the decal:

(i) Must be displayed on the vehicle so that it is clearly visible from outside the vehicle;

(ii) Must identify that the vehicle is exempt from the high occupancy vehicle requirements; and

(iii) Must be visible from the rear of the vehicle.

(d) The owner of a for hire nonemergency medical transportation vehicle or the owner's representative must apply for a high occupancy vehicle exempt decal on a form provided or approved by the department. The application must include:

(i) The name and address of the person who is the owner of the vehicle;

(ii) A full description of the vehicle, including its make, model, year, and the vehicle identification number;

(iii) The purpose for which the vehicle is principally used;

(iv) An attestation signed by the vehicle's owner or the owner's representative that the vehicle's owner has a minimum of one contract or service agreement to provide for hire transportation services for medical purposes with one or more of the following entities: A health insurance company; a hospital, clinic, dialysis center, or other medical institution; a day care center, retirement home, or group home; a federal, state, or local agency or jurisdiction; or a broker who negotiates these services on behalf of one or more of these entities; and

(v) Other information as required by the department upon application.

(e) The department, county auditor or other agent, or subagent appointed by the director shall collect the fee required under (f) of this subsection when issuing a high occupancy vehicle exempt decal.

(f) The department, county auditor or other agent, or subagent, is required to collect a \$5 fee when issuing a decal under this subsection, in addition to any other fees and taxes required by law.

(g) A high occupancy vehicle exempt decal expires June 30, 2023, and must be marked to indicate its expiration date. The decal may be renewed if the pilot program is continued past the date of a decal's expiration. The status as an exempt vehicle continues until the high occupancy vehicle exempt decal is suspended or revoked for misuse, the vehicle is no longer used as a for hire nonemergency medical transportation vehicle, or the pilot program established in section 216 of this act is terminated.

(h) The department may adopt rules to implement this subsection.

NEW SECTION. Sec. 209. FOR THE DEPARTMENT OF TRANSPORTATION-TOLL OPERATIONS AND MAINTENANCE-PROGRAM B

State Route Number 520 Corridor Account-State

Appropriation \$53,689,000

State Route Number 520 Civil Penalties Account-State

Appropriation \$4,122,000

Tacoma Narrows Toll Bridge Account-State

Appropriation \$29,809,000

Alaskan Way Viaduct Replacement Project Account-State

Appropriation \$20,840,000

Interstate 405 and State Route Number 167 Express

Toll Lanes Account-State Appropriation \$23,910,000

TOTAL APPROPRIATION \$132,370,000

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 \$12,484,000 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) As long as the facility is tolled, the department must provide annual 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.

(3)(a) \$708,000 of the Interstate 405 and state route number 167 express toll lanes account-state appropriation, \$1,651,000 of the state route number 520 corridor account-state appropriation, \$709,000 of the Tacoma Narrows toll bridge account-state appropriation, and \$932,000 of the Alaskan Way viaduct replacement project account-state appropriation are provided solely for the reappropriation of unspent funds on the new tolling back office system from the 2019-2021 biennium, and are subject to the conditions, limitations, and review provided in section 701 of this act.

(b) 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.

(c) The office of financial management shall place the amounts provided in this subsection in unallotted status until the department submits a detailed progress report on the progress of the new tolling back office system. The director of the office of financial management or their designee shall consult with the chairs and ranking members of the transportation committees of the legislature prior to making a decision to allot these funds.

(4) Out of funding appropriated in this section, the department shall contract with the state auditor's office for a performance audit of the department's project to replace its electronic toll collection system. The audit should include an evaluation of the department's project planning, vendor procurement, contract management and project oversight. The final report is to be issued by December 31, 2022. The state auditor will transmit copies of the report to the jurisdictional committees of the legislature and the department.

(5) The department shall make detailed annual reports to the transportation committees of the legislature and the public on the department's web site 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;

(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; and

(e) A summary of toll revenue by facility on all operating toll facilities and express toll lane systems, and an itemized depiction of the use of that revenue.

(6) During the 2021-2023 fiscal biennium, the department plans to issue a request for proposals as the first stage of a competitive procurement process that will replace the toll equipment and select a new tolling operator for the Tacoma Narrows Bridge. The request for proposals and subsequent competitive procurement must incorporate elements that prioritize the overall goal of lowering costs per transaction for the facility, such as incentives for innovative approaches which result in lower transactional costs, requests for efficiencies on the part of the bidder that lower operational costs, and incorporation of technologies such as self-serve credit card machines or other point-of-payment technologies that lower costs or improve operational efficiencies.

(7) \$19,908,000 of the Alaskan Way viaduct replacement project account-state appropriation is provided solely for the new state route number 99 tunnel toll facility's expected share of collecting toll revenues, operating customer services, and maintaining toll collection systems. The legislature expects to see appropriate reductions to the other toll facility accounts once tolling on the new state route number 99 tunnel toll facility stabilizes and any previously incurred costs for start-up of the new facility are charged back to the Alaskan Way viaduct replacement project account. The office of financial management shall closely monitor the application of the cost allocation model and ensure that the new state route

number 99 tunnel toll facility is adequately sharing costs and the other toll facility accounts are not being overspent or subsidizing the new state route number 99 tunnel toll facility.

(8) The department shall submit a plan to the legislature for the Interstate 405 and state route number 167 express toll lanes account detailing how bond proceeds can cover the proposed construction plan on the Interstate 405 and state route number 167 express toll lane corridor outlined on LEAP Transportation Document 2021-1 as developed April 23, 2021, by January 1, 2022.

(9) \$1,516,000 of the state route number 520 corridor account-state appropriation is provided solely for the increased costs of insurance for the state route number 520 floating bridge. The department shall conduct an evaluation of the short and long-term costs and benefits including risk mitigation of self-insurance as compared to the commercial insurance option for the state route number 520 floating bridge, as allowed under the terms of the state route number 520 master bond resolution. By December 15, 2021, the department shall report to the legislature on the results of this evaluation.

(10) As part of the department's 2023-2025 biennial budget request, the department shall update the cost allocation recommendations that assign appropriate costs to each of the toll funds for services provided by relevant Washington state department of transportation programs, the Washington state patrol, and the transportation commission. The recommendations shall be based on updated traffic and toll transaction patterns and other relevant factors.

(11) All amounts provided for operations and maintenance expenses on the SR 520 facility from the state route number 520 corridor account during the 2021-2023 fiscal biennium in this act, up to a maximum of \$59,567,000, are derived from the receipt of federal American rescue plan act of 2021 funds and not toll revenues.

NEW SECTION. Sec. 210. FOR THE DEPARTMENT OF TRANSPORTATION-INFORMATION TECHNOLOGY-PROGRAM C

Transportation Partnership Account-
State Appropriation \$1,377,000

Motor Vehicle Account—State	Appropriation	\$97,026,000
Puget Sound Ferry Operations Account—State		
Appropriation	\$263,000	
Multimodal Transportation Account—State		
Appropriation	\$6,986,000	
Transportation 2003 Account (Nickel Account)—State		
Appropriation	\$1,393,000	
TOTAL APPROPRIATION	\$107,045,000	

The appropriations in this section are subject to the following conditions and limitations: \$4,273,000 of the multimodal transportation account—state appropriation and \$4,273,000 of the motor vehicle account—state appropriation are provided solely for the department's cost related to the one Washington project, and is subject to the conditions, limitations, and review requirements of section 701 of this act.

NEW SECTION. Sec. 211. FOR THE DEPARTMENT OF TRANSPORTATION—FACILITY MAINTENANCE, OPERATIONS, AND CONSTRUCTION—PROGRAM D—OPERATING

Motor Vehicle Account—State	Appropriation	\$35,574,000
State Route Number 520 Corridor Account—State		
Appropriation	\$34,000	
TOTAL APPROPRIATION	\$35,608,000	

NEW SECTION. Sec. 212. FOR THE DEPARTMENT OF TRANSPORTATION—AVIATION—PROGRAM F

Aeronautics Account—State	Appropriation	\$8,055,000
Aeronautics Account—Federal	Appropriation	\$3,916,000
Aeronautics Account—Private/Local	Appropriation	\$60,000
TOTAL APPROPRIATION	\$12,031,000	

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

(1) \$2,888,000 of the aeronautics account—state appropriation is provided solely for the airport aid grant program, which provides competitive grants to

public use airports for pavement, safety, maintenance, planning, and security.

(2) \$257,000 of the aeronautics account—state appropriation is provided solely for supporting the commercial aviation coordinating commission, pursuant to section 718 of this act.

(3) \$280,000 of the aeronautics account—state appropriation is provided solely for the implementation of chapter . . . (Substitute House Bill No. 1379), Laws of 2021 (unpiloted aircraft system state coordinator). If chapter . . . (Substitute House Bill No. 1379), Laws of 2021 is not enacted by June 30, 2021, the amount provided in this subsection lapses.

NEW SECTION. Sec. 213. FOR THE DEPARTMENT OF TRANSPORTATION—PROGRAM DELIVERY MANAGEMENT AND SUPPORT—PROGRAM H

Motor Vehicle Account—State	Appropriation	\$59,138,000
Motor Vehicle Account—Federal	Appropriation	\$500,000
Multimodal Transportation Account—State	Appropriation	\$758,000
TOTAL APPROPRIATION	\$60,396,000	

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

(1) 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 (1), 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.

(2) With respect to Parcel 12 of the real property conveyed by the state of Washington to the city of Mercer Island under that certain quitclaim deed, dated April 19, 2000, recorded in King county under recording no. 20000425001234, the requirement in the deed that the property be used for road/street purposes only will be deemed satisfied by the department of transportation so long as commuter parking, as part of the vertical development of the property, is one of the significant uses of the property.

(3) \$1,600,000 of the motor vehicle account-state appropriation is provided solely for real estate services activities. Consistent with RCW 47.12.120 and during the 2021-2023 fiscal biennium, when initiating, extending, or renewing any rent or lease agreements with a regional transit authority, consideration of value must be equivalent to one hundred percent of economic or market rent.

(4) The department shall report to the transportation committees of the legislature by December 1, 2021, on the status of its efforts to consolidate franchises for broadband facilities across the state, including plans for increasing the number of consolidated franchises in the future.

(5) During the 2021-2023 biennium, if the department takes possession of the property situated in the city of Edmonds for which a purchase agreement was

executed between Unocal and the department in 2005 (Tax Parcel Number 262703-2-003-0009), and if the department confirms that the property is still no longer needed for transportation purposes, the department shall provide the city of Edmonds with the right of first purchase at fair market value in accordance with RCW 47.12.063(3) for the city's intended use of the property to rehabilitate near-shore habitat for salmon and related species.

(6) \$300,000 of the motor vehicle account-state appropriation is provided solely for the implementation of chapter . . . (Substitute House Bill No. 1355), Laws of 2021 (noxious weeds). If chapter . . . (Substitute House Bill No. 1355), Laws of 2021 (noxious weeds) is not enacted by June 30, 2021, the amount provided in this subsection lapses.

(7) \$500,000 of the multimodal transportation account-state appropriation is provided solely for the implementation of chapter . . . (Engrossed Second Substitute Senate Bill No. 5141), Laws of 2021 (environmental justice task force). If chapter . . . (Engrossed Second Substitute Senate Bill No. 5141), Laws of 2021 (environmental justice task force) is not enacted by June 30, 2021, the amount provided in this subsection lapses.

NEW SECTION. Sec. 214. FOR THE DEPARTMENT OF TRANSPORTATION-PUBLIC-PRIVATE PARTNERSHIPS-PROGRAM K

Motor Vehicle Account-State Appropriation	\$675,000
Electric Vehicle Account-State Appropriation	\$9,900,000
Multimodal Transportation Account-State Appropriation	\$3,290,000
TOTAL APPROPRIATION	\$13,865,000

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

(1) The public-private partnerships program must continue to explore retail partnerships at state-owned park and ride facilities, as authorized in RCW 47.04.295.

(2) \$8,900,000 of the electric vehicle account-state appropriation is provided solely for the clean alternative fuel vehicle charging and refueling infrastructure program in chapter 287,

Laws of 2019 (advancing green transportation adoption).

(3) \$2,400,000 of the multimodal transportation account-state appropriation is provided solely for the pilot program established under chapter 287, Laws of 2019 (advancing green transportation adoption) to provide clean alternative fuel vehicle use opportunities to underserved communities and low to moderate income members of the workforce not readily served by transit or located in transportation corridors with emissions that exceed federal or state emissions standards. Consistent with the geographical diversity element described in RCW 47.04.355(4), the legislature strongly encourages the department to consider implementing the pilot in both urban and rural communities if possible, to obtain valuable information on the needs of underserved communities located in different geographical locations in Washington.

(4) \$1,000,000 of the electric vehicle account-state appropriation and \$500,000 of the multimodal transportation account-state appropriation are provided solely for a colocated DC fast charging and hydrogen fueling station near the Wenatchee or East Wenatchee area near a state route or near or on a publicly owned facility to service passenger, light-duty and heavy-duty vehicles. The hydrogen fueling station must include a DC fast charging station colocated at the hydrogen fueling station site. Funds may be used for one or more fuel cell electric vehicles that would utilize the fueling stations. The department must contract with a public utility district that produces hydrogen in the area to own and/or manage and provide technical assistance for the design, planning, permitting, construction, maintenance and operation of the hydrogen fueling station. The department and public utility district are encouraged to collaborate with and seek contributions from additional public and private partners for the fueling station.

(5) \$140,000 of the multimodal transportation account-state appropriation is provided solely for the purpose of conducting an assessment of options for the development, including potential features and costs, for a publicly available mapping and forecasting tool that provides locations and essential information of charging and refueling infrastructure to support

forecasted levels of electric vehicle adoption, travel, and usage across Washington state as described in chapter . . . (Engrossed Second Substitute House Bill No. 1287), Laws of 2021 (preparedness for a zero emissions transportation future).

(6) \$250,000 of the multimodal transportation account-state appropriation is provided solely to fund the design of an electric charging mega-site project at Mount Vernon library commons.

NEW SECTION. Sec. 215. FOR THE DEPARTMENT OF TRANSPORTATION-HIGHWAY MAINTENANCE-PROGRAM M

Motor Vehicle	Account-State	
Appropriation	\$496,925,000	
Motor Vehicle	Account-Federal	
Appropriation	\$7,000,000	
State Route Number 520	Corridor	
Account-State		
Appropriation	\$4,082,000	
Tacoma Narrows Toll Bridge	Account-State	
Appropriation	\$1,479,000	
Alaskan Way Viaduct Replacement		
Project		
Account-State		Appropriation
\$8,157,000		
Interstate 405 and State Route Number 167 Express		
Toll Lanes Account-State	Appropriation	
\$2,545,000		
TOTAL APPROPRIATION	\$520,188,000	

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

(1) \$7,529,000 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. Plan and reporting requirements as required in chapter 435, Laws of 2019 (Local Stormwater Charges) shall be consistent with the January 2012 findings of the Joint Transportation Committee Report for Effective Cost Recovery Structure for WSDOT, Jurisdictions, and Efficiencies in Stormwater Management.

(2) \$5,000,000 of the motor vehicle account-state appropriation is provided

solely for a contingency pool for snow and ice removal. The department must notify the office of financial management and the transportation committees of the legislature when they have spent the base budget for snow and ice removal and will begin using the contingency pool funding.

(3) \$1,025,000 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 at levels above that being implemented as of January 1, 2019, to be administered in conjunction with subsection (9) of this section. The department must maintain a crew dedicated solely to collecting and disposing of garbage, clearing debris or hazardous material, and implementing safety improvements where hazards exist to the traveling public, department employees, or people encamped upon department-owned rights-of-way. The department may request assistance from the Washington state patrol as necessary in order for both agencies to provide enhanced safety-related activities regarding the emergency hazards along state highway rights-of-way in the Seattle area.

(4) \$1,015,000 of the motor vehicle account-state appropriation is provided solely for a partnership program between the department and the city of Tacoma, to be administered in conjunction with subsection (9) of this section. The program shall address the safety and public health problems created by homeless encampments on the department's property along state highways within the city limits. \$570,000 is for dedicated department maintenance staff and associated clean-up costs. The department and the city of Tacoma shall enter into a reimbursable agreement to cover up to \$445,000 of the city's expenses for clean-up crews and landfill costs.

(5) The department must continue a pilot program for the 2021-2023 fiscal biennium at the four highest demand safety rest areas to create and maintain an online calendar for volunteer groups to check availability of weekends for the free coffee program. The calendar must be updated at least weekly and show dates and times that are, or are not, available to participate in the free coffee program. The department must submit a report to the legislature on the ongoing pilot by December 1, 2022, outlining the

costs and benefits of the online calendar pilot, and including surveys from the volunteer groups and agency staff to determine its effectiveness.

(6) \$686,000 of the motor vehicle account-state appropriation is provided solely for reimbursing the Oregon department of transportation (ODOT) for the department's share of increased maintenance costs of six highway bridges over the Columbia River that are maintained by ODOT.

(7) \$8,290,000 of the motor vehicle account-state appropriation is provided solely for increased costs of highway maintenance materials.

(8) \$5,816,000 of the motor vehicle account-state appropriation is provided solely for a contingency pool for repairing damages to highways caused by known and unknown third parties. The department must notify the office of financial management and the transportation committees of the legislature when they have spent the base budget for third-party damage repair and will begin using the contingency pool funding.

(9) (a) \$3,000,000 of the motor vehicle account-state appropriation is provided solely for the department to address the risks to safety and public health associated with homeless encampments on department owned rights-of-way. The department must coordinate and work with local government officials and social service organizations who provide services and direct people to housing alternatives that are not in highway rights-of-way to help prevent future encampments from forming on highway rights-of-way, and may reimburse the organizations doing this outreach assistance who transition people into treatment or housing that is not on the rights-of-way or for debris clean up on highway rights-of-way. The department may hire crews specializing in collecting and disposing of garbage, clearing debris or hazardous material, and implementing safety improvements where hazards exist to the traveling public and department employees. The department may use these funds to either reimburse local law enforcement costs or the Washington state patrol if they are participating as part of a state or local government agreement to provide enhanced safety related activities along state highway rights-of-way.

(b) Beginning October 1, 2021, and semiannually thereafter, the Washington state patrol and the department of transportation must jointly submit a report to the governor and the house and senate transportation committees of the legislature on the status of these efforts, including:

(i) A detailed breakout of the size, location, risk level categorization, and number of encampments on or near department-owned rights-of-way, compared to the levels during the quarter being reported;

(ii) A summary of the activities in that quarter related to addressing these encampments, including information on arrangements with local governments or other entities related to these activities;

(iii) A description of the planned activities in the ensuing quarter to further address the emergency hazards and risks along state highway rights-of-way; and

(iv) Recommendations for executive branch or legislative action to achieve the desired outcome of reduced emergency hazards and risks along state highway rights-of-way.

NEW SECTION. Sec. 216. FOR THE DEPARTMENT OF TRANSPORTATION—TRAFFIC OPERATIONS—PROGRAM Q—OPERATING

Motor Vehicle Account—State Appropriation	\$74,406,000
Motor Vehicle Account—Federal Appropriation	\$2,050,000
Motor Vehicle Account—Private/Local Appropriation	\$250,000
State Route Number 520 Corridor Account—State Appropriation	\$225,000
Tacoma Narrows Toll Bridge Account—State Appropriation	\$40,000
Alaskan Way Viaduct Replacement Project Account—State Appropriation	\$1,112,000
Interstate 405 and State Route Number 167 Express Toll Lanes Account—State Appropriation	\$20,000
TOTAL APPROPRIATION	\$78,103,000

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)(a) During the 2021–2023 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: (i) Auto transportation company vehicles regulated under chapter 81.68 RCW; (ii) 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; (iii) private nonprofit transportation provider vehicles regulated under chapter 81.66 RCW; and (iv) 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.

(b) The department shall expand the high occupancy vehicle lane access pilot program to vehicles that deliver or collect blood, tissue, or blood components for a blood-collecting or distributing establishment regulated under chapter 70.335 RCW. Under the pilot program, when the department reserves a portion of a highway based on the number of passengers in a vehicle, blood-collecting or distributing establishment

vehicles that are clearly and identifiably marked as such on all sides of the vehicle are considered emergency vehicles and must be authorized to use the reserved portion of the highway.

(c) The department shall expand the high occupancy vehicle lane access pilot program to organ transport vehicles transporting a time urgent organ for an organ procurement organization as defined in RCW 68.64.010. Under the pilot program, when the department reserves a portion of a highway based on the number of passengers in a vehicle, organ transport vehicles that are clearly and identifiably marked as such on all sides of the vehicle are considered emergency vehicles and must be authorized to use the reserved portion of the highway.

(d) The department shall expand the high occupancy vehicle lane access pilot program to 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. Under the pilot program, when the department reserves a portion of a highway based on the number of passengers in a vehicle, wheelchair-accessible taxicabs that are clearly and identifiably marked as such on all sides of the vehicle are considered public transportation vehicles and must be authorized to use the reserved portion of the highway.

(e) The department shall expand the high occupancy vehicle lane access pilot program to for hire nonemergency medical transportation vehicles, when in use for medical purposes, as described in section 208 of this act. Under the pilot program, when the department reserves a portion of a highway based on the number of passengers in a vehicle, nonemergency medical transportation vehicles that meet the requirements identified in section 208 of this act must be authorized to use the reserved portion of the highway.

(f) Nothing in this subsection (2) is intended to exempt these vehicles from paying tolls when they do not meet the occupancy requirements established by the department for express toll lanes.

Motor Vehicle	Account-State
Appropriation	\$37,361,000
Motor Vehicle	Account-Federal
Appropriation	\$780,000
Motor Vehicle	Account-Private/Local
Appropriation	\$500,000
Multimodal Transportation	Account-State
Appropriation	\$5,129,000
State Route Number 520	Corridor
Account-State	
Appropriation	\$186,000
Tacoma Narrows Toll Bridge	Account-State
Appropriation	\$150,000
Alaskan Way Viaduct Replacement	Project Account-
State Appropriation	\$121,000
Interstate 405 and State Route Number 167 Express	
Toll Lanes Account-State	Appropriation
	\$77,000
TOTAL APPROPRIATION	\$44,304,000

The appropriations in this section are subject to the following conditions and limitations: \$4,000,000 of the multimodal transportation account-state appropriation is provided solely for efforts to increase diversity in the transportation construction workforce through: (1) The preapprenticeship support services (PASS) program, which aims to increase diversity in the highway construction workforce and prepare individuals interested in entering the highway construction workforce. In addition to the services allowed by RCW 47.01.435, the PASS program may provide housing assistance for youth aging out of the foster care and juvenile rehabilitation systems in order to support the participation of these youth in a transportation-related preapprenticeship program; (2) assisting minority and women-owned businesses to perform work in the highway construction industry. This assistance shall include technical assistance, business training, counseling, guidance, prime to subcontractor relationship building, and a capacity building mentorship program. At a minimum, \$1,000,000 of the total appropriation in this subsection shall be directed toward the efforts outlined in subsection (2) of this section. The

NEW SECTION. Sec. 217. FOR THE DEPARTMENT OF TRANSPORTATION-TRANSPORTATION MANAGEMENT AND SUPPORT-PROGRAM S

provider(s) chosen to complete the work in this subsection shall be selected through a competitive bidding process. The program shall be administered by the Washington state department of transportation's office of equal opportunity.

NEW SECTION. Sec. 218. FOR THE DEPARTMENT OF TRANSPORTATION—TRANSPORTATION PLANNING, DATA, AND RESEARCH—PROGRAM T

Motor Vehicle Account—State Appropriation	\$27,057,000
Motor Vehicle Account—Federal Appropriation	\$34,865,000
Motor Vehicle Account—Private/Local Appropriation	\$400,000
Multimodal Transportation Account—State Appropriation	\$919,000
Multimodal Transportation Account—Federal Appropriation	\$2,809,000
Multimodal Transportation Account—Private/Local Appropriation	\$100,000
State Route Number 520 Corridor Account—State Appropriation	\$406,000
Interstate 405 and State Route Number 167 Express Toll Lanes Account—State Appropriation	\$2,879,000
TOTAL APPROPRIATION	\$69,435,000

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

(1) \$4,080,000 of the motor vehicle account—federal appropriation is provided solely for the Forward Drive road usage charge research project overseen by the transportation commission using a portion of the amount of the federal grant award. The purpose of the Forward Drive road usage charge research project is to advance research in key policy areas related to road usage charge including assessing impacts of future mobility shifts on road usage charge revenues, conducting an equity analysis, updating and assessing emerging mileage reporting methods, determining opportunities to reduce cost of collection, conducting small-scale

pilot tests, and identifying a long-term, detailed phase-in plan.

(2) \$2,879,000 of the Interstate 405 and state route number 167 express toll lanes account—state appropriation is provided solely for completion of updating the state route number 167 master plan.

(3) \$250,000 of the multimodal transportation account—state appropriation is provided solely for the department to partner with the department of commerce in developing vehicle miles traveled targets for the counties in Washington state with (a) a population density of at least 100 people per square mile and a population of at least 200,000; or (b) a population density of at least 75 people per square mile and an annual growth rate of at least 1.75 percent as determined by the office of financial management. Given land use patterns are key factors in travel demand and should be taken into consideration when developing the targets, the department and the department of commerce shall partner with local jurisdictions, regional transportation planning organizations and other stakeholders to inventory existing laws and rules that promote transportation and land use, identify gaps and make recommendations for changes in laws, rules and agency guidance, and establish a framework for considering underserved and rural communities in the evaluation. The department and the department of commerce shall provide an initial technical report by December 31, 2021, an interim report by June 22, 2022, and a final report to the governor and appropriate committees of the legislature by June 30, 2023, that includes a process for establishing vehicle miles traveled reduction targets, a recommended suite of options for local jurisdictions to achieve the targets, and funding requirements for state and local jurisdictions.

(4) \$406,000 of the state route number 520 corridor account—state appropriation is provided solely for the department to contract with the University of Washington department of mechanical engineering, to study measures to reduce noise impacts from the state route number 520 bridge expansion joints. The field testing shall be scheduled during existing construction, maintenance, or other scheduled closures to minimize impacts. The testing must also ensure safety of the traveling public. The study

shall examine testing methodologies and project timelines and costs. A final report must be submitted to the transportation committees of the legislature and the governor by March 1, 2022.

(5) \$5,900,000 of the motor vehicle account—federal appropriation and \$400,000 of the motor vehicle account—private/local appropriation are provided solely for delivery of the department's state planning and research work program and pooled fund research projects, provided that the department may not expend any amounts provided in this section on a long-range plan or corridor scenario analysis for I-5 from Tumwater to Marysville. This is not intended to reference or impact: The existing I-5 corridor from Mounts road to Tumwater design and operations alternatives analysis; design studies related to HOV lanes or operations; or where it is necessary to continue design and operations analysis related to projects already under development.

(6) \$800,000 of the motor vehicle account—state appropriation is provided solely for WSDOT to do a corridor study of SR 302 (Victor Area) to recommend safety and infrastructure improvements to address current damage and prevent future roadway collapse and landslides that have caused road closures.

(7) \$1,000,000 of the motor vehicle account—state appropriation is provided solely for a study on the need for additional connectivity in the area between SR 161, SR 7, SR 507, and I-5 in South Pierce County.

NEW SECTION. Sec. 219. FOR THE DEPARTMENT OF TRANSPORTATION—CHARGES FROM OTHER AGENCIES—PROGRAM U

Aeronautics Account—State
Appropriation \$1,000

Transportation Partnership Account—
State Appropriation \$23,000

Motor Vehicle Account—State
Appropriation \$99,515,000

Puget Sound Ferry Operations Account—
State Appropriation \$220,000

State Route Number 520 Corridor
Account—State Appropriation
\$26,000

Connecting Washington Account—State
Appropriation \$184,000

Multimodal Transportation Account—
State

Appropriation \$4,795,000

Tacoma Narrows Toll Bridge Account—
State Appropriation \$19,000

Alaskan Way Viaduct Replacement
Project Account—State

Appropriation \$14,000

Interstate 405 and State Route Number
167 Express

Toll Lanes Account—State Appropriation
\$15,000

TOTAL APPROPRIATION \$104,812,000

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

(1) Consistent with existing protocol and practices, for any negotiated settlement of a claim against the state for the department that exceeds five million dollars, the department, in conjunction with the attorney general and the department of enterprise services, shall notify the director of the office of financial management and the transportation committees of the legislature.

(2) Beginning October 1, 2021, and semiannually thereafter, the department, in conjunction with the attorney general and the department of enterprise services, shall provide a report with judgments and settlements dealing with the Washington state ferry system to the director of the office of financial management and the transportation committees of the legislature. The report must include information on: (a) The number of claims and settlements by type; (b) the average claim and settlement by type; (c) defense costs associated with those claims and settlements; and (d) information on the impacts of moving legal costs associated with the Washington state ferry system into the statewide self-insurance pool.

(3) Beginning October 1, 2021, and semiannually thereafter, the department, in conjunction with the attorney general and the department of enterprise services, shall provide a report with judgments and settlements dealing with the nonferry operations of the department to the director of the office of financial management and the transportation committees of the legislature. The report must include

information on: (a) The number of claims and settlements by type; (b) the average claim and settlement by type; and (c) defense costs associated with those claims and settlements.

(4) When the department identifies significant legal issues that have potential transportation budget implications, the department must initiate a briefing for appropriate legislative members or staff through the office of the attorney general and its legislative briefing protocol.

NEW SECTION. Sec. 220. FOR THE DEPARTMENT OF TRANSPORTATION—PUBLIC TRANSPORTATION—PROGRAM V

State Vehicle Parking Account—State
Appropriation \$784,000

Regional Mobility Grant Program
Account—State
Appropriation \$104,478,000

Rural Mobility Grant Program Account—
State
Appropriation \$33,168,000

Multimodal Transportation Account—
State
Appropriation \$131,150,000

Multimodal Transportation Account—
Federal
Appropriation \$3,574,000

Multimodal Transportation Account—
Local
Appropriation \$100,000

TOTAL APPROPRIATION \$273,254,000

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

(1) \$67,821,000 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) \$15,568,000 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. Fuel type may not be a factor in the grant selection process.

(b) \$52,253,000 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 2019 as reported in the "Summary of Public Transportation - 2019" published by the department of transportation. No transit agency may receive more than thirty percent of these distributions. Fuel type may not be a factor in the grant selection process.

(2) \$33,168,000 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. Fuel type may not be a factor in the grant selection process.

(3) \$2,000,000 of the multimodal transportation account—state appropriation is provided solely for a vanpool grant program for: (a) Public transit agencies to add vanpools or replace vans; and (b) incentives for employers to increase employee vanpool use. The grant program for public transit agencies may 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. Fuel type may not be a factor in the grant selection process.

(4) \$26,800,000 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 2021-2 ALL PROJECTS as developed April 23, 2021,

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 2021-2 ALL PROJECTS as developed April 23, 2021, 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, 2021, and December 15, 2022, 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. Additionally, when allocating funding for the 2023-2025 biennium, no more than thirty percent of the total grant program may directly benefit or support one grantee. 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. Fuel type may not be a factor in the grant selection process.

(b) In order to be eligible to receive a grant under (a) of this subsection during the 2021-2023 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) \$6,500,000 of the multimodal transportation account-state appropriation and \$784,000 of the state vehicle parking account-state appropriation are provided solely for CTR grants and activities. Fuel type may not be a factor in the grant selection process. Of this amount:

(a) \$30,000 of the state vehicle parking account-state appropriation is provided solely for the STAR pass program for state employees residing in Mason and Grays Harbor Counties. Use of the pass is for public transportation between Mason County and Thurston County, and Grays Harbor and Thurston County. The pass may also be used within Grays Harbor County. The STAR pass commute trip reduction program is open to any state employee who expresses intent to commute to his or her assigned state worksite using a public transit system currently participating in the STAR pass program.

(b) \$800,000 of the multimodal transportation account-state appropriation is provided solely for continuation of the first mile/last mile connections grant program. Eligible grant recipients include cities, businesses, nonprofits, and transportation network companies with first mile/last mile solution proposals. Transit agencies are not eligible. The commute trip reduction board shall develop grant parameters, evaluation criteria, and evaluate grant proposals. The commute trip reduction board shall provide the transportation committees of the legislature a report on the effectiveness of this grant program and best practices for continuing the program.

(8) Except as provided otherwise in this subsection, \$28,263,000 of the multimodal transportation account-state

appropriation is provided solely for connecting Washington transit projects identified in LEAP Transportation Document 2021-2 ALL PROJECTS as developed April 23, 2021. 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) The department shall not require more than a ten percent match from nonprofit transportation providers for state grants.

(10) \$21,858,000 of the multimodal transportation account-state appropriation is provided solely for the green transportation capital grant program established in chapter 287, Laws of 2019 (advancing green transportation adoption).

(11) \$555,000 of the multimodal transportation account-state appropriation is provided solely for an interagency transfer to the Washington State University extension energy program to establish and administer a technical assistance and education program for public agencies on the use of alternative fuel vehicles. The Washington State University extension energy program shall prepare a report regarding the utilization of the program and provide this report to the transportation committees of the legislature by November 15, 2021.

(12) The department must provide telework assistance to employers as part of its CTR activities. The objectives of telework assistance include improving transportation system performance, supporting economic vitality, and increasing equity and access to opportunity.

(13) \$150,000 of the multimodal transportation account-state appropriation is provided solely for Intercity Transit for the Dash shuttle program.

NEW SECTION. Sec. 221. FOR THE DEPARTMENT OF TRANSPORTATION-MARINE-PROGRAM X

Puget Sound Ferry Operations Account-State

Appropriation \$416,614,000

Puget Sound Ferry Operations Account-Federal

Appropriation \$124,000,000

Puget Sound Ferry Operations Account-Private/Local

Appropriation \$121,000

TOTAL APPROPRIATION \$540,735,000

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 2021-2023 supplemental and 2023-2025 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. The data in the tables in the report must be supplied in a digital file format.

(2) For the 2021-2023 fiscal biennium, the department may enter into a distributor controlled fuel hedging program and other methods of hedging approved by the fuel hedging committee, which must include a representative of the department of enterprise services.

(3) \$17,000,000 of the Puget Sound ferry operations account-federal appropriation and \$53,794,000 of the Puget Sound ferry operations account-state appropriation are provided solely for auto ferry vessel operating fuel in the 2021-2023 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. The department shall review future use of alternative fuels and dual fuel configurations, including hydrogen.

(4) \$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.

(5) \$2,400,000 of the Puget Sound ferry operations account-state appropriation is provided solely for staffing and overtime expenses incurred by engine and deck crewmembers. The department must provide updated staffing cost estimates for fiscal years 2022 and 2023 with its annual budget submittal and updated estimates by January 1, 2022.

(6) \$688,000 of the Puget Sound ferry operations account-state appropriation is provided solely for new employee training. The department must work to increase its outreach and recruitment of populations underrepresented in maritime careers and continue working to expand apprenticeship and internship programs, with an emphasis on programs that are shown to improve recruitment for positions with the state ferry system.

(7) The department must request reimbursement from the federal transit administration for the maximum amount of ferry operating expenses eligible for reimbursement under federal law.

(8) \$1,978,000 of the Puget Sound ferry operations account-state appropriation is provided solely for restoration of service to reflect increased ridership, availability of crewing and available revenues. Expenditures may be made to resume service to Sidney, British Columbia, including any service to the San Juans; to provide Saturday service on the Fauntleroy-Vashon-Southworth route; and to resume late night service on other routes in the system.

(9) Within amounts provided in this section, the department shall contract with uniformed officers for additional traffic control assistance at the Kingston ferry terminal during peak ferry travel times, with a particular focus on Sundays and holiday weekends. Traffic control methods should include, but not be limited to, holding traffic on the shoulder at Lindvog Road until space opens for cars at the tollbooths and dock, and management of traffic on Highway 104 in order to ensure Kingston residents and business owners have access to businesses, roads, and driveways.

(10) \$336,000 of the Puget Sound ferry operations account-state appropriation

is provided solely for evacuation slide training.

(11) \$336,000 of the Puget Sound ferry operations account-state appropriation is provided solely for fall restraint labor and industries inspections.

(12) \$735,000 of the Puget Sound ferry operations account-state appropriation is provided solely for familiarization for new assignments of engine crew and terminal staff.

(13) \$160,000 of the Puget Sound ferry operations account-state appropriation is provided solely for electronic navigation training.

NEW SECTION. Sec. 222. FOR THE DEPARTMENT OF TRANSPORTATION-RAIL-PROGRAM Y-OPERATING

Multimodal Transportation Account-State		
Appropriation	\$80,704,000	
Multimodal Transportation Account-Private/Local		
Appropriation	\$46,000	
Multimodal Transportation Account-Federal		
Appropriation	\$500,000	
TOTAL APPROPRIATION	\$81,250,000	

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

(1) The department is directed to continue to pursue efforts to reduce costs, increase ridership, and review Amtrak Cascades fares and fare schedules. Within thirty days of each annual cost/revenue reconciliation under the Amtrak service contract, the department shall report annual credits to the office of financial management and the legislative transportation committees. Annual credits from Amtrak to the department including, but not limited to, credits due to higher ridership, reduced level of service, and fare or fare schedule adjustments, must be used to offset corresponding amounts of the multimodal transportation account-state appropriation, which must be placed in reserve.

(2) Consistent with the ongoing planning and service improvement for the intercity passenger rail program, \$500,000 of the multimodal transportation account-state is provided

solely for the Cascades service development plan. This funding is to be used to analyze current and future market conditions and to develop a structured assessment of service options and goals based on anticipated demand and the results of the state and federally required 2019 state rail plan, including identifying implementation alternatives to meet the future service goals for the Amtrak Cascades route. The work must be consistent with federal railroad administration guidance and direction on developing service development plans. It must also leverage the \$500,000 in federal funding appropriated for development of a service development plan and comply with the planning and grant award obligations of the consolidated rail infrastructure and safety improvements (CRISI) program. A status report must be provided to the transportation committees of the legislature by June 30, 2022.

NEW SECTION. Sec. 223. FOR THE DEPARTMENT OF TRANSPORTATION—LOCAL PROGRAMS—PROGRAM Z—OPERATING

Motor Vehicle Account—State Appropriation	\$11,954,000
Motor Vehicle Account—Federal Appropriation	\$2,567,000
Multiuse Roadway Safety Account—State Appropriation	\$900,000
TOTAL APPROPRIATION	\$15,421,000

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

(1) The entire multiuse roadway safety account—state appropriation is provided solely for grants under RCW 46.09.540, subject to the following limitations:

(a) Twenty-five percent of the amounts provided are reserved for counties that each have a population of fifteen thousand persons or less; and

(b)(i) Seventy-five percent of the amounts provided are reserved for counties that each have a population exceeding fifteen thousand persons; and

(ii) No county that receives a grant or grants under (a) of this subsection may receive more than sixty thousand dollars in total grants.

(2) \$1,023,000 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:

(a) In coordination with stakeholders, identify county-owned fish passage barriers, and assess which barriers share the same stream system as state-owned fish passage barriers;

(b) Streamline and update the county road administration board's data dashboard, county reporting systems, and program management software to provide a more detailed, more transparent, and user-friendly platform for data management, reporting, and research by the public and other interested parties; and

(c) Conduct a study of the use of county road right-of-way as a potential source of revenue for county road operating and maintenance needs with recommendations on their feasibility statewide.

(3)(a) By October 1, 2021, the department must report to the office of financial management and the transportation committees with recommendations regarding:

(i) Modifications to the agreement with Wahkiakum county regarding future state reimbursement for the Wahkiakum ferry operating and maintenance deficit; and

(ii) Cost-sharing models for operating and maintenance costs, which recognize the benefit of the ferry route to both Washington and Oregon.

(b) The reimbursement recommendations must reflect a mutual agreement with Wahkiakum county, which considers future county ferry operating loss projections. The report may address the importance of the ferry route to the state highway system and whether there is a need for an increased role for the state department of transportation in the finance or operation of the ferry route.

TRANSPORTATION AGENCIES—CAPITAL

NEW SECTION. Sec. 301. FOR THE FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD

Freight Mobility Investment Account— State Appropriation	\$16,577,000
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Freight Mobility Multimodal Account—
State

Appropriation \$15,195,000

TOTAL APPROPRIATION \$31,772,000

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

(1) Except as otherwise provided in this section, the entire appropriations in this section are provided solely for the projects by amount, as listed in the LEAP Transportation Document 2021-2 ALL PROJECTS as developed April 23, 2021, Freight Mobility Strategic Investment Board (FMSIB).

(2) Until directed by the legislature, the board may not initiate a new call for projects.

(3) It is the intent of the legislature to continue to make strategic investments in a statewide freight mobility transportation system with the help of the freight mobility strategic investment board, including projects that mitigate the impact of freight movement on local communities. To that end, and in coordination with WSDOT as it updates its federally-compliant freight plan, the board is directed to identify the highest priority freight investments for the state, across freight modes, state and local jurisdictions, and regions of the state. By December 1, 2021, the board must submit a preliminary report providing a status update on the process and methodology for identifying and prioritizing investments. By December 1, 2022, the board must submit a prioritized list of freight investments that are geographically balanced across the state and can proceed to construction in a timely manner. The prioritized freight project list for the state portion of national highway freight program funds must first address shortfalls in funding for connecting Washington act projects.

(4)(a) For the 2021-2023 project appropriations, unless otherwise provided in this act, the director of the office of financial management may authorize a transfer of appropriation authority between projects managed by the freight mobility strategic investment board in order for the board to manage project spending and support the efficient and timely delivery of all projects in the program. The office of financial management may authorize a

transfer of appropriation authority between projects under the following conditions and limitations:

(i) 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;

(ii) 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 on the LEAP Transportation Document 2021-2 ALL PROJECT list;

(iii) Transfers between projects may be made by the board without the formal written approval provided under this subsection (3)(a), provided that the transfer amount does not exceed \$250,000 or 10 percent of the total project, whichever is less. These transfers must be reported to the director of the office of financial management and the chairs of the house of representatives and senate transportation committees; and

(iv) Except for transfers made under (a)(iii) of this subsection, transfers may only be made in fiscal year 2023.

(b) At the time the board submits a request to transfer funds under this section, a copy of the request must be submitted to the chairs and ranking members of the transportation committees of the legislature.

(c) 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 and consider any concerns raised by the chairs and ranking members of the transportation committees.

(d) No fewer than 10 days after the receipt of a project transfer request, the director of the office of financial management must provide written notification to the board of any decision regarding project transfers, with copies submitted to the transportation committees of the legislature.

**NEW SECTION. Sec. 302. FOR THE
WASHINGTON STATE PATROL**

State Patrol Highway Account—State
Appropriation \$4,196,000

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

(1) \$695,000 of the state patrol highway account-state appropriation is provided solely for roof replacement.

(2) \$3,501,000 of the state patrol highway account-state appropriation is provided solely for the following projects:

(a) \$250,000 for emergency repairs;

(b) \$350,000 for fuel tank decommissioning;

(c) \$750,000 for generator and electrical replacement;

(d) \$195,000 for the exterior envelope of the Yakima office;

(e) \$466,000 for equipment shelters;

(f) \$650,000 for the weatherization projects;

(g) \$200,000 for roof replacements reappropriation; and

(h) \$640,000 for water and fire suppression systems reappropriation.

(3) The Washington state patrol may transfer funds between projects specified in this subsection to address cash flow requirements. If a project specified in this subsection is completed for less than the amount provided, the remainder may be transferred to another project specified in this subsection not to exceed the total appropriation provided in this subsection.

NEW SECTION. Sec. 303. FOR THE COUNTY ROAD ADMINISTRATION BOARD

Rural Arterial Trust Account-State
Appropriation \$55,028,000

Motor Vehicle Account-State
Appropriation \$1,456,000

County Arterial Preservation Account-State

Appropriation \$37,379,000

TOTAL APPROPRIATION \$93,863,000

NEW SECTION. Sec. 304. FOR THE TRANSPORTATION IMPROVEMENT BOARD

Small City Pavement and Sidewalk Account-State

Appropriation \$4,100,000

Transportation Improvement Account-State

Appropriation \$201,000,000

Complete Streets Grant Program
Account-State

Appropriation \$14,670,000

TOTAL APPROPRIATION \$219,770,000

The appropriations in this section are subject to the following conditions and limitations: \$2,500,000 of the transportation improvement account-state appropriation is provided solely for the Relight Washington Program. The transportation improvement board shall conduct a comparative analysis of expanding the Relight Washington Program to all cities that are not currently eligible compared to utilizing the same funding amount for other preservation programs administered by the transportation improvement board. If needed to perform this analysis, the transportation improvement board shall gather additional information on the demand and return on investment from a follow up survey to cities currently ineligible for the Relight Washington Program. The transportation improvement board shall report the results of the analysis to the governor and the transportation committees of the legislature by January 1, 2022.

NEW SECTION. Sec. 305. FOR THE DEPARTMENT OF TRANSPORTATION-FACILITIES-PROGRAM D-(DEPARTMENT OF TRANSPORTATION-ONLY PROJECTS)-CAPITAL

Motor Vehicle Account-State
Appropriation \$10,852,000

Connecting Washington Account-State
Appropriation \$3,289,000

TOTAL APPROPRIATION \$14,141,000

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

(1) \$3,289,000 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) (a) \$4,325,000 of the motor vehicle account-state appropriation is provided solely for payments of a financing contract issued pursuant to chapter 39.94 RCW for the department facility located at 15700 Dayton Ave N in Shoreline.

(b) Payments from the department of ecology pursuant to the agreement with the department to pay a share of the financing contract in (a) of this subsection must be deposited into the motor vehicle account.

NEW SECTION. Sec. 306. FOR THE DEPARTMENT OF TRANSPORTATION-IMPROVEMENTS-PROGRAM I

Transportation 2003 Account (Nickel Account)-State	
Appropriation	\$149,000
Transportation Partnership Account-State	
Appropriation	\$119,053,000
Motor Vehicle Account-State	
Appropriation	\$89,717,000
Motor Vehicle Account-Federal	
Appropriation	\$388,903,000
Coronavirus State Fiscal Recovery Fund-Federal	
Appropriation	\$400,000,000
Motor Vehicle Account-Private/Local	
Appropriation	\$48,628,000
Connecting Washington Account-State	
Appropriation	\$2,881,033,000
Special Category C Account-State	
Appropriation	\$105,363,000
Multimodal Transportation Account-State	
Appropriation	\$10,784,000
State Route Number 520 Corridor	
Account-State	Appropriation
\$15,940,000	
Interstate 405 and State Route Number 167 Express	
Toll Lanes Account-State	Appropriation
\$30,308,000	
TOTAL	APPROPRIATION
\$4,089,878,000	

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 2021-1 as developed April 23, 2021, 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 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 2021-2 ALL PROJECTS as developed April 23, 2021, Program - Highway Improvements Program (I). Any federal funds gained through efficiencies, adjustments to the federal funds forecast, or the federal funds redistribution process must then be applied to highway and bridge preservation activities or fish passage barrier corrections (OBI4001).

(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. Ten days prior to any transfer, the department must submit its request to the office of financial management and the transportation committees of the legislature and consider any concerns raised. The department shall submit a report on fiscal year funds transferred in the prior fiscal year using this subsection as part of the department's annual budget submittal.

(4) The connecting Washington account-state appropriation includes up to \$2,230,636,000 in proceeds from the sale of bonds authorized in RCW 47.10.889.

(5) The special category C account-state appropriation includes up to \$82,475,000 in proceeds from the sale of bonds authorized in RCW 47.10.812.

(6) The transportation partnership account-state appropriation includes up to \$28,411,000 in proceeds from the sale of bonds authorized in RCW 47.10.873.

(7) \$60,450,000 of the transportation partnership account-state appropriation, \$2,258,000 of the motor vehicle account-private/local appropriation, and \$984,000 of the multimodal transportation account-state appropriation are provided solely for the

SR 99/Alaskan Way Viaduct Replacement project (809936Z). It is the intent of the legislature that any legal damages paid to the state as a result of a lawsuit related to contractual provisions for construction and delivery of the Alaskan Way viaduct replacement project be used to repay project cost increases paid from the transportation partnership account-state funds.

(8) \$193,699,000 of the connecting Washington account-state appropriation is provided solely for the US 395 North Spokane Corridor project (M00800R).

(9)(a) \$14,827,000 of the Interstate 405 and state route number 167 express toll lanes account-state appropriation is provided solely for the I-405/SR 522 to I-5 Capacity Improvements project (L2000234) for activities related to adding capacity on Interstate 405 between state route number 522 and Interstate 5, with the goals of increasing vehicle throughput and aligning project completion with the implementation of bus rapid transit in the vicinity of the project.

(b) The department may advance the I-405/SR 522 to I-5 Capacity Improvements project (L2000234) and construct the project earlier than is scheduled in the LEAP transportation document referenced in subsection (2) of this section if additional funding is identified and submitted through the existing unanticipated receipts process by September 1, 2021. The department and the state treasurer shall pursue alternatives to toll revenue funding including but not limited to federal loan and grant programs. The department shall explore phasing and modifying the project to attempt to align project completion with the anticipated deployment of bus rapid transit on the corridor in the 2023-2025 biennium. The department shall report back to the transportation committees of the legislature on this work by September 15, 2021.

(10)(a) \$492,349,000 of the connecting Washington account-state appropriation and \$355,000 of the motor vehicle account-private/local appropriation are provided solely for the SR 520 Seattle Corridor Improvements - West End project (M00400R).

(b) Upon completion of the Montlake Phase of the West End project (current anticipated contract completion of 2023), the department shall sell that

portion of the property not used for permanent transportation improvements and initiate a process to convey that surplus property to a subsequent owner.

(11) \$382,880,000 of the connecting Washington account-state appropriation, \$4,800,000 of the multimodal transportation account-state appropriation, \$17,869,000 of the motor vehicle account-private/local appropriation, and \$82,165,000 of the motor vehicle account-federal appropriation are provided solely for the SR 167/SR 509 Puget Sound Gateway project (M00600R).

(a) Any savings on the project must stay on the Puget Sound Gateway corridor until the project is complete.

(b) 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 continue to collaborate with the affected stakeholders as it implements the corridor construction and implementation plan for state route number 167 and state route number 509. 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.

(c) It is the legislature's intent that the department shall construct a full single-point urban interchange at the junction of state route number 161 (Meridian avenue) and state route number 167 and a full directional 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 after the base project is fully funded, the funds must first be applied toward the completion of these two interchanges.

(d) Of the amounts provided in this subsection, \$2,300,000 of the multimodal transportation account-state appropriation is provided solely for the design phase of the Puyallup to Tacoma multiuse trail along the SR 167 right-of-way acquired for the project to connect a network of new and existing trails from Mount Rainier to Point Defiance Park.

(e) Of the amounts provided in this subsection, \$2,500,000 of the multimodal

transportation account-state appropriation is provided solely for segment 2 of the state route number 167 completion project shared-use path to provide connections to the interchange of state route number 167 at 54th to the intersection of state route number 509 and Taylor Way in Tacoma.

(12)(a) \$26,928,000 of the motor vehicle account-state appropriation and \$1,671,000 of the motor vehicle account-private/local appropriation are provided solely to support a project office and the continued work toward the I-5 Interstate Bridge Replacement project (L2000370).

(b) The project office must also study the possible different governance structures for a bridge authority that would provide for the joint administration of the bridges over the Columbia river between Oregon and Washington. As part of this study, the project office must examine the feasibility and necessity of an interstate compact in conjunction with the national center for interstate compacts.

(c) During the 2021-2023 biennium, the department shall have as a goal to:

(i) Conduct all work necessary to prepare and publish a draft SEIS;

(ii) Coordinate with regulatory agencies to begin the process of obtaining environmental approvals and permits;

(iii) Identify a locally preferred alternative; and

(iv) Begin preparing a final SEIS.

The department shall aim to provide progress reports on these activities to the governor and the transportation committees of the legislature by December 1, 2021, June 1, 2022, and December 1, 2022.

(13)(a) \$400,000,000 of the coronavirus state fiscal recovery fund-federal appropriation, \$529,577,000 of the connecting Washington account-state appropriation, \$194,959,000 of the motor vehicle account-federal appropriation, and \$1,849,000 of the motor vehicle account-state appropriation are provided solely for the Fish Passage Barrier Removal project (OBI4001) with the intent of fully complying with the federal *U.S. v. Washington* court injunction by 2030. Of the amounts provided in this

subsection, \$400,000,000 of the connecting Washington account-state appropriation must be initially placed in unallotted status during the 2021-2023 fiscal biennium, and may only be released by the office of financial management for allotment by the department if it is determined that the Fish Passage Barrier Removal project (OBI4001) is not an eligible use of amounts received by the state pursuant to the federal American rescue plan act of 2021.

(b) The department shall coordinate with the Brian Abbott fish passage barrier removal board to use a watershed approach by replacing both state and local culverts guided by the principle of providing the greatest fish habitat gain at the earliest time. The department shall deliver high habitat value fish passage barrier corrections that it has identified, guided by the following factors: Opportunity to bundle projects, tribal priorities, ability to leverage investments by others, presence of other barriers, project readiness, culvert conditions, other transportation projects in the area, and transportation impacts. The department and Brian Abbott fish barrier removal board must provide updates on the implementation of the statewide culvert remediation plan to the legislature by November 1, 2021, and June 1, 2022.

(c) The department must keep track of, for each barrier removed: (i) The location; (ii) the amount of fish habitat gain; and (iii) the amount spent to comply with the injunction.

(d) Of the amount provided in this subsection, \$142,923,000 of the motor vehicle account-federal appropriation reflects the department's portion of the unrestricted funds from the coronavirus response and relief supplemental appropriations act of 2021. If the final amount from this act changes while the legislature is not in session, the department shall follow the existing unanticipated receipt process and adjust the list referenced in subsection (1) of this section accordingly, supplanting state funds with federal funds if possible as directed in section 601 of this act.

(14) \$14,669,000 of the connecting Washington account-state appropriation and \$3,037,000 of the motor vehicle account-private/local appropriation are provided solely for the I-90/Barker to Harvard - Improve Interchanges & Local

Roads project (L2000122). The connecting Washington account appropriation for the improvements that fall within the city of Liberty Lake may only be expended if the city of Liberty Lake agrees to cover any project costs within the city of Liberty Lake above the \$20,900,000 of state appropriation provided for the total project on the list referenced in subsection (1) of this section.

(15) \$15,189,000 of the motor vehicle account—federal appropriation, \$259,000 of the motor vehicle account—state appropriation, and \$15,481,000 of the Interstate 405 and state route number 167 express toll lanes account—state appropriation are provided solely for the SR 167/SR 410 to SR 18 - Congestion Management project (316706C).

(16) \$18,914,000 of the Special Category C account—state appropriation is provided solely for the SR 18 Widening - Issaquah/Hobart Rd to Raging River project (L1000199) for improving and widening state route number 18 to four lanes from Issaquah-Hobart Road to Raging River.

(17) \$1,000,000 of the connecting Washington account—state appropriation is provided solely for the North Lewis County transportation study. The study shall examine new, alternate routes for vehicular and truck traffic at the Harrison interchange (Exit 82) in North Centralia and shall allow for a site and configuration to be selected and feasibility to be conducted for final design, permitting, and construction of the I-5/North Lewis county Interchange project (L2000204).

(18) \$1,090,000 of the motor vehicle account—state appropriation is provided solely for the US 101/East Sequim Corridor Improvements project (L2000343).

(19) \$12,139,000 of the motor vehicle account—state appropriation and \$9,104,000 of the connecting Washington account—state appropriation are provided solely for the SR 522/Paradise Lk Rd Interchange & Widening on SR 522 (Design/Engineering) project (NPARADI).

(20) \$1,378,000 of the motor vehicle account—federal appropriation is provided solely for the US 101/Morse Creek Safety Barrier project (L1000247).

(21) \$915,000 of the motor vehicle account—state appropriation is provided solely for the SR 162/410 Interchange

Design and Right of Way project (L1000276).

(22) \$6,581,000 of the connecting Washington account—state appropriation is provided solely for the US Hwy 2 Safety project (N00200R).

(23) 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 annual budget submittal. It is the intent of the legislature that new facility construction must be transparent and not appropriated within larger highway construction projects.

(24) Any advisory group that the department convenes during the 2021-2023 fiscal biennium must consider the interests of the entire state of Washington.

(25) The legislature continues to prioritize the replacement of the state's aging infrastructure and recognizes the importance of reusing and recycling construction aggregate and recycled concrete materials in our transportation system. To accomplish Washington state's sustainability goals in transportation and in accordance with RCW 70.95.805, the legislature reaffirms its determination that recycled concrete aggregate and other transportation building materials are natural resource construction materials that are too valuable to be wasted and landfilled, and are a commodity as defined in WAC 173-350-100.

Further, the legislature determines construction aggregate and recycled concrete materials substantially meet widely recognized international, national, and local standards and specifications referenced in American society for testing and materials, American concrete institute, Washington state department of transportation, Seattle department of transportation, American public works association, federal aviation administration, and federal highway administration specifications, and are described as necessary and desirable products for recycling and reuse by state and federal agencies.

As these recyclable materials have well established markets, are substantially a primary or secondary product of necessary construction processes and production, and are managed

as an item of commercial value, construction aggregate and recycled concrete materials are exempt from chapter 173-350 WAC.

NEW SECTION. Sec. 307. FOR THE DEPARTMENT OF TRANSPORTATION-PRESERVATION-PROGRAM P

Recreational Vehicle Account-State Appropriation \$1,520,000

Transportation 2003 Account (Nickel Account)-State

Appropriation \$49,105,000

Transportation Partnership Account-State

Appropriation \$15,183,000

Motor Vehicle Account-State Appropriation \$85,444,000

Motor Vehicle Account-Federal Appropriation \$489,602,000

Motor Vehicle Account-Private/Local

Appropriation \$10,792,000

Connecting Washington Account-State Appropriation \$159,043,000

State Route Number 520 Corridor Account-State

Appropriation \$1,891,000

Tacoma Narrows Toll Bridge Account-State

Appropriation \$9,730,000

Alaskan Way Viaduct Replacement Project Account-State

Appropriation \$314,000

Interstate 405 and State Route Number 167 Express

Toll Lanes Account-State Appropriation \$26,039,000

TOTAL APPROPRIATION \$848,663,000

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 2021-1 as developed April 23, 2021, 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 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 2021-2 ALL PROJECTS as developed April 23, 2021, Program - Highway Preservation Program (P). Any federal funds gained through efficiencies, adjustments to the federal funds forecast, or the federal funds redistribution process must then be applied to highway and bridge preservation activities or fish passage barrier corrections (OBI4001).

(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. Ten days prior to any transfer, the department must submit its request to the office of financial management and the transportation committees of the legislature and consider any concerns raised. The department shall submit a report on fiscal year funds transferred in the prior fiscal year using this subsection as part of the department's annual budget submittal.

(4) \$5,166,000 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.

(5) \$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 (L2000290). 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 (809936Z).

(6) \$11,679,000 of the motor vehicle account—federal appropriation is provided solely for preservation projects within project L1100071 that ensure the reliable movement of freight on the national highway freight system. The department shall give priority to those projects that can be advertised by September 30, 2021.

(7) 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.

(8) Within the connecting Washington account—state appropriation, the department may transfer funds from Highway System Preservation (L1100071) to other preservation projects listed in the LEAP transportation document identified in subsection (1) of this section, if it is determined necessary for completion of these high priority preservation projects. The department's next budget submittal after using this subsection must appropriately reflect the transfer.

NEW SECTION. Sec. 308. FOR THE DEPARTMENT OF TRANSPORTATION—TRAFFIC OPERATIONS—PROGRAM Q—CAPITAL

Motor Vehicle Account—State	
Appropriation	\$8,273,000
Motor Vehicle Account—Federal	
Appropriation	\$5,289,000

Motor Vehicle Account—Private/Local	
Appropriation	\$500,000
Interstate 405 and State Route Number 167 Express	
Toll Lanes Account—State Appropriation	\$900,000
TOTAL APPROPRIATION	\$14,962,000

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

(1) \$579,000 of the motor vehicle account—state appropriation is provided solely for the SR 99 Aurora Bridge ITS project (L2000338).

(2) \$1,000,000 of the motor vehicle account—state appropriation is provided solely for the Challenge Seattle project (000009Q). The department shall provide a progress report on this project to the transportation committees of the legislature by January 15, 2022.

NEW SECTION. Sec. 309. FOR THE DEPARTMENT OF TRANSPORTATION—WASHINGTON STATE FERRIES CONSTRUCTION—PROGRAM W

Puget Sound Capital Construction	
Account—State	
Appropriation	\$128,759,000
Puget Sound Capital Construction	
Account—Federal	
Appropriation	\$139,188,000
Puget Sound Capital Construction	
Account—Private/Local	
Appropriation	\$312,000
Transportation Partnership Account—	
State	
Appropriation	\$8,410,000
Connecting Washington Account—State	
Appropriation	\$75,640,000
Capital Vessel Replacement Account—	
State	
Appropriation	\$152,453,000
TOTAL APPROPRIATION	\$504,762,000

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 2021-2 ALL PROJECTS as developed April 23, 2021,

Program - Washington State Ferries Capital Program (W). No funds appropriated in this act or additional funds received through the unanticipated receipt process may be allocated or expended for terminal electrification purposes this biennium.

(2) For the 2021-2023 biennium, the marine division shall provide to the office of financial management and the legislative transportation committees the following reports on ferry capital projects:

(a) On a semiannual basis the report must include a status update on projects with funding provided in subsections (4), (5), (6), and (8) of this section including, but not limited to, the following:

(i) Anticipated cost increases and cost savings;

(ii) Anticipated cash flow and schedule changes; and

(iii) Explanations for the changes.

(b) On an annual basis the report must include a status update on vessel and terminal preservation and improvement plans including, but not limited to, the following:

(i) What work has been done;

(ii) How have schedules shifted; and

(iii) Associated changes in funding among projects, accompanied by explanations for the changes.

(c) On an annual basis the report must include an update on the implementation of the maintenance management system with recommendations for using the system to improve the efficiency of project reporting under this subsection.

(3) \$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.

(4) \$1,277,000 of the Puget Sound capital construction account-state appropriation is provided solely for the ORCA card next generation project (L2000300). The ferry system shall work with Washington technology solutions and the tolling division on the development of a new, interoperable ticketing system.

(5) \$24,750,000 of the Puget Sound capital construction account-state appropriation is provided solely for the conversion of up to two Jumbo Mark II vessels to electric hybrid propulsion (G2000084). The department shall seek additional funds for the purposes of this subsection. The department may spend from the Puget Sound capital construction account-state appropriation in this section only as much as the department receives in Volkswagen settlement funds for the purposes of this subsection.

(6) \$152,453,000 of the capital vessel replacement account-state appropriation is provided solely for the acquisition of a 144-car hybrid-electric vessel (L2000329). In 2019 the legislature amended RCW 47.60.810 to direct the department to modify an existing vessel construction contract to provide for an additional five ferries. As such, it is the intent of the legislature that the department award the contract for the hybrid electric Olympic class vessel #5(L2000329) in a timely manner. In addition, the legislature intends to minimize costs and maximize construction efficiency by providing sufficient funding for construction of all five vessels, including funding for long lead time materials procured at the lowest possible prices. The commencement of construction of new vessels for the ferry system is important not only for safety reasons, but also to keep skilled marine construction jobs in the Puget Sound region and to sustain the capacity of the region to meet the ongoing construction and preservation needs of the ferry system fleet of vessels. The legislature has determined that the current vessel procurement process must move forward with all due speed, balancing the interests of both the taxpayers and shipyards. To accomplish construction of vessels in accordance with RCW 47.60.810, the prevailing shipbuilder, for vessels initially funded after July 1, 2020, is encouraged to follow the historical practice of subcontracting the construction of ferry superstructures to a separate nonaffiliated contractor located within the Puget Sound region, that is qualified in accordance with RCW 47.60.690.

(7) The capital vessel replacement account-state appropriation includes up to \$152,453,000 in proceeds from the sale of bonds authorized in RCW 47.10.873.

(8) \$4,200,000 of the connecting Washington account—state appropriation and \$2,200,000 of the Puget Sound operating account—federal appropriation are provided solely for ferry vessel and terminal preservation (L2000110). The funds provided in this subsection must be used for unplanned preservation needs before shifting funding from other preservation projects.

NEW SECTION. Sec. 310. FOR THE DEPARTMENT OF TRANSPORTATION—RAIL—PROGRAM Y—CAPITAL

Essential Rail Assistance Account—State Appropriation	\$550,000
Transportation Infrastructure Account—State Appropriation	\$5,456,000
Multimodal Transportation Account—State Appropriation	\$82,493,000
Multimodal Transportation Account—Federal Appropriation	\$41,219,000
TOTAL APPROPRIATION	\$129,718,000

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 2021-2 ALL PROJECTS as developed April 23, 2021, Program - Rail Program (Y).

(2) \$5,089,000 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. FRIB program loans may be recommended by the department for 2022 supplemental transportation appropriations up to the amount provided in this appropriation that has not been

provided for the projects listed in 2021-2 ALL PROJECTS, as referenced in subsection (1) of this section. The department shall submit a prioritized list for any loans recommended to the office of financial management and the transportation committees of the legislature by November 15, 2021.

(3) \$6,817,000 of the multimodal transportation account—state appropriation is 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) \$550,000 of the essential rail assistance account—state appropriation is 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 and transfers deposited into the essential rail assistance account from leases and sale of property relating to the Palouse river and Coulee City railroad;

(ii) Revenues from trackage rights agreement fees paid by shippers; and

(iii) Revenues and transfers 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, 2022, the department shall submit a prioritized list of recommended projects to the office of financial management and the transportation committees of the legislature.

(7) \$33,964,000 of the multimodal transportation account-state appropriation and \$37,500,000 of the multimodal transportation account-federal appropriation are provided solely for Passenger Rail Equipment Replacement (project 700010C.) The appropriations in this subsection include insurance proceeds received by the state. The department must use these funds only to purchase replacement equipment that has been competitively procured and for service recovery needs and corrective actions related to the December 2017 derailment.

(8) \$223,000 of the multimodal transportation account-state appropriation is provided solely for contingency funding for emergent freight rail assistance projects funded in subsection (3) of this section. Project sponsors may apply to the department for contingency funds needed due to unforeseeable cost increases. The department shall submit a report of any contingency funds provided under this subsection as part of the department's annual budget submittal.

(9) It is the intent of the legislature to encourage the department to pursue federal grant opportunities leveraging up to \$6,696,000 in connecting Washington programmed funds to be used as a state match to improve the state-owned Palouse river and Coulee City system. The amount listed in this subsection is not a commitment for future legislatures, but is the legislature's intent that future legislatures will work to approve biennial appropriations up to a state

match share not to exceed \$6,696,000 of a grant award.

NEW SECTION. Sec. 311. FOR THE DEPARTMENT OF TRANSPORTATION-LOCAL PROGRAMS-PROGRAM Z-CAPITAL

Highway Infrastructure Account-State Appropriation	\$793,000
Highway Infrastructure Account-Federal Appropriation	\$1,600,000
Transportation Partnership Account-State Appropriation	\$750,000
Motor Vehicle Account-State Appropriation	\$11,064,000
Motor Vehicle Account-Federal Appropriation	\$55,751,000
Motor Vehicle Account-Private/Local Appropriation	\$6,600,000
Connecting Washington Account-State Appropriation	\$123,292,000
Multimodal Transportation Account-State Appropriation	\$71,615,000
TOTAL APPROPRIATION	\$271,465,000

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 2021-2 ALL PROJECTS as developed April 23, 2021, 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) \$32,613,000 of the multimodal transportation account-state appropriation is provided solely for pedestrian and bicycle safety program projects (L2000188).

(b) \$19,344,000 of the motor vehicle account-federal appropriation and \$17,397,000 of the multimodal transportation account-state appropriation are provided solely for safe routes to school projects (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, 2021, and December 1, 2022, 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. In its December 1, 2021, report the department must also include recommended changes to the pedestrian safety/safe routes to school grant program application and selection processes to increase utilization by a greater diversity of jurisdictions.

(4) \$6,561,000 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) It is the expectation of the legislature that the department will be administering a local railroad crossing safety grant program for \$7,000,000 in federal funds during the 2021-2023 fiscal biennium.

(6) \$12,500,000 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 (L1000169).

(7) When the department updates its federally-compliant freight plan, it shall consult the freight mobility strategic investment board on the freight plan update and on the investment plan component that describes how the estimated funding allocation for the national highway freight program for federal fiscal years 2022-2025 will be invested and matched. The investment plan component for the state portion of national highway freight program funds must first address shortfalls in funding

for connecting Washington act projects. The department shall complete the freight plan update in compliance with federal requirements and deadlines and shall provide an update on the development of the freight plan, including the investment plan component, when submitting its 2022 supplemental appropriations request.

(8) \$11,679,000 of the motor vehicle account-federal appropriation is provided solely for acceleration of local preservation projects that ensure the reliable movement of freight on the national highway freight system (G2000100). The department will identify projects through its current national highway system asset management call for projects with applications due in February 2021. The department shall give priority to those projects that can be obligated by September 30, 2021.

NEW SECTION. Sec. 312. ANNUAL REPORTING REQUIREMENTS FOR CAPITAL PROGRAM

(1) As part of its annual budget submittal, the department of transportation shall provide an update to the report provided to the legislature in the prior fiscal year 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; (e) identifies risk reserves and contingency amounts allocated to projects; and (f) lists the nickel, TPA, and connecting Washington projects charging to the Nickel/TPA/CWA Environmental Mitigation Reserve (OBI4ENV) and the Nickel/TPA Projects Completed with Minor Ongoing Expenditures project (OBI100B), and the amount each project is charging.

(2) As part of its annual budget submittal, 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 a report for all capital projects, except for ferry projects subject to the reporting requirements established in section 309 of this act, that must include:

(1) A TEIS version containing actual capital expenditures for all projects consistent with the structure of the most recently enacted budget;

(2) Anticipated cost savings, cost increases, reappropriations, and schedule adjustments for all projects consistent with the structure of the most recently enacted budget;

(3) 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; and

(4) Risk reserves and contingency amounts for all projects consistent with the structure of the most recently enacted budget.

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.

NEW SECTION. Sec. 315. NOTIFICATION REQUIREMENTS FOR PAUSES AND CANCELLATIONS

(1) The department shall notify the transportation committees of the legislature when it intends to pause for a significant length of time or not proceed with operating items or capital projects included as budget provisos or on project lists. When feasible, this notification shall be provided prior to the pause or cancellation and at least seven days in advance of any public announcement related to such a pause or cancellation.

(2) At the time of notification, the department shall provide an explanation

for the reason or reasons for the pause or cancellation for each operating budget item and capital project. The explanation shall include specific reasons for each pause or cancellation, in addition to a statement of the broad rationale for the pause or cancellation.

(3) When feasible, the department shall make best efforts to keep the transportation committees of the legislature informed of an evaluation process underway for selecting operating budget items and capital projects to be paused or cancelled, providing updates as its selection efforts proceed.

(4) When exigent circumstances prevent prior notice of a pause or cancellation from being provided to the transportation committees of the legislature, the department shall provide the information required under this section to the transportation committees of the legislature as soon as is practicable.

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 \$904,000

Connecting Washington Account—State
Appropriation \$11,153,000

Special Category C Account—State
Appropriation \$412,000

Highway Bond Retirement Account—State
Appropriation \$1,483,793,000

Ferry Bond Retirement Account—State
Appropriation \$17,150,000

Transportation Improvement Board Bond Retirement
Account—State Appropriation
\$11,770,000

Nondebt-Limit Reimbursable Bond Retirement
Account—State Appropriation
\$29,323,000

Toll Facility Bond Retirement Account—
State
Appropriation \$76,376,000

TOTAL APPROPRIATION
 \$1,630,881,000

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 \$181,000

Connecting Washington Account—State
 Appropriation \$2,231,000

Special Category C Account—State
 Appropriation \$82,000

TOTAL APPROPRIATION \$2,494,000

NEW SECTION. Sec. 403. FOR THE STATE TREASURER—STATE REVENUES FOR DISTRIBUTION

Motor Vehicle Account—State
 Appropriation: For motor
 vehicle fuel tax statutory
 distributions to
 cities and counties \$467,390,000

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

NEW SECTION. Sec. 404. FOR THE STATE TREASURER—TRANSFERS

Motor Vehicle Account—State
 Appropriation: For motor
 vehicle fuel tax refunds and statutory
 transfers \$1,974,599,000

NEW SECTION. Sec. 405. FOR THE DEPARTMENT OF LICENSING—TRANSFERS

Motor Vehicle Account—State
 Appropriation: For motor
 vehicle fuel tax refunds and transfers
 \$235,675,000

NEW SECTION. Sec. 406. FOR THE STATE TREASURER—ADMINISTRATIVE TRANSFERS

(1) Highway Safety Account—State
 Appropriation:

For transfer to the State Patrol
 Highway

Account—State \$47,000,000

(2) (a) Transportation Partnership
 Account—State

Appropriation: For transfer to the
 Capital Vessel

Replacement Account—State
 \$152,453,000

(b) The amount transferred in this
 subsection represents proceeds from the
 sale of bonds authorized in RCW
 47.10.873.

(3) (a) Transportation Partnership
 Account—State

Appropriation: For transfer to the
 Tacoma Narrows Toll Bridge Account—State
 \$30,293,000

(b) It is the intent of the legislature
 that this transfer is temporary, for the
 purpose of minimizing the impact of toll
 increases. An equivalent reimbursing
 transfer is to occur after the debt
 service and deferred sales tax on the
 Tacoma Narrows bridge construction costs
 are fully repaid in accordance with
 chapter 195, Laws of 2018.

(4) (a) Motor Vehicle Account—State
 Appropriation:

For transfer to Alaskan Way Viaduct
 Account
 —State \$6,000,000

(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 traffic on the toll facility
 has recovered from the COVID-19 pandemic.

(5) Motor Vehicle Account—State
 Appropriation:

For transfer to the County Arterial
 Preservation
 Account—State \$7,666,000

(6) Motor Vehicle Account—State
 Appropriation:

For transfer to the Freight Mobility
 Investment
 Account—State \$5,511,000

(7) Motor Vehicle Account—State
 Appropriation:

For transfer to the Rural Arterial Trust Account—State \$9,331,000

Grant Program Account—State \$14,670,000

(8) Motor Vehicle Account—State Appropriation:

(15) Multimodal Transportation Account—State

For transfer to the Transportation Improvement

Appropriation: For transfer to the Connecting

Account—State \$9,688,000

Washington Account—State \$200,000,000

(9) Rural Mobility Grant Program Account—State

(16) Multimodal Transportation Account—State

Appropriation: For transfer to the Multimodal

Appropriation: For transfer to the Freight Mobility

Transportation Account—State \$3,000,000

Multimodal Account—State \$4,011,000

(10) (a) State Route Number 520 Civil Penalties

(17) Multimodal Transportation Account—State

Account—State Appropriation: For transfer to the

Appropriation: For transfer to the Ignition Interlock

Motor Vehicle Account—State

Device Revolving Account—State \$600,000

\$2,000,000

(b) The transfer in this subsection is to repay moneys loaned to the state route number 520 civil penalties account in the 2019-2021 fiscal biennium.

(18) Multimodal Transportation Account—State

Appropriation: For transfer to the Pilotage

(11) State Route Number 520 Civil Penalties

Account—State \$1,500,000

Account—State Appropriation: For transfer to the

(19) Multimodal Transportation Account—State

State Route Number 520 Corridor Account—State \$1,532,000

Appropriation: For transfer to the Puget Sound

(12) Capital Vessel Replacement Account—State

Capital Construction Account—State \$60,000,000

Appropriation: For transfer to the Connecting

(20) Multimodal Transportation Account—State

Washington Account—State \$35,000,000

Appropriation: For transfer to the Regional Mobility

(13) (a) Capital Vessel Replacement Account—State

Grant Program Account—State \$27,679,000

Appropriation: For transfer to the Transportation

(21) Multimodal Transportation Account—State

Partnership Account—State \$10,305,000

Appropriation: For transfer to the Rural Mobility

(b) The amount transferred in this subsection represents repayment of debt service incurred for the construction of the Hybrid Electric Olympic Class (144-auto) Vessel #5 project (L2000329).

Grant Program Account—State \$15,223,000

(22) (a) Alaskan Way Viaduct Replacement Project

(14) Multimodal Transportation Account—State

Account—State Appropriation: For transfer to the

Appropriation: For transfer to the Complete Streets

Transportation Partnership Account—State \$22,884,000

(b) The amount transferred in this subsection represents repayment of debt service incurred for the construction of the SR 99/Alaskan Way Viaduct Replacement project (809936Z).

(23) Tacoma Narrows Toll Bridge Account—State

Appropriation: For transfer to the Motor Vehicle

Account—State \$950,000

(24) Puget Sound Ferry Operations Account—State

Appropriation: For transfer to the Puget Sound

Capital Construction Account—State \$60,000,000

(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(2) of this act.

NEW SECTION. Sec. 407. 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 \$199,129,000

Toll Facility Bond Retirement Account—State

Appropriation \$25,372,000

TOTAL APPROPRIATION \$224,501,000

NEW SECTION. Sec. 408. FOR THE OFFICE OF FINANCIAL MANAGEMENT—AMERICAN RESCUE PLAN ACT REVENUE LOSS DEPOSITS

Coronavirus State Fiscal Recovery Fund—Federal

Appropriation \$600,000,000

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

(1) The appropriation is provided solely for expenditure into accounts in the amounts specified in subsection (2) of this section. These amounts are intended to compensate accounts for revenue losses in state fiscal years 2020

and 2021 relative to revenues collected in state fiscal year 2019 and shall be used to maintain government services pursuant to the federal American rescue plan act of 2021.

(2) The appropriation must be distributed to the following accounts in the amounts designated:

Multimodal Transportation Account—State \$115,611,000

Motor Vehicle Account—State \$99,416,000

Puget Sound Ferry Operations Account—State \$85,966,000

Connecting Washington Account—State \$67,663,000

Transportation Partnership Account—State \$39,547,000

State Route Number 520 Corridor Account—State \$59,567,000

Transportation 2003 Account (Nickel Account)—State \$28,681,000

State Patrol Highway Account—State \$12,358,000

Highway Safety Account—State \$8,219,000

Tacoma Narrows Toll Bridge Account—State \$15,707,000

Interstate 405 and State Route Number 167 Express Toll

Lanes Account—State \$32,893,000

Transportation Improvement Account—State \$15,844,000

Rural Arterial Trust Account—State \$3,092,000

County Arterial Preservation Account—State \$1,939,000

State Route Number 520 Civil Penalties Account—State \$5,442,000

Special Category C Account—State \$3,975,000

Puget Sound Capital Construction Account—State \$2,892,000

Aeronautics Account—State \$777,000

School Zone Safety Account—State \$393,000

Motorcycle Safety Education Account—State \$18,000

COMPENSATION

NEW SECTION. Sec. 501. 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. 502. COLLECTIVE BARGAINING AGREEMENTS

Sections 503 through 520 of this act represent the results of the 2021-2023 collective bargaining process required under chapters 41.80, 47.64, and 41.56 RCW. Provisions of the collective bargaining agreements contained in sections 503 through 520 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 503 through 520 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. 503. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—OPEIU

An agreement has been reached between the governor and the office and professional employees international union local eight (OPEIU) pursuant to chapter 47.64 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include wage increases but does include furloughs. The agreement provides that positions designated by the employer as not requiring backfill take 24 furlough days during the biennium. In addition, the following positions are not subject to the furlough requirement: Bid administrator, dispatch, dispatch coordinator, and relief positions.

NEW SECTION. Sec. 504. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—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 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include wage

increases but does include furloughs. The agreement provides that positions designated by the employer as not requiring backfill take 24 furlough days during the biennium.

NEW SECTION. Sec. 505. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—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 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include wage increases but does include furloughs. The agreement provides that positions designated by the employer as not requiring backfill take 24 furlough days during the biennium.

NEW SECTION. Sec. 506. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—CARPENTERS

An agreement has been reached between the governor and the Pacific Northwest regional council of carpenters pursuant to chapter 47.64 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include wage increases but does include furloughs. The agreement provides that positions designated by the employer as not requiring backfill take 24 furlough days during the biennium.

NEW SECTION. Sec. 507. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—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 2021-2023 fiscal biennium. The arbitration award imposed and funding is provided to implement a 1.9% general wage decrease from July 1, 2021, through June 30, 2022, and exempted these employees from the furlough requirement.

NEW SECTION. Sec. 508. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—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 2021-2023 fiscal biennium.

Funding is provided to fund the agreement, which does not include either wage increases or the furlough requirement.

NEW SECTION. Sec. 509. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—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 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include either wage increases or the furlough requirement.

NEW SECTION. Sec. 510. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—MEBA-PORT ENGINEERS

An agreement has been reached between the governor and the marine engineers' beneficial association port engineers pursuant to chapter 47.64 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include wage increases but does include furloughs. The agreement provides that positions designated by the employer as not requiring backfill take 24 furlough days during the biennium.

NEW SECTION. Sec. 511. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—MM&P MATES

An agreement has been reached between the governor and the masters, mates, and pilots - mates pursuant to chapter 47.64 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which includes a two percent wage increase for second mates, and does not include the furlough requirement.

NEW SECTION. Sec. 512. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—MM&P MASTERS

An agreement has been reached between the governor and the masters, mates, and pilots - masters pursuant to chapter 47.64 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include either wage increases or the furlough requirement.

NEW SECTION. Sec. 513. DEPARTMENT OF TRANSPORTATION MARINE DIVISION

COLLECTIVE BARGAINING AGREEMENTS—MM&P WATCH CENTER SUPERVISORS

An agreement has been reached between the governor and the masters, mates, and pilots - watch center supervisors pursuant to chapter 47.64 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include wage increases but does include furloughs only for the following positions: Fleet facility security officers and workforce development leads.

NEW SECTION. Sec. 514. DEPARTMENT OF TRANSPORTATION MARINE DIVISION COLLECTIVE BARGAINING AGREEMENTS—IBU

An agreement has been reached between the governor and the inlandboatmen's union of the Pacific pursuant to chapter 47.64 RCW through an interest arbitration award for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include wage increases, but does include furlough days for employees in positions that do not require the position to be backfilled.

NEW SECTION. Sec. 515. COLLECTIVE BARGAINING AGREEMENT—WFSE

An agreement has been reached between the governor and the Washington federation of state employees under the provisions of chapter 41.80 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include wage increases, but does include 24 furlough days for employees in position that do not require the position to be backfilled.

NEW SECTION. Sec. 516. 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 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include wage increases, but does include 24 furlough days for employees in position that do not require the position to be backfilled.

NEW SECTION. Sec. 517. COLLECTIVE BARGAINING AGREEMENT—WPEA

An agreement has been reached between the governor and the Washington public employees association under the provisions of chapter 41.80 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which

does not include wage increases, but does include 24 furlough days for employees in positions that do not require the position to be backfilled.

NEW SECTION. Sec. 518. COLLECTIVE BARGAINING AGREEMENT—COALITION OF UNIONS

An agreement has been reached for the 2019-2021 biennium between the governor and the coalition of unions under the provisions of chapter 41.80 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which includes 24 furlough days for employees in position that do not require the position to be backfilled. The agreement includes and funding is provided for a 2.5 percent wage increase for fiscal year 2022 and a 2.5 percent wage increase for fiscal year 2023 for the department of corrections marine vessel operators.

NEW SECTION. Sec. 519. 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 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include general wages increases but does provide the ability to request to reopen the compensation article for the purpose of bargaining base rate of pay for fiscal year 2023.

NEW SECTION. Sec. 520. COLLECTIVE BARGAINING AGREEMENT—WSP LIEUTENANTS AND CAPTAINS ASSOCIATION

An agreement has been reached between the governor and the Washington state patrol lieutenants and captains association under the provisions of chapter 41.56 RCW for the 2021-2023 fiscal biennium. Funding is provided to fund the agreement, which does not include general wages increases but does provide the ability to request to reopen the compensation article for the purpose of bargaining base rate of pay for fiscal year 2023.

NEW SECTION. Sec. 521. COMPENSATION—REPRESENTED EMPLOYEES—HEALTH CARE—COALITION—INSURANCE BENEFITS

An agreement was reached for the 2021-2023 biennium between the governor and the health care 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 2021-2023 collective bargaining agreement, which maintains the provisions of the 2019-2021 agreement, and are subject to the following conditions and limitations:

The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed \$936 per eligible employee for fiscal year 2022. For fiscal year 2023, the monthly employer funding rate shall not exceed \$1091 per eligible employee.

The board shall collect a \$25 per month surcharge payment from members who use tobacco products and a surcharge payment of not less than \$50 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 if directed by the legislature.

NEW SECTION. Sec. 522. COMPENSATION—REPRESENTED EMPLOYEES OUTSIDE HEALTH CARE COALITION—INSURANCE BENEFITS

Appropriations for state agencies in this act are sufficient for represented employees outside the coalition for health benefits, and are subject to the following conditions and limitations: The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, may not exceed \$936 per eligible employee for fiscal year 2022. For fiscal year 2023, the monthly employer funding rate may not exceed \$1091 per eligible employee.

NEW SECTION. Sec. 523. 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: The employer monthly funding rate for insurance benefit premiums, public employees' benefits

board administration, and the uniform medical plan, shall not exceed \$936 per eligible employee for fiscal year 2022. For fiscal year 2023, the monthly employer funding rate shall not exceed \$1091 per eligible employee.

NEW SECTION. Sec. 524. 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. 525. JUNETEENTH HOLIDAY

Specific funding is provided in agency budgets for the cost to agencies of additional staff necessary to provide coverage in positions that require continual presence, as a result of implementing chapter . . . (Substitute House Bill No. 1016), Laws of 2021 (making Juneteenth a legal holiday). If chapter . . . (Substitute House Bill No. 1016), Laws of 2021 is not enacted by June 30, 2021, this section has no force and effect.

NEW SECTION. Sec. 526. FOR THE OFFICE OF FINANCIAL MANAGEMENT—INLANDBOATMEN'S UNION OF THE PACIFIC

Puget Sound Ferry Operations Account—State

Appropriation \$2,798,000

The appropriations in this section are subject to the following conditions and limitations: Funding is provided solely for eliminating the furlough days in the agreement reached with the inlandboatmen's union of the Pacific and approved in part V of this act. Expenditure of the amounts provided for this purpose is contingent upon execution of an appropriate memorandum of understanding between the governor or the governor's designee and the exclusive bargaining representative, consistent with the terms of this section. Appropriations for state agencies are increased by the amounts specified in LEAP Transportation Document 2021 - Compensation, dated April 23, 2021, to

fund the provisions of this section upon execution of the memorandum of understanding.

NEW SECTION. Sec. 527. FOR THE OFFICE OF FINANCIAL MANAGEMENT—PACIFIC NORTHWEST REGIONAL COUNCIL OF CARPENTERS

Puget Sound Ferry Operations Account—State

Appropriation \$156,000

The appropriations in this section are subject to the following conditions and limitations: Funding is provided solely for eliminating the furlough days in the agreement reached with the Pacific Northwest regional council of carpenters and approved in part V of this act. Expenditure of the amounts provided for this purpose is contingent upon execution of an appropriate memorandum of understanding between the governor or the governor's designee and the exclusive bargaining representative, consistent with the terms of this section. Appropriations for state agencies are increased by the amounts specified in LEAP Transportation Document 2021 - Compensation, dated April 23, 2021, to fund the provisions of this section upon execution of the memorandum of understanding.

NEW SECTION. Sec. 528. FOR THE OFFICE OF FINANCIAL MANAGEMENT—OFFICE AND PROFESSIONAL EMPLOYEES INTERNATIONAL UNION LOCAL 8

Puget Sound Ferry Operations Account—State Appropriation \$344,000

The appropriations in this section are subject to the following conditions and limitations: Funding is provided solely for eliminating the furlough days in the agreement reached with the office and professional employees international union local 8 and approved in part V of this act. Expenditure of the amounts provided for this purpose is contingent upon execution of an appropriate memorandum of understanding between the governor or the governor's designee and the exclusive bargaining representative, consistent with the terms of this section. Appropriations for state agencies are increased by the amounts specified in LEAP Transportation Document 2021 - Compensation, dated April 23, 2021, to fund the provisions of this section upon execution of the memorandum of understanding.

NEW SECTION. Sec. 529. FOR THE OFFICE OF FINANCIAL MANAGEMENT—FERRY AGENTS, SUPERVISORS, AND PROJECT ADMINISTRATORS ASSOCIATION

Puget Sound Ferry Operations Account—
State Appropriation \$344,000

The appropriations in this section are subject to the following conditions and limitations: Funding is provided solely for eliminating the furlough days in the agreement reached with the ferry agents, supervisors, and project administrators association and approved in part V of this act. Expenditure of the amounts provided for this purpose is contingent upon execution of an appropriate memorandum of understanding between the governor or the governor's designee and the exclusive bargaining representative, consistent with the terms of this section. Appropriations for state agencies are increased by the amounts specified in LEAP Transportation Document 2021 - Compensation, dated April 23, 2021, to fund the provisions of this section upon execution of the memorandum of understanding.

NEW SECTION. Sec. 530. FOR THE OFFICE OF FINANCIAL MANAGEMENT—SERVICE EMPLOYEES INTERNATIONAL UNION LOCAL 6

Puget Sound Ferry Operations Account—
State Appropriation \$24,000

The appropriations in this section are subject to the following conditions and limitations: Funding is provided solely for eliminating the furlough days in the agreement reached with the service employees international union local 6 and approved in part V of this act. Expenditure of the amounts provided for this purpose is contingent upon execution of an appropriate memorandum of understanding between the governor or the governor's designee and the exclusive bargaining representative, consistent with the terms of this section. Appropriations for state agencies are increased by the amounts specified in LEAP Transportation Document 2021 - Compensation, dated April 23, 2021, to fund the provisions of this section upon execution of the memorandum of understanding.

NEW SECTION. Sec. 531. FOR THE OFFICE OF FINANCIAL MANAGEMENT—MASTERS, MATES, AND PILOTS—WATCH CENTER SUPERVISORS

Puget Sound Ferry Operations Account—
State Appropriation \$150,000

The appropriations in this section are subject to the following conditions and limitations: Funding is provided solely for eliminating the furlough days in the agreement reached with the masters, mates, and pilots - watch center supervisors and approved in part V of this act. Expenditure of the amounts provided for this purpose is contingent upon execution of an appropriate memorandum of understanding between the governor or the governor's designee and the exclusive bargaining representative, consistent with the terms of this section. Appropriations for state agencies are increased by the amounts specified in LEAP Transportation Document 2021 - Compensation, dated April 23, 2021, to fund the provisions of this section upon execution of the memorandum of understanding.

NEW SECTION. Sec. 532. FOR THE OFFICE OF FINANCIAL MANAGEMENT—MARINE ENGINEERS' BENEFICIAL ASSOCIATION PORT ENGINEERS

Puget Sound Ferry Operations Account—
State Appropriation \$84,000

The appropriations in this section are subject to the following conditions and limitations: Funding is provided solely for eliminating the furlough days in the agreement reached with the marine engineers' beneficial association port engineers and approved in part V of this act. Expenditure of the amounts provided for this purpose is contingent upon execution of an appropriate memorandum of understanding between the governor or the governor's designee and the exclusive bargaining representative, consistent with the terms of this section. Appropriations for state agencies are increased by the amounts specified in LEAP Transportation Document 2021 - Compensation, dated April 23, 2021, to fund the provisions of this section upon execution of the memorandum of understanding.

NEW SECTION. Sec. 533. FOR THE OFFICE OF FINANCIAL MANAGEMENT—WASHINGTON FEDERATION OF STATE EMPLOYEES

Motor	Vehicle	Account—State
Appropriation	\$15,891,000	

Highway	Safety	Account—State
Appropriation	\$4,111,000	

State Patrol	Highway	Account—State
Appropriation	\$1,661,000	

Other	Appropriated	Funds
\$1,038,000		
TOTAL APPROPRIATION	\$22,701,000	

The appropriations in this section are subject to the following conditions and limitations: Funding is provided solely for eliminating the furlough days in the agreement reached with the Washington federation of state employees and approved in part V of this act. Expenditure of the amounts provided for this purpose is contingent upon execution of an appropriate memorandum of understanding between the governor or the governor's designee and the exclusive bargaining representative, consistent with the terms of this section. Appropriations for state agencies are increased by the amounts specified in LEAP Transportation Document 2021 - Compensation, dated April 23, 2021, to fund the provisions of this section upon execution of the memorandum of understanding.

NEW SECTION. Sec. 534. FOR THE OFFICE OF FINANCIAL MANAGEMENT-WASHINGTON PUBLIC EMPLOYEES ASSOCIATION GENERAL GOVERNMENT

Motor	Vehicle	Account-State
Appropriation	\$88,000	
State Patrol	Highway	Account-State
Appropriation	\$907,000	
State Patrol	Highway	Account-Federal
Appropriation	\$68,000	
TOTAL APPROPRIATION	\$1,063,000	

The appropriations in this section are subject to the following conditions and limitations: Funding is provided solely for eliminating the furlough days in the agreement reached with the Washington public employees association general government and approved in part V of this act. Expenditure of the amounts provided for this purpose is contingent upon execution of an appropriate memorandum of understanding between the governor or the governor's designee and the exclusive bargaining representative, consistent with the terms of this section. Appropriations for state agencies are increased by the amounts specified in LEAP Transportation Document 2021 - Compensation, dated April 23, 2021, to fund the provisions of this section upon execution of the memorandum of understanding.

NEW SECTION. Sec. 535. FOR THE OFFICE OF FINANCIAL MANAGEMENT-PROFESSIONAL AND TECHNICAL EMPLOYEES LOCAL 17

Motor	Vehicle	Account-State
Appropriation	\$2,105,000	
Highway	Safety	Account-State
Appropriation	\$2,108,000	
State Patrol	Highway	Account-State
Appropriation	\$918,000	
Other	Appropriated	Funds
\$802,000		
TOTAL APPROPRIATION	\$5,933,000	

The appropriations in this section are subject to the following conditions and limitations: Funding is provided solely for eliminating the furlough days in the agreement reached with the professional and technical employees local 17 and approved in part V of this act. Expenditure of the amounts provided for this purpose is contingent upon execution of an appropriate memorandum of understanding between the governor or the governor's designee and the exclusive bargaining representative, consistent with the terms of this section. Appropriations for state agencies are increased by the amounts specified in LEAP Transportation Document 2021 - Compensation, dated April 23, 2021, to fund the provisions of this section upon execution of the memorandum of understanding.

NEW SECTION. Sec. 536. FOR THE OFFICE OF FINANCIAL MANAGEMENT-THE COALITION OF UNIONS

State Patrol	Highway	Account-State
Appropriation	\$212,000	
State Patrol	Highway	Account-Federal
Appropriation	\$18,000	
TOTAL APPROPRIATION	\$230,000	

The appropriations in this section are subject to the following conditions and limitations: Funding is provided solely for eliminating the furlough days in the agreement reached with the coalition of unions and approved in part V of this act. Expenditure of the amounts provided for this purpose is contingent upon execution of an appropriate memorandum of understanding between the governor or the governor's designee and the exclusive bargaining representative, consistent with the terms of this section. Appropriations for state agencies are increased by the amounts specified in LEAP Transportation Document 2021 -

Compensation, dated April 23, 2021, to fund the provisions of this section upon execution of the memorandum of understanding.

NEW SECTION. Sec. 537. FOR THE OFFICE OF FINANCIAL MANAGEMENT—PUGET SOUND METAL TRADES COUNCIL

Puget Sound Ferry Operations Account—State

Appropriation \$130,000

The appropriations in this section are subject to the following conditions and limitations: Funding is provided solely for eliminating the general wage deduction in the agreement reached through an interest arbitration award with the Puget Sound metal trades council and approved in part V of this act. Expenditure of the amounts provided for this purpose is contingent upon execution of an appropriate memorandum of understanding between the governor or the governor's designee and the exclusive bargaining representative, consistent with the terms of this section. Appropriations for state agencies are increased by the amounts specified in LEAP Transportation Document 2021 - Compensation, dated April 23, 2021, to fund the provisions of this section upon execution of the memorandum of understanding.

NEW SECTION. Sec. 538. COLLECTIVE BARGAINING AGREEMENTS—ELIMINATING FURLOUGH DAYS

Appropriations in this act provide sufficient funding to eliminate the furlough days required in the following collective bargaining agreements for the 2021-2023 biennium:

(1) Office and professional employees international union local 8;

(2) Ferry agents, supervisors, and project administrators association;

(3) Service employees international union local 6;

(4) Pacific Northwest regional council of carpenters;

(5) Marine engineers' beneficial association port engineers;

(6) Masters, mates, and pilots - watch center supervisors;

(7) Inlandboatmen's union of the Pacific;

(8) Washington public employees association general government;

(9) Washington federation of state employees;

(10) Professional and technical employees local 17; and

(11) The coalition of unions.

Expenditure of the amounts provided for this purpose is contingent upon execution of an appropriate memorandum of understanding between the governor or the governor's designee and the exclusive bargaining representative, consistent with the terms of this section.

NEW SECTION. Sec. 539. COLLECTIVE BARGAINING AGREEMENTS—ELIMINATING GENERAL WAGE DECREASE

Appropriations in this act provide sufficient funding solely for the purpose of eliminating the 1.9 percent wage reduction from July 1, 2021, to June 30, 2022, provided in the arbitration award for the Puget Sound metal trades council. Expenditure of the amounts provided for this purpose is contingent upon execution of an appropriate modification of the agreement between the governor or the governor's designee and the exclusive bargaining representative, consistent with the terms of this section.

NEW SECTION. Sec. 540. FORGONE GENERAL WAGE INCREASES

Appropriations in this act for state agencies, including institutions of higher education, are sufficient to provide a three percent or two percent general wage increase, effective July 1, 2021, for employees that were scheduled to receive a general wage increase of either of those amounts on July 1, 2020, that was forgone due to COVID-19 emergency.

IMPLEMENTING PROVISIONS

NEW SECTION. Sec. 601. MANAGEMENT OF TRANSPORTATION FUNDS WHEN THE LEGISLATURE IS NOT IN SESSION

(1) The 2005 transportation partnership projects or improvements and 2015 connecting Washington projects or improvements are listed in the LEAP Transportation Document 2021-1 as developed April 23, 2021, 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 2021-2023 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 to a project may not occur if that project is a programmatic funding item described in broad general terms on the applicable project list without referencing a specific state route number;

(f) Transfers may not be made while the legislature is in session;

(g) Transfers to a project may not be made with funds designated as attributable to practical design savings as described in RCW 47.01.480;

(h) Except for transfers made under (1) of this subsection, transfers may only be made in fiscal year 2023;

(i) The total amount of transfers under this section may not exceed \$50,000,000;

(j) Except as otherwise provided in (1) of this subsection, transfers made to a single project may not cumulatively total more than \$20,000,000 per biennium;

(k) 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; and

(1) 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 to a single project does not exceed two hundred fifty thousand dollars or ten percent of the total project per biennium, 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, including any effects to the total project budgets and schedules beyond the current biennium.

(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 chairs and ranking members of 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 and address any concerns raised by the chairs and ranking members of the transportation committees.

(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, including any effects to the total project budgets and schedules beyond the current biennium.

(7)(a) If the department of transportation receives federal funding not appropriated in this act, the department shall apply such funds to any of the following activities in lieu of state funds, if compliant with federal funding restrictions, and in the order that most reduces administrative burden and minimizes the use of bond proceeds:

(i) Projects on LEAP Transportation Document 2021-2 ALL PROJECTS as developed April 23, 2021; or

(ii) Other department of transportation operating or capital expenditures funded by appropriations from state accounts in this act.

(b) However, if the funds received may not be used for any of the purposes enumerated in this section and must be obligated before the next regular legislative session, then the department may program the funds for other transportation-related activities, provided that these actions do not initiate any new programs, policies, or expenditure levels requiring additional one-time or ongoing state funds that have not been expressly authorized by the legislature. The department shall follow the existing unanticipated receipt process to notify the legislative standing committees on transportation and the office of financial management of the amount of federal funds received in addition to those appropriated in this act and the projects or activities receiving funding through this process.

NEW SECTION. Sec. 602. BOND REIMBURSEMENT

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, connecting Washington 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. REAPPROPRIATIONS REPORTING

(1) As part of its 2022 supplemental budget submittal, the department of transportation 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 2019-2021 fiscal biennium into the 2021-2023 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 2017 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 2021-2023 fiscal biennium into budgeting systems.

NEW SECTION. Sec. 605. WEBSITE REPORTING REQUIREMENTS

(1) The department of transportation shall post on its website every report that is due from the department to the legislature during the 2021-2023 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. TRANSIT, BICYCLE, AND PEDESTRIAN ELEMENTS REPORTING

(1) By November 15th of each year, 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 2021-2 ALL PROJECTS as developed April 23, 2021. 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) During the 2021-2023 fiscal biennium, while the legislature is not in session, 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. TOLL CREDITS

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 2021-2023 FISCAL BIENNIUM

NEW SECTION. Sec. 701. TECHNOLOGY OVERSIGHT

(1) Agencies must apply to the office of financial management and the office of the state chief information officer for approval before beginning a project or proceeding with each discrete stage of a project subject to this section. At each stage, the office of the state chief information officer must certify that the project has an approved technology budget and investment plan, complies with state information technology and security requirements, and other policies defined by the office of the state chief information officer. The office of financial management must notify the fiscal committees of the legislature of the receipt of each application and may not approve a funding request for ten business days from the date of notification.

(2)(a) Each project must have a technology budget. The technology budget must have the detail by fiscal month for the 2021-2023 fiscal biennium. The technology budget must use a method similar to the state capital budget, identifying project costs, each fund source, and anticipated deliverables through each stage of the entire project investment and across fiscal periods and biennia from project onset through implementation and close out, as well as at least five years of maintenance and operations costs.

(b) As part of the development of a technology budget and at each request for funding, the agency shall submit an updated technology budget, if changes

occurred, to include detailed financial information to the office of financial management and the office of the chief information officer. The technology budget must describe the total cost of the project, as well as maintenance and operations costs, to include and identify at least:

- (i) Fund sources;
- (ii) Full time equivalent staffing level to include job classification assumptions;
- (iii) Discrete financial budget codes to include at least the appropriation index and program index;
- (iv) Object and subobject codes of expenditures;
- (v) Anticipated deliverables;
- (vi) Historical budget and expenditure detail by fiscal year; and
- (vii) Maintenance and operations costs by fiscal year for at least five years as a separate worksheet.

(c) If a project technology budget changes and a revised technology budget is completed, a comparison of the revised technology budget to the last approved technology budget must be posted to the dashboard, to include a narrative rationale on what changed, why, and how that impacts the project in scope, budget, and schedule.

(3)(a) Each project must have an investment 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;
- (iv) Performance measures used to determine that the project is on time, within budget, and meeting expectations for quality of work product;
- (v) Ongoing maintenance and operations cost of the project post implementation and close out delineated by agency

staffing, contracted staffing, and service level agreements; and

(vi) Financial budget coding to include at least discrete financial coding for the project.

(4) Projects with estimated costs greater than \$100,000,000 from initiation to completion and implementation may be divided into discrete subprojects as determined by the office of the state chief information officer. Each subproject must have a technology budget and investment plan as provided in this section.

(5)(a) The office of the chief information officer shall maintain an information technology project dashboard that provides updated information each fiscal month on projects subject to this section. This includes, at least:

- (i) Project changes each fiscal month;
- (ii) Noting if the project has a completed market requirements document, and when it was completed;
- (iii) Financial status of information technology projects under oversight;
- (iv) Coordination with agencies;
- (v) Monthly quality assurance reports, if applicable;
- (vi) Monthly office of the chief information officer status reports;
- (vii) Historical project budget and expenditures through fiscal year 2021;
- (viii) Budget and expenditures each fiscal month;
- (ix) Estimated annual maintenance and operations costs by fiscal year; and
- (x) Posting monthly project status assessments on scope, schedule, budget, and overall by the:
 - (A) Office of the chief information officer;
 - (B) Agency project team; and
 - (C) Quality assurance vendor, if applicable to the project.

(b) The dashboard must retain a roll up of the entire project cost, including all subprojects, that can display subproject detail. This includes coalition projects that are active.

(6) If the project affects more than one agency:

(a) A separate technology budget and investment plan must be prepared for each agency; and

(b) The dashboard must contain a statewide project technology budget roll up that includes each affected agency at the subproject level.

(7) For any project that exceeds \$2,000,000 in total funds to complete, requires more than one biennium to complete, or is financed through financial contracts, bonds, or other indebtedness:

(a) Quality assurance for the project must report independently to the office of the chief information officer;

(b) 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;

(c) The technology budget must specifically identify the uses of any financing proceeds. No more than 30 percent of the financing proceeds may be used for payroll-related costs for state employees assigned to project management, installation, testing, or training;

(d) 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

(e) 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.

(8) The office of the chief information officer must evaluate the project at each stage and certify whether the project is planned, managed, and meeting deliverable targets as defined in the project's approved technology budget and investment plan.

(9) The office of the chief information officer may suspend or terminate a project at any time if it 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 unallot any unused funding and shall not make any

expenditure for the project without the approval of the office of financial management. The office of the chief information officer must report on July 1st and December 1st each calendar year any suspension or termination of a project in the previous six-month period to the legislative fiscal committees.

(10) 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, including projects that are not separately identified within an agency budget. The office of the chief information officer must report on July 1st and December 1st each calendar year any additional projects to be subjected to this section that were identified in the previous six-month period to the legislative fiscal committees.

(11) The following transportation projects are subject to the conditions, limitations, and review provided in this section:

(a) For the Washington state patrol: Aerial criminal investigation tools;

(b) For the department of licensing: Website accessibility and usability; and

(c) For the department of transportation: Maintenance management system, land mobile radio system replacement, new csc system and operator, PROPEL - WSDOT support of one Washington, and capital systems replacement.

NEW SECTION. Sec. 702. ACQUISITION OF PROPERTIES AND FACILITIES THROUGH FINANCIAL CONTRACTS

(1) The department of transportation is authorized, subject to the conditions in section 305(2) of this act, to enter into a financing contract pursuant to chapter 39.94 RCW through the state treasurer's lease-purchase program for the purposes indicated. The department may use any funds, appropriated or nonappropriated, in not more than the principal amounts indicated, plus financing expenses and required reserves, if any. Expenditures made by the department of transportation for the indicated purposes before the issue date of the authorized financing contract and any certificates of participation therein may be reimbursed from proceeds of the financing contract and any certificates of participation therein to the extent provided in the agency's

financing plan approved by the state finance committee.

(2) Department of transportation: Enter into a financing contract for up to \$32,500,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to renovate the existing office building at 15700 Dayton Ave N, Shoreline. If the department of transportation has entered into a financing agreement for the purposes specified in this subsection prior to June 30, 2021, this subsection has no force and effect.

Sec. 703. RCW 43.19.642 and 2019 c 416 s 703 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 ((2017-2019 and)) 2019-2021 and 2021-2023 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 or B10 biodiesel blend does not exceed the price of conventional diesel fuel by five percent or more.

Sec. 704. RCW 46.20.745 and 2019 c 416 s 704 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 2019-2021 and 2021-2023 fiscal ((biennium)) biennia, 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 82.21.030 and 2020 c 20 s 1483 are each amended to read as follows:

(1)(a) A tax is imposed on the privilege of possession of hazardous substances in this state. Except as provided in (b) of this subsection, the rate of the tax is seven-tenths of one percent multiplied by the wholesale value of the substance. Moneys collected under this subsection (1)(a) must be deposited in the model toxics control capital account.

(b) Beginning July 1, 2019, the rate of the tax on petroleum products is one dollar and nine cents per barrel. The tax collected under this subsection (1)(b) on petroleum products must be deposited as follows, after first depositing the tax as provided in (c) of this subsection ~~((4))~~, except that during the 2021-2023 biennium the deposit as provided in (c) of this subsection may be prorated equally across each month of the biennium:

(i) Sixty percent to the model toxics control operating account created under RCW 70A.305.180;

(ii) Twenty-five percent to the model toxics control capital account created under RCW 70A.305.190; and

(iii) Fifteen percent to the model toxics control stormwater account created under RCW 70A.305.200.

(c) Until the beginning of the ensuing biennium after the enactment of an additive transportation funding act, fifty million dollars per biennium to the motor vehicle fund to be used exclusively for transportation stormwater activities and projects. For purposes of this subsection, "additive transportation funding act" means an act in which the combined total of new revenues deposited into the motor vehicle fund and the multimodal transportation account exceed two billion dollars per biennium

attributable solely to an increase in revenue from the enactment of the act.

(d) The department must compile a list of petroleum products that are not easily measured on a per barrel basis. Petroleum products identified on the list are subject to the rate under (a) of this subsection in lieu of the volumetric rate under (b) of this subsection. The list will be made in a form and manner prescribed by the department and must be made available on the department's internet website. In compiling the list, the department may accept technical assistance from persons that sell, market, or distribute petroleum products and consider any other resource the department finds useful in compiling the list.

(2) Chapter 82.32 RCW applies to the tax imposed in this chapter. The tax due dates, reporting periods, and return requirements applicable to chapter 82.04 RCW apply equally to the tax imposed in this chapter.

(3) Beginning July 1, 2020, and every July 1st thereafter, the rate specified in subsection (1)(b) of this section must be adjusted to reflect the percentage change in the implicit price deflator for nonresidential structures as published by the United States department of commerce, bureau of economic analysis for the most recent twelve-month period ending December 31st of the prior year.

Sec. 706. RCW 46.68.060 and 2019 c 416 s 705 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 ~~((and the))~~ 2017-2019, 2019-

2021, and 2021-2023 fiscal biennia, the legislature may direct the state treasurer to make transfers of moneys in the highway safety fund to the multimodal transportation account and the state patrol highway account.

Sec. 707. RCW 47.12.370 and 2003 c 187 s 1 are each amended to read as follows:

(1) The department may enter into exchange agreements with local, state, or federal agencies, tribal governments, or private nonprofit nature conservancy corporations as defined in RCW 64.04.130, to convey properties under the jurisdiction of the department that serve as environmental mitigation sites, as full or part consideration for the grantee assuming all future maintenance and operation obligations and costs required to maintain and operate the environmental mitigation site in perpetuity.

(2) ~~((Tribal))~~ (a) Except as provided in (b) of this subsection, tribal governments shall only be eligible to participate in an exchange agreement if they:

~~((a))~~ (i) Provide the department with a valid waiver of their tribal sovereign immunity from suit. The waiver must allow the department to enforce the terms of the exchange agreement or quitclaim deed in state court; and

~~((b))~~ (ii) Agree that the property shall not be placed into trust status.

(b) During the 2021-2023 fiscal biennium, the restrictions in (a) of this subsection do not apply to any exchange agreement with a tribal government for the acquisition of real property required by the department for the SR 167/SR 509 Puget Sound Gateway project.

(3) The conveyances must be by quitclaim deed, or other form of conveyance, executed by the secretary of transportation, and must expressly restrict the use of the property to a mitigation site consistent with preservation of the functions and values of the site, and must provide for the automatic reversion to the department if the property is not used as a mitigation site or is not maintained in a manner that complies with applicable permits, laws, and regulations pertaining to the maintenance and operation of the mitigation site.

Sec. 708. RCW 46.68.325 and 2019 c 416 s 708 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 2015-2017 fiscal 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 ~~((and the)),~~ 2019-2021, and 2021-2023 fiscal biennia, 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. 709. RCW 47.56.876 and 2019 c 416 s 710 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 and the

2019-2021 fiscal biennia, 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. During the 2021-2023 fiscal biennium, the legislature may direct the state treasurer to transfer moneys in the state route number 520 civil penalties account to the motor vehicle account.

Sec. 710. RCW 46.68.370 and 2019 c 416 s 713 are each amended to read as follows:

The license plate technology account is created in the state treasury. All receipts collected under RCW 46.17.015 must be deposited into this account. Expenditures from this account must support current and future license plate technology and systems integration upgrades for both the department and correctional industries. Moneys in the account (~~([fund])~~) may be spent only after appropriation. Additionally, the moneys in this account may be used to reimburse the motor vehicle account for any appropriation made to implement the digital license plate system. During the 2011-2013 and 2013-2015 fiscal biennia, the legislature may transfer from the license plate technology account to the highway safety (~~(account-[fund])~~) fund such amounts as reflect the excess fund balance of the license plate technology account. During the 2019-2021 (~~(biennium)~~) and 2021-2023 biennia, the account may also be used for the maintenance of recently modernized information technology systems for vehicle registrations.

Sec. 711. RCW 46.68.300 and 2019 c 416 s 714 are each amended to read as follows:

The freight mobility investment account is hereby created in the state treasury. Money in the account may be spent only after appropriation. Expenditures from the account may be used only for freight mobility projects that have been approved by the freight mobility strategic investment board in RCW 47.06A.020 and may include any principal and interest on bonds authorized for the projects or improvements. During the 2019-2021 and 2021-2023 fiscal (~~(biennium)~~) biennia, the expenditures from the account may also be used for the administrative expenses of the freight mobility strategic investment board.

Sec. 712. RCW 47.60.322 and 2019 c 416 s 716 are each amended to read as follows:

(1) The capital vessel replacement account is created in the motor vehicle fund. All revenues generated from the vessel replacement surcharge under RCW 47.60.315(7) and service fees collected by the department of licensing or county auditor or other agent appointed by the director under RCW 46.17.040, 46.17.050, and 46.17.060 must be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for the construction or purchase of ferry vessels and to pay the principal and interest on bonds authorized for the construction or purchase of ferry vessels. However, expenditures from the account must first be used to support the construction or purchase, including any applicable financing costs, of a ferry vessel with a carrying capacity of at least one hundred forty-four cars.

(2) The state treasurer may transfer moneys from the capital vessel replacement account to the transportation 2003 account (nickel account) for debt service on bonds issued for the construction of 144-car class ferry vessels.

(3) The legislature may transfer from the capital vessel replacement account to the connecting Washington account created under RCW 46.68.395 such amounts as reflect the excess fund balance of the capital vessel replacement account to be used for ferry terminal construction and preservation.

(4) During the 2019-2021 and 2021-2023 fiscal (~~(biennium)~~) biennia, the legislature may direct the state treasurer to make transfers of moneys in the capital vessel replacement account to the transportation partnership account and the connecting Washington account.

Sec. 713. RCW 46.68.290 and 2020 c 219 s 705 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 and~~) the 2019-2021 and 2021-2023 fiscal biennia, the legislature may direct the state treasurer to make transfers of moneys in the transportation partnership account to the connecting Washington account, the motor vehicle fund, the Tacoma Narrows toll bridge account, and the capital vessel replacement account.

Sec. 714. RCW 46.68.063 and 2019 c 416 s 712 are each amended to read as follows:

The department of licensing technology improvement and data management account is created in the highway safety fund. All receipts from fees collected under RCW 46.12.630(5) must be deposited into the account. Expenditures from the account may be used only for investments in technology and data management at the department. During the 2019-2021 (~~biennium~~) and 2021-2023 biennia, the account may also be used for responding to public records requests. Moneys in the

account may be spent only after appropriation.

Sec. 715. RCW 47.60.530 and 2017 c 313 s 714 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.

(7) During the 2021-2023 fiscal biennium, the legislature may direct the state treasurer to make transfers of moneys in the Puget Sound ferry operations account to the Puget Sound capital construction account.

Sec. 716. RCW 47.60.315 and 2019 c 431 s 3 are each amended to read as follows:

(1) The commission shall adopt fares and pricing policies by rule, under chapter 34.05 RCW, according to the following schedule:

(a) Each year the department shall provide the commission a report of its review of fares and pricing policies, with recommendations for the revision of fares and pricing policies for the ensuing year;

(b) By September 1st of each year, beginning in 2008, the commission shall adopt by rule fares and pricing policies for the ensuing year.

(2) The commission may adopt by rule fares that are effective for more or less than one year for the purposes of transitioning to the fare schedule in subsection (1) of this section.

(3) The commission may increase ferry fares included in the schedule of charges adopted under this section by a percentage that exceeds the fiscal growth factor.

(4) The chief executive officer of the ferry system may authorize the use of promotional, discounted, and special event fares to the general public and commercial enterprises for the purpose of maximizing capacity use and the revenues collected by the ferry system. The department shall report to the commission a summary of the promotional, discounted, and special event fares offered during each fiscal year and the financial results from these activities.

(5) Fare revenues and other revenues deposited in the Puget Sound ferry operations account created in RCW 47.60.530 may not be used to support the Puget Sound capital construction account created in RCW 47.60.505, unless the support for capital is separately identified in the fare or except as provided in section 715 of this act during the 2021-2023 biennium.

(6) The commission may not raise fares until the fare rules contain pricing policies developed under RCW 47.60.290, or September 1, 2009, whichever is later.

(7) The commission shall impose a vessel replacement surcharge of twenty-five cents on every one-way and round-trip ferry fare sold, including multiride and monthly pass fares. This surcharge must be clearly indicated to ferry passengers and drivers and, if possible, on the fare media itself.

(8) Except as provided in subsection (10) of this section, beginning May 1, 2020, the commission shall impose an additional vessel replacement surcharge in an amount sufficient to fund twenty-five year debt service on one 144-auto hybrid vessel taking into account funds provided in chapter 417, Laws of 2019 or chapter . . . (SSB 5419), Laws of 2019. The department of transportation shall provide to the commission vessel and debt

service cost estimates. Information on vessels constructed or purchased with revenue from the surcharges must be publicly posted including, but not limited to, the commission web site.

(9) The vessel replacement surcharges imposed in this section may only be used for the construction or purchase of ferry vessels and to pay the principal and interest on bonds authorized for the construction or purchase of new ferry vessels.

(10) The commission shall not impose the additional vessel replacement surcharge in subsection (8) of this section if doing so would increase fares by more than ten percent.

Sec. 717. RCW 34.05.350 and 2011 1st sp.s. c 2 s 1 are each amended to read as follows:

(1) If an agency for good cause finds:

(a) That immediate adoption, amendment, or repeal of a rule is necessary for the preservation of the public health, safety, or general welfare, and that observing the time requirements of notice and opportunity to comment upon adoption of a permanent rule would be contrary to the public interest;

(b) That state or federal law or federal rule or a federal deadline for state receipt of federal funds requires immediate adoption of a rule; or

(c) In order to implement the requirements or reductions in appropriations enacted in any budget for fiscal year 2009, 2010, 2011, 2012, ~~((or))~~ 2013, or in an omnibus transportation appropriations act for the 2021-2023 biennium related to setting toll rates or ferry fares, which necessitates the need for the immediate adoption, amendment, or repeal of a rule, and that observing the time requirements of notice and opportunity to comment upon adoption of a permanent rule would be contrary to the fiscal needs or requirements of the agency,

the agency may dispense with those requirements and adopt, amend, or repeal the rule on an emergency basis. The agency's finding and a concise statement of the reasons for its finding shall be incorporated in the order for adoption of the emergency rule or amendment filed with the office of the code reviser under RCW 34.05.380 and with the rules review committee.

(2) An emergency rule adopted under this section takes effect upon filing with the code reviser, unless a later date is specified in the order of adoption, and may not remain in effect for longer than one hundred twenty days after filing. Identical or substantially similar emergency rules may not be adopted in sequence unless conditions have changed or the agency has filed notice of its intent to adopt the rule as a permanent rule, and is actively undertaking the appropriate procedures to adopt the rule as a permanent rule. This section does not relieve any agency from compliance with any law requiring that its permanent rules be approved by designated persons or bodies before they become effective.

(3) Within seven days after the rule is adopted, any person may petition the governor requesting the immediate repeal of a rule adopted on an emergency basis by any department listed in RCW 43.17.010. Within seven days after submission of the petition, the governor shall either deny the petition in writing, stating his or her reasons for the denial, or order the immediate repeal of the rule. In ruling on the petition, the governor shall consider only whether the conditions in subsection (1) of this section were met such that adoption of the rule on an emergency basis was necessary. If the governor orders the repeal of the emergency rule, any sanction imposed based on that rule is void. This subsection shall not be construed to prohibit adoption of any rule as a permanent rule.

Sec. 718. 2019 c 396 s 2 (uncodified) is amended to read as follows:

(1) The state commercial aviation coordinating commission is created to carry out the functions of ~~((this))~~ chapter 396, Laws of 2019. The commission shall consist of fifteen voting members.

(2) The governor shall appoint thirteen voting members to represent the following interests:

(a) Four as representatives of commercial service airports and ports, one of whom shall represent a port located in a county with a population of two million or more, one of whom shall represent a port in eastern Washington with an airport runway of at least thirteen thousand five hundred feet in length, one of whom shall represent a commercial service airport in eastern

Washington located in a county with a population of four hundred thousand or more, and one representing an association of ports;

(b) Three as representatives from the airline industry and the private sector;

(c) Two citizen representatives with one appointed from eastern Washington and one appointed from western Washington. The citizen appointees must:

(i) Represent the public interests in the communities that are included in the commission's site research; and

(ii) Understand the impacts of a large commercial aviation facility on a community;

(d) A representative from the freight forwarding industry;

(e) A representative from the trucking industry;

(f) A representative from a community organization that understands the impacts of a large commercial aviation facility on a community; and

(g) A representative from a statewide environmental organization.

(3) The remaining two members shall consist of:

(a) A representative from the department of commerce; and

(b) A representative from the division of aeronautics of the department of transportation.

(4) The commission shall invite the following nonvoting members:

(a) A representative from the Washington state aviation alliance;

(b) A representative from the department of defense;

(c) Two members from the senate, with one member from each of the two largest caucuses in the senate, appointed by the president of the senate;

(d) Two members from the house of representatives, with one member from each of the two largest caucuses in the house of representatives, appointed by the speaker of the house of representatives;

(e) A representative from the division of aeronautics of the department of transportation;

(f) A representative from an eastern Washington metropolitan planning organization;

(g) A representative from a western Washington metropolitan planning organization;

(h) A representative from an eastern Washington regional airport; and

(i) A representative from a western Washington regional airport.

(5) The governor may appoint additional nonvoting members as deemed appropriate.

(6) The commission shall select a chair from among its membership and shall adopt rules related to its powers and duties under ~~((this))~~ chapter 396, Laws of 2019.

(7) Legislative members of the commission 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. The commission has all powers necessary to carry out its duties as prescribed by ~~((this))~~ chapter 396, Laws of 2019.

(8) The department of transportation shall provide staff support for coordinating and administering the commission and technical assistance as requested by commission members. The department shall consider cost-saving options such as using online conferencing tools. Meetings shall be held in Olympia, Washington unless resources allow for alternative locations.

(9) At the direction of the commission, and as resources allow, the department of transportation is authorized to hire a consultant to assist with the review and research efforts of the commission. The contract is exempt from the competitive procurement requirements in chapter 39.26 RCW.

(10) The department of transportation shall convene the initial meeting of the commission as soon as practicable.

(11) This section expires ~~((July 1, 2022))~~ June 30, 2023.

Sec. 719. 2019 c 396 s 3 (uncodified) is amended to read as follows:

(1) The state commercial aviation coordinating commission will review existing data and conduct research to determine Washington's long-range commercial aviation facility needs and the site of a new primary commercial aviation facility. Research for each potential site must include the feasibility of constructing a commercial aviation facility in that location and its potential environmental, community, and economic impacts. Options for a new primary commercial aviation facility in Washington may include expansion of an existing airport facility but may not include siting a facility on or in the vicinity of a military installation that would be incompatible with the installation's ability to carry out its mission requirements. The work of the commission shall include the following:

(a) Recommendations to the legislature on future Washington state long-range commercial aviation facility needs including possible additional aviation facilities or expansion of current aviation facilities, excluding those located in a county with a population of two million or more, to meet anticipated commercial aviation, general aviation, and air cargo demands; ~~((and))~~

(b) Identifying a preferred location for a new primary commercial aviation facility. The commission shall make recommendations and shall select a single preferred location by a sixty percent majority vote using the following process:

(i) Initiating a broad review of potential sites;

(ii) Recommending a final short list of no more than six locations by ~~((January 1, 2021))~~ February 15, 2022;

(iii) Identifying the top two locations from the final six locations by ~~((September 1, 2021))~~ October 15, 2022; and

(iv) Identifying a single preferred location for a new primary commercial aviation facility by ~~((January 1, 2022))~~ February 15, 2023; and

(c) A projected timeline for the development of an additional commercial aviation facility that is completed and functional by 2040.

(2) The commission shall submit a report of its findings and recommendations to the transportation

committees of the legislature by ~~((January 1, 2022))~~ February 15, 2023. The commission must allow a minority report to be included with the commission report if requested by a voting member of the commission.

(3) Nothing in this section shall be construed to endorse, limit, or otherwise alter existing or future plans for capital development and capacity enhancement at existing commercial airports in Washington.

(4) This section expires ~~((July 1, 2022))~~ June 30, 2023.

Sec. 720. RCW 46.09.540 and 2013 2nd sp.s. c 23 s 10 are each amended to read as follows:

(1) The multiuse roadway safety account is created in the motor vehicle fund. All receipts from vehicle license fees under RCW 46.17.350(1)(r) must be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for grants administered by the department of transportation to: (a) Counties to perform safety engineering analysis of mixed vehicle use on any road within a county; (b) local governments to provide funding to erect signs providing notice to the motoring public that (i) wheeled all-terrain vehicles are present or (ii) wheeled all-terrain vehicles may be crossing; (c) the state patrol or local law enforcement for purposes of defraying the costs of enforcement of chapter 23, Laws of 2013 2nd sp. sess.; ~~((and))~~ (d) law enforcement to investigate accidents involving wheeled all-terrain vehicles; and (e) during the 2021-2023 biennium grants may be made to counties to (i) enhance or maintain any segment of a road within the county in which the segment has been designated as part of a travel or tourism route for use by wheeled all-terrain vehicles; and (ii) purchase, print, develop, or use educational brochures or mapping technology that aids in the safety and direction of users of wheeled all-terrain vehicle routes.

(2) The department of transportation must prioritize grant awards in the following priority order:

(a) For the purpose of marking highway crossings with signs warning motorists that wheeled all-terrain vehicles may be crossing when an ORV recreation facility parking lot is on the other side of a

public roadway from the actual ORV recreation facility; and

(b) For the purpose of marking intersections with signs where a wheeled all-terrain vehicle may cross a public road to advise motorists of the upcoming intersection. Such signs must conform to the manual on uniform traffic control devices.

Sec. 721. RCW 47.66.120 and 2019 c 287 s 18 are each amended to read as follows:

(1)(a) Subject to the availability of amounts appropriated for this specific purpose through the 2023-2025 biennium, the department's public transportation division shall establish a green transportation capital grant program. The purpose of the grant program is to aid any transit authority in funding cost-effective capital projects to reduce the carbon intensity of the Washington transportation system, examples of which include: Electrification of vehicle fleets, including battery and fuel cell electric vehicles; modification or replacement of capital facilities in order to facilitate fleet electrification and/or hydrogen refueling; necessary upgrades to electrical transmission and distribution systems; and construction of charging and fueling stations. The department's public transportation division shall identify projects and shall submit a prioritized list of all projects requesting funding to the legislature by December 1st of each even-numbered year.

(b) The department's public transportation division shall select projects based on a competitive process that considers the following criteria:

(i) The cost-effectiveness of the reductions in carbon emissions provided by the project; and

(ii) The benefit provided to transitioning the entire state to a transportation system with lower carbon intensity.

(2) The department's public transportation division must establish an advisory committee to assist in identifying projects under subsection (1) of this section. The advisory committee must include representatives from the department of ecology, the department of commerce, the utilities and transportation commission, and at least one transit authority.

(3) In order to receive green transportation capital grant program funding for a project, a transit authority must provide matching funding for that project that is at least equal to twenty percent of the total cost of the project.

(4) The department's public transportation division must report annually to the transportation committees of the legislature on the status of any grant projects funded by the program created under this section.

(5) For purposes of this section, "transit authority" means a city transit system under RCW 35.58.2721 or chapter 35.95A RCW, a county public transportation authority under chapter 36.57 RCW, a metropolitan municipal corporation transit system under chapter 36.56 RCW, a public transportation benefit area under chapter 36.57A RCW, an unincorporated transportation benefit area under RCW 36.57.100, a regional transit authority under chapter 81.112 RCW, or any special purpose district formed to operate a public transportation system.

(6) During the 2021-2023 fiscal biennium, the department may provide up to 20 percent of the total green transportation capital grant program funding for zero emissions capital transition planning projects.

2019-2021 FISCAL BIENNIUM

GENERAL GOVERNMENT AGENCIES—OPERATING

Sec. 801. 2019 c 416 s 101 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION

Motor	Vehicle	Account—State
Appropriation		((\$545,000))
		<u>\$536,000</u>

Sec. 802. 2020 c 219 s 101 (uncodified) is amended to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT

Motor	Vehicle	Account—State
Appropriation		((\$1,419,000))
		<u>\$1,388,000</u>

Multimodal Transportation Account—State Appropriation \$300,000

Puget Sound Ferry Operations Account—
 State Appropriation \$121,000
 TOTAL APPROPRIATION
 (~~(\$1,840,000)~~)
\$1,809,000

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 the office of financial management, in direct coordination with the office of state treasurer, to evaluate, coordinate, and assist in efforts by state agencies in developing cost recovery mechanisms for credit card and other financial transaction fees currently paid from state funds. This may include disbursing interagency reimbursements for the implementation costs incurred by the affected agencies. As part of the first phase of this effort, the office of financial management, with the assistance of relevant agencies, must develop implementation plans and take all necessary steps to ensure that the actual cost-recovery mechanisms will be in place by January 1, 2020, for the vehicles and drivers programs of the department of licensing. By November 1, 2019, the office of financial management must provide a report to the joint transportation committee on the phase 1 implementation plan and options to expand similar cost recovery mechanisms to other state agencies and programs, including the ferries division.

Sec. 803. 2020 c 219 s 102 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF AGRICULTURE

Motor Vehicle Account—State
 Appropriation (~~(\$1,359,000)~~)
\$1,350,000

Sec. 804. 2019 c 416 s 106 (uncodified) is amended to read as follows:

FOR THE LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE

Motor Vehicle Account—State
 Appropriation (~~(\$652,000)~~)
\$647,000

Sec. 805. 2020 c 219 s 104 (uncodified) is amended to read as follows:

FOR THE HOUSE OF REPRESENTATIVES

Motor Vehicle Account—State
 Appropriation (~~(\$3,082,000)~~)
\$3,052,000

Sec. 806. 2020 c 219 s 105 (uncodified) is amended to read as follows:

FOR THE SENATE

Motor Vehicle Account—State
 Appropriation \$2,999,000

TRANSPORTATION AGENCIES—OPERATING

Sec. 901. 2020 c 219 s 201 (uncodified) is amended to read as follows:

FOR THE WASHINGTON TRAFFIC SAFETY COMMISSION

Highway Safety Account—State
 Appropriation (~~(\$4,675,000)~~)
\$4,647,000

Highway Safety Account—Federal
 Appropriation (~~(\$27,051,000)~~)
\$26,943,000

Highway Safety Account—Private/Local
 Appropriation \$118,000

School Zone Safety Account—State
 Appropriation \$850,000

TOTAL APPROPRIATION
 (~~(\$32,694,000)~~)
\$32,558,000

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

(1) \$150,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter 54, Laws of 2019 (Cooper Jones Active Transportation Safety Council). If chapter 54, Laws of 2019 is not enacted by June 30, 2019, the amount provided in this subsection lapses.

(2) The Washington traffic safety commission may oversee a pilot program in up to three cities implementing the use of automated vehicle noise enforcement cameras in zones that have been designated by ordinance as "Stay Out of Areas of Racing."

(a) Any programs authorized by the commission must be authorized by December 31, 2020.

(b) If a city has established an authorized automated vehicle noise enforcement camera pilot program under this section, the compensation paid to the manufacturer or vendor of the equipment used must be based upon the value of the equipment and services provided or rendered in support of the system.

(c) Any city administering a pilot program overseen by the traffic safety commission shall use the following guidelines to administer the program:

(i) Automated vehicle noise enforcement camera may record photographs or audio of the vehicle and vehicle license plate only while a violation is occurring. The picture must not reveal the face of the driver or of passengers in the vehicle;

(ii) The law enforcement agency of the city or county government shall install two signs facing opposite directions within two hundred feet, or otherwise consistent with the uniform manual on traffic control devices, where the automated vehicle noise enforcement camera is used that state "Street Racing Noise Pilot Program in Progress";

(iii) Cities testing the use of automated vehicle noise enforcement cameras must post information on the city web site and notify local media outlets indicating the zones in which the automated vehicle noise enforcement cameras will be used;

(iv) A city may only issue a warning notice with no penalty for a violation detected by automated vehicle noise enforcement cameras in a Stay Out of Areas of Racing zone. Warning notices must be mailed to the registered owner of a vehicle within fourteen days of the detected violation;

(v) A violation detected through the use of automated vehicle noise enforcement cameras is not part of the registered owner's driving record under RCW 46.52.101 and 46.52.120;

(vi) Notwithstanding any other provision of law, all photographs, videos, microphotographs, audio recordings, or electronic images prepared under this section are for the exclusive use of law enforcement in the discharge of duties under this section and are not open to the public and may not be used in a court in a pending action or proceeding. No photograph,

microphotograph, audio recording, or electronic image may be used for any purpose other than the issuance of warnings for violations under this section or retained longer than necessary to issue a warning notice as required under this subsection (2); and

(vii) By June 30, 2021, the participating cities shall provide a report to the commission and appropriate committees of the legislature regarding the use, public acceptance, outcomes, warnings issued, data retention and use, and other relevant issues regarding automated vehicle noise enforcement cameras demonstrated by the pilot projects.

(3) The Washington traffic safety commission may oversee a demonstration project in one county, coordinating with a public transportation benefit area (PTBA) and the department of transportation, to test the feasibility and accuracy of the use of automated enforcement technology for high occupancy vehicle (HOV) lane passenger compliance. All costs associated with the demonstration project must be borne by the participating public transportation benefit area. Any photograph, microphotograph, or electronic images of a driver or passengers are for the exclusive use of the PTBA in the determination of whether an HOV passenger violation has occurred to test the feasibility and accuracy of automated enforcement under this subsection and are not open to the public and may not be used in a court in a pending action or proceeding. All photographs, microphotographs, and electronic images must be destroyed after determining a passenger count and no later than the completion of the demonstration project. No warnings or notices of infraction may be issued under the demonstration project.

For purposes of the demonstration project, an automated enforcement technology device may record an image of a driver and passenger of a motor vehicle. The county and PTBA must erect signs marking the locations where the automated enforcement for HOV passenger requirements is occurring.

The PTBA, in consultation with the Washington traffic safety commission, must provide a report to the transportation committees of the legislature with the number of violations detected during the demonstration

project, whether the technology used was accurate and any recommendations for future use of automated enforcement technology for HOV lane enforcement by June 30, 2021.

(4)(a) The Washington traffic safety commission shall coordinate with each city that implements a pilot program as authorized in chapter 224, Laws of 2020 (automated traffic safety cameras) or chapter . . . (Substitute Senate Bill No. 5789), Laws of 2020 (automated traffic safety cameras) to provide the transportation committees of the legislature with the following information by June 30, 2021:

(i) The number of warnings and infractions issued to first-time violators under the pilot program;

(ii) The number of warnings and infractions issued to the registered owners of vehicles that are not registered with an address located in the city conducting the pilot program; and

(iii) The frequency with which warnings and infractions are issued on weekdays versus weekend days.

(b) If neither chapter 224, Laws of 2020 nor chapter . . . (Substitute Senate Bill No. 5789), Laws of 2020 is enacted by June 30, 2020, the conditions of this subsection (4) have no force and effect.

Sec. 902. 2020 c 219 s 202 (uncodified) is amended to read as follows:

FOR THE COUNTY ROAD ADMINISTRATION BOARD

Rural Arterial Trust Account-State Appropriation \$1,137,000

Motor Vehicle Account-State Appropriation (~~(\$2,920,000)~~)
\$2,995,000

County Arterial Preservation Account-State Appropriation \$1,677,000

TOTAL APPROPRIATION
 (~~(\$5,734,000)~~)
\$5,809,000

The appropriations in this section are subject to the following conditions and limitations: \$58,000 of the motor vehicle account-state appropriation is provided solely for succession planning and training.

Sec. 903. 2020 c 219 s 203 (uncodified) is amended to read as follows:

FOR THE TRANSPORTATION IMPROVEMENT BOARD

Transportation Improvement Account-State Appropriation (~~(\$3,854,000)~~)
\$3,825,000

Sec. 904. 2020 c 219 s 204 (uncodified) is amended to read as follows:

FOR THE JOINT TRANSPORTATION COMMITTEE

Motor Vehicle Account-State Appropriation (~~(\$2,187,000)~~)
\$2,173,000

Multimodal Transportation Account-State Appropriation (~~(\$917,000)~~)
\$895,000

Highway Safety Account-State Appropriation \$275,000

TOTAL APPROPRIATION
 (~~(\$3,379,000)~~)
\$3,343,000

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

(1) \$400,000 of the motor vehicle account-state appropriation and \$50,000 of the multimodal transportation account-state appropriation is for the joint transportation committee to conduct a comprehensive assessment of statewide transportation needs and priorities, and existing and potential transportation funding mechanisms to address those needs and priorities. The assessment must include: (a) Recommendations on the critical state and local transportation projects, programs, and services needed to achieve an efficient, effective, statewide transportation system over the next ten years; (b) a comprehensive menu of funding options for the legislature to consider to address the identified transportation system investments; (c) recommendations on whether a revision to the statewide transportation policy goals in RCW 47.04.280 is warranted in light of the recommendations and options identified in (a) and (b) of this subsection; and (d) an analysis of the economic impacts of a range of future

transportation investments. The assessment must be submitted to the transportation committees of the legislature by June 30, 2020. Starting July 1, 2020, and concluding by December 31, 2020, a committee-appointed commission or panel shall review the assessment and make final recommendations to the legislature for consideration during the 2021 legislative session on a realistic, achievable plan for funding transportation programs, projects, and services over the next ten years including a timeline for legislative action on funding the identified transportation system needs shortfall.

(2)(a) \$382,000 of the multimodal transportation account-state appropriation is for the joint transportation committee to conduct an analysis of the electrification of public fleets in Washington state. The study must include the following:

(i) An inventory of existing public fleets for the state of Washington, counties, a sampling of cities, and public transit agencies. The inventory must differentiate among battery and fuel cell electric vehicles, hybrid vehicles, gasoline powered vehicles, and any other functional categories. Three cities from each of the following population ranges must be selected for the analysis:

(A) Population up to and including twenty-five thousand;

(B) Population greater than twenty-five thousand and up to and including fifty thousand;

(C) Population greater than fifty thousand and up to and including one hundred thousand;

(D) Population greater than one hundred thousand;

(ii) A review of currently available battery and fuel cell electric vehicle alternatives to the vehicle types most commonly used by the state, counties, cities, and public transit agencies. The review must include:

(A) The average vehicle cost differential among the commercially available fuel options;

(B) A cost benefit analysis of the conversion of different vehicle classes; and

(C) Recommendations for the types of vehicles that should be excluded from consideration due to insufficient alternatives, unreliable technology, or excessive cost;

(iii) The projected costs of achieving substantial conversion to battery and/or fuel cell electric fleets by 2025, 2030, and 2035 for the state, counties, cities, and public transit agencies. This cost estimate must include:

(A) Vehicle acquisition costs, charging and refueling infrastructure costs, and other associated costs;

(B) Financial constraints of each type of entity to transition to an electric vehicle fleet; and

(C) Any other identified barriers to transitioning to a battery and/or fuel cell electric vehicle fleet;

(iv) Identification and analysis of financing mechanisms that could be used to finance the transition of publicly owned vehicles to battery and fuel cell electric vehicles. These mechanisms include, but are not limited to: Energy or carbon savings performance contracting, utility grants and rebates, revolving loan funds, state grant programs, private third-party financing, fleet management services, leasing, vehicle use optimization, and vehicle to grid technology; and

(v) The predicted number and location profile of electric vehicle fueling stations needed statewide to provide fueling for the fleets of the state, counties, cities, and public transit agencies.

(b) In developing and implementing the study, the joint transportation committee must solicit input from representatives of the department of enterprise services, the department of transportation, the department of licensing, the department of commerce, the Washington state association of counties, the association of Washington cities, the Washington state transit association, transit agencies, and others as deemed appropriate.

(c) The joint transportation committee must issue a report of its findings and recommendations to the transportation committees of the legislature by September 30, 2020.

(3)(a) (~~(\$250,000)~~) \$228,000 of the multimodal transportation account-state

appropriation is for the joint transportation committee to conduct a study of the feasibility of an east-west intercity passenger rail system. The study must include the following elements:

(i) Projections of potential ridership;

(ii) Review of relevant planning studies;

(iii) Establishment of an advisory group and associated meetings;

(iv) Development of a Stampede Pass corridor alignment to maximize ridership, revenue, and rationale, considering service to population centers: Auburn, Cle Elum, Yakima, Tri-Cities, Ellensburg, Toppenish, and Spokane;

(v) Assessment of current infrastructure conditions, including station stop locations;

(vi) Identification of equipment needs; and

(vii) Identification of operator options.

(b) A report of the study findings and recommendations is due to the transportation committees of the legislature by June 30, 2020.

(4) (a) \$275,000 of the highway safety fund—state appropriation is for a study of vehicle subagents in Washington state. The study must consider and include recommendations, as necessary, on the following:

(i) The relevant statutes, rules, and/or regulations authorizing vehicle subagents and any changes made to the relevant statutes, rules, and/or regulations;

(ii) The current process of selecting and authorizing a vehicle subagent, including the change of ownership process and the identification of any barriers to entry into the vehicle subagent market;

(iii) The annual business expenditures borne by each of the vehicle subagent businesses since fiscal year 2010 and identification of any materials, including office equipment and supplies, provided by the department of licensing to each vehicle subagent since fiscal year 2010. To accomplish this task, each vehicle subagent must provide expenditure data to the joint

transportation committee for the purposes of this study;

(iv) The oversight provided by the county auditors and/or the department of licensing over the vehicle subagent businesses;

(v) The history of service fees, how increases to the service fee rate are made, and how the requested fee increase is determined;

(vi) The online vehicle registration renewal process and any potential improvements to the online process;

(vii) The department of licensing's ability to provide more vehicle licensing services directly, particularly taking into account the increase in online vehicle renewal transactions;

(viii) The potential expansion of services that can be performed by vehicle subagents; and

(ix) The process by which the geographic locations of vehicle subagents are determined.

(b) In conducting the study, the joint transportation committee must consult with the department of licensing, a representative of county auditors, and a representative of vehicle subagents.

(c) The joint transportation committee may collect any data from the department of licensing, county auditors, and vehicle subagents that is necessary to conduct the study.

(d) The joint transportation committee must issue a report of its findings and recommendations to the transportation committees of the legislature by September 30, 2020.

(5) (a) \$235,000 of the multimodal transportation account—state appropriation is for the joint transportation committee to oversee a consultant study on rail safety governance best practices, by class of rail where applicable, and recommendations for the implementation of these best practices in Washington state. The study must assess rail safety governance for passenger and freight rail, including rail transit services, and must consider recommendations made by the national transportation safety board in its 2017 Amtrak passenger train 501 derailment accident report that are relevant to rail safety governance.

(b) The study must include the following components:

(i) (A) An assessment of rail safety oversight in Washington state that includes: (I) The rail safety oversight roles of federal, state, regional, and local agencies, including the extent to which federal and state laws govern these roles and the extent to which these roles would be modified should the suspended federal rules in 49 C.F.R. Part 270 take effect; (II) federal, state, regional, and local agency organizational structures and processes utilized to conduct rail safety oversight; and (III) coordination activities by federal, state, regional, and local agencies in conducting rail safety oversight;

(B) An examination of rail safety governance best practices by other states for the items identified in (a) of this subsection; and

(C) Recommendations for the implementation of best practices for rail safety governance in Washington state.

(ii) The study must address the extent to which additional safety oversight of rail project design and construction is used in other states and would be a recommended best practice for Washington state.

(c) The joint transportation committee shall consult with the Washington state department of transportation, the Washington state utilities and transportation commission, sound transit, the national transportation safety board, Amtrak, the federal railroad administration, BNSF railway company, one or more representatives of short line railroads, one or more representatives of labor, and other entities with rail safety expertise as necessary.

(d) The joint transportation committee must issue a report of its findings and recommendations on rail safety governance to the transportation committees of the legislature by January 6, 2021.

(6) (a) \$250,000 of the motor vehicle account—state appropriation is for the joint transportation committee to conduct a study of the feasibility of a private auto ferry between the state of Washington and British Columbia, Canada. The study must include the following elements:

(i) Expected impacts to ridership, revenue, and expenditures for Washington state ferries;

(ii) Expected impacts to ferry service provided to the San Juan Islands;

(iii) Possible terminal locations on Fidalgo Island;

(iv) Economic impacts to the Anacortes area if ferry service between the area and Vancouver Island ceases;

(v) Economic impacts to the San Juan Islands if ferry service or ferry tourism is reduced;

(vi) Expected impacts to family wage jobs in the marine industry for Washingtonians;

(vii) Expected impacts to ferry fares between the state of Washington and British Columbia, Canada;

(viii) Legal analysis of all state, federal, or Canadian laws or rules, including the Jones act and rules of the board of pilotage commissioners, that may apply to initiation of private service or cessation of state service; and

(ix) Options for encouraging private auto ferry service between the state of Washington and Vancouver Island, Canada.

(b) In conducting the study, the joint transportation committee must consult with the department of transportation, a representative of San Juan county, a representative of the city of Anacortes, a representative of the inland boatman's union, a representative of Puget Sound pilots, a representative of the port of Anacortes, a representative of the economic development alliance of Skagit county, and interested private ferry operators in Washington state.

(c) A report of the study findings and options is due to the transportation committees of the legislature by February 15, 2021.

Sec. 905. 2020 c 219 s 205 (uncodified) is amended to read as follows:

FOR THE TRANSPORTATION COMMISSION

Motor Vehicle Account—State Appropriation	(\$2,324,000)
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\$1,861,000

Interstate 405 and State Route Number 167 Express Toll Lanes

Account-State	Appropriation
(\$410,000)	
<u>\$406,000</u>	
State Route Number 520 Corridor	
Account-State	
Appropriation	(\$271,000)
<u>\$262,000</u>	
Tacoma Narrows Toll Bridge	Account-
State	
Appropriation	(\$158,000)
<u>\$152,000</u>	
Alaskan Way Viaduct Replacement	
Project	
Account-State	Appropriation
(\$136,000)	
<u>\$132,000</u>	
TOTAL	APPROPRIATION
(\$3,299,000)	
<u>\$2,813,000</u>	

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

(1) (a) The commission shall reconvene the road usage charge steering committee, with the same membership described in chapter 297, Laws of 2018, and shall report at least once every three months to the steering committee with updates on report development for the completed road usage charge pilot project until the final report is submitted. The commission shall also report to the steering committee on any other activities undertaken in accordance with this subsection (1) as necessary to keep it apprised of new developments and to obtain input on its efforts. The final report on the road usage charge pilot project is due to the transportation committees of the legislature by January 1, 2020, and should include recommendations for necessary next steps to consider impacts to communities of color, low-income households, vulnerable populations, and displaced communities. 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 president of the senate for a senate member vacancy.

(b) (i) The commission shall coordinate with the department of transportation to jointly seek federal funds available

through the federal surface transportation system funding alternatives grant program, applying toll credits for meeting match requirements. One or more grant applications shall be developed that propose to:

(A) Create a framework for modeling the effects of a road usage charge on passenger and light-duty vehicles including, but not limited to, plug-in electric vehicles, autonomous vehicles, state fleets, and transportation network companies on a road usage charge system;

(B) Identify and measure potential disparate impacts of a road usage charge on designated populations, including communities of color, low-income households, vulnerable populations, and displaced communities;

(C) Incorporate emerging approaches to mileage reporting, such as in-vehicle telematics, improved smartphone apps, and use of private businesses to provide odometer verification and mileage reporting services, into a road usage charge system;

(D) Conduct a series of facilitated work sessions with other states and private sector firms to identify opportunities to reduce the cost of collections for a road usage charge;

(E) Develop a road usage charge phase-in plan that incorporates findings from (b) (i) (A) through (D) of this subsection;

(F) Carry out a limited scale demonstration to test new mileage reporting methods; equity policies; cost reduction techniques; and collecting a road usage charge from passenger and light-duty vehicles including, but not limited to, plug-in electric vehicles, autonomous vehicles, state fleets, transportation network companies, and other new mobility services; and

(G) Produce a final report with recommendations and a recommended roadmap that details how a road usage charge could be appropriately scaled to fit state circumstances and that includes a framework for evaluating policy choices related to the use of road usage charge revenue.

(ii) A year-end report on the status of any federally-funded project for which federal funding is secured must be provided to the governor's office and the transportation committees of the

legislature by January 1, 2020, and by January 1, 2021.

(c) \$150,000 of the motor vehicle account-state appropriation is provided solely for analysis of potential impacts of a road usage charge on communities of color, low-income households, vulnerable populations, and displaced communities. The analysis must include an assessment of potential mitigation measures to address these potential impacts. These funds must be held in unallotted status during the 2019-2021 fiscal biennium, and may only be used after the commission has provided notice to the office of financial management that it has exhausted all efforts to secure federal funds from the federal surface transportation system funding alternatives grant program under (b) of this subsection without successfully securing federal funding for the further study of a road usage charge. A year-end update on the status of this effort, if undertaken prior to the end of calendar year 2020, must be provided to the governor's office and the transportation committees of the legislature by January 1, 2021.

(2)(a) \$250,000 of the Interstate 405 and state route number 167 express toll lanes account-state appropriation is provided solely for the transportation commission to conduct a study, applicable to the Interstate 405 express toll lanes, of discounted tolls and other similar programs for low-income drivers that are provided by other states, countries, or other entities and how such a program could be implemented in the state of Washington. The transportation commission may contract with a consultant to conduct all or a portion of this study.

(b) In conducting this study, the transportation commission shall consult with both the department of transportation and the department of social and health services.

(c) The transportation commission shall, at a minimum, consider the following issues when conducting the study of discounted tolls and other similar programs for low-income drivers:

(i) The benefits, requirements, and any potential detriments to the users of a program;

(ii) The most cost-effective way to implement a program given existing financial commitments, shared cost

requirements across facilities, and technical requirements to execute and maintain a program;

(iii) The implications of a program for tolling policies, revenues, costs, operations, and enforcement; and

(iv) Any implications to tolled facilities based on the type of tolling implemented on a particular facility.

(d) The transportation commission shall provide a report detailing the findings of this study and recommendations for implementing a discounted toll or other appropriate program in the state of Washington to the transportation committees of the legislature by June 30, 2021.

(3) \$160,000 of the Interstate 405 and state route number 167 express toll lanes account-state appropriation, \$271,000 of the state route number 520 corridor account-state appropriation, \$158,000 of the Tacoma Narrows toll bridge account-state appropriation, and \$136,000 of the Alaskan Way viaduct replacement project account-state appropriation are provided solely for the transportation commission's proportional share of time spent supporting tolling operations for the respective tolling facilities.

(4) The legislature requests that the commission commence proceedings to name state route number 165 as The Glacier Highway to commemorate the significance of glaciers to the state of Washington.

Sec. 906. 2020 c 219 s 206 (uncodified) is amended to read as follows:

FOR THE FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD

Freight Mobility Investment Account-State

Appropriation (~~(\$772,000)~~)

\$766,000

Sec. 907. 2020 c 219 s 207 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE PATROL

State Patrol Highway Account-State Appropriation (~~(\$501,294,000)~~)

\$495,785,000

State Patrol Highway Account-Federal Appropriation (~~(\$16,081,000)~~)

\$15,978,000

State Patrol Highway Account-Private/Local	
Appropriation	((\$4,258,000))
	<u>\$4,257,000</u>
Highway Safety Account-State Appropriation	\$1,188,000
Ignition Interlock Device Revolving Account-State	
Appropriation	\$7,010,000
Multimodal Transportation Account-State	
Appropriation	((\$286,000))
	<u>\$274,000</u>
Interstate 405 and State Route Number 167 Express	
Toll Lanes Account-State Appropriation	\$1,182,000
State Route Number 520 Corridor Account-State	
Appropriation	\$1,988,000
Tacoma Narrows Toll Bridge Account-State Appropriation	\$1,158,000
Alaskan Way Viaduct Replacement Project	
Account-State	Appropriation
\$996,000	
TOTAL	APPROPRIATION
((\$535,441,000))	
	<u>\$529,816,000</u>

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) \$1,424,000 of the state patrol highway account-state appropriation is provided solely to enter into an agreement for upgraded land mobile software, hardware, and equipment.

(4) \$2,582,000 of the state patrol highway account-state appropriation is provided solely for the replacement of radios and other related equipment.

(5) \$343,000 of the state patrol highway account-state appropriation is provided solely for aerial criminal investigation tools, including software licensing and maintenance, and annual certification.

(6) ((~~\$2,342,000~~)) \$1,556,000 of the state patrol highway account-state appropriation is provided solely to address the increase in the number of toxicology cases from impaired driving and death investigations.

(7) \$580,000 of the state patrol highway account-state appropriation is provided solely for the operation of and administrative support to 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 the additional vehicle registration fees, sales and use taxes, and local vehicle fees remitted to the state pursuant to activity conducted by the license investigation unit. Beginning October 1, 2019, and quarterly thereafter, the Washington state patrol shall submit a report detailing the additional revenue amounts generated since July 1, 2017, to the director of the office of financial management and the transportation committees of the legislature. At the end of the calendar quarter in which it is estimated that more than \$625,000 in state sales and use taxes have been remitted to the state since July 1, 2017, the Washington state patrol shall notify the state treasurer and the state treasurer shall transfer funds pursuant to section 406, chapter 416, Laws of 2019.

(8) \$18,000 of the state patrol highway account-state appropriation is provided solely for the license investigation unit to procure an

additional license plate reader and related costs.

(9) 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.

(10) \$4,210,000 of the state patrol highway account-state appropriation is provided solely for a third arming and a third trooper basic training class. The cadet class is expected to graduate in June 2021.

(11) \$65,000 of the state patrol highway account-state appropriation is provided solely for the implementation of chapter 440, Laws of 2019 (immigrants in the workplace). If chapter 440, Laws of 2019 is not enacted by June 30, 2019, the amount provided in this subsection lapses.

(12)(a) The Washington state patrol must report quarterly to the house and senate transportation committees on the status of recruitment and retention activities as follows:

(i) A summary of recruitment and retention strategies;

(ii) The number of transportation funded staff vacancies by major category;

(iii) The number of applicants for each of the positions by these categories;

(iv) The composition of workforce; and

(v) Other relevant outcome measures with comparative information with recent comparable months in prior years.

(b) By January 1, 2020, the Washington state patrol must submit to the transportation committees of the legislature and the governor a workforce diversity plan. The plan must identify ongoing, and both short-term and long-term, specific comprehensive outreach and recruitment strategies to increase populations underrepresented within both commissioned and noncommissioned employee groups.

(13) \$1,182,000 of the Interstate 405 and state route number 167 express toll lanes account-state appropriation, \$1,988,000 of the state route number 520 corridor account-state appropriation, \$1,158,000 of the Tacoma Narrows toll bridge account-state appropriation, and \$996,000 of the Alaskan Way viaduct replacement project account-state appropriation are provided solely for the Washington state patrol's proportional share of time spent supporting tolling operations and enforcement for the respective tolling facilities.

(14) \$100,000 of the state patrol highway account-state appropriation is provided solely for the implementation of (~~Senate Bill No. 6218~~) chapter 97, Laws of 2020 (Washington state patrol retirement definition of salary), which reflects an increase in the Washington state patrol retirement system pension contribution rate of 0.15 percent for changes to the definition of salary. If (~~Senate Bill No. 6218~~) chapter 97, Laws of 2020 is not enacted by June 30, 2020, the amount provided in this subsection lapses.

(~~(16)~~) (15) \$975,000 of the state patrol highway account-state appropriation is provided solely for communications officers at the King county public safety answering point.

(~~(17)~~) (16) \$830,000 of the state patrol highway account-state appropriation is provided solely for information technology security enhancements.

(~~(18)~~) (17) \$150,000 of the state patrol highway account is provided solely for the Washington state patrol to work with the department of enterprise services and office of minority and women's business enterprises to contract for a workforce diversity strategic action plan. The successful consultant must have demonstrated expertise in workforce diversity research and an established record of assisting organizations in implementing diversity initiatives. The plan must include:

(a) Current and past employment data on the composition of the state patrol workforce generally and of its protective service workers;

(b) Research into the reasons for underrepresentation of minorities and women in the state patrol workforce;

(c) Research on best practices for recruiting across the state and from communities historically underrepresented in the Washington state patrol workforce;

(d) Case studies of law enforcement and other agencies that have successfully diversified their workforce; and

(e) A strategic plan with recommendations that will address disparities in the Washington state patrol employment ranks in both commissioned and noncommissioned personnel, with a focus on executive, command, and supervisory employees.

Sec. 908. 2020 c 219 s 208 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LICENSING

Marine Fuel Tax Refund Account—State
Appropriation \$34,000

Motorcycle Safety Education Account—State

Appropriation (~~(\$5,052,000)~~)

\$5,023,000

State Wildlife Account—State
Appropriation (~~(\$511,000)~~)

\$510,000

Highway Safety Account—State
Appropriation (~~(\$242,965,000)~~)

\$226,935,000

Highway Safety Account—Federal
Appropriation \$1,294,000

Motor Vehicle Account—State
Appropriation (~~(\$71,447,000)~~)

\$64,548,000

Motor Vehicle Account—Federal
Appropriation \$186,000

Motor Vehicle Account—Private/Local
Appropriation \$10,008,000

Ignition Interlock Device Revolving
Account—State

Appropriation (~~(\$5,779,000)~~)

\$5,265,000

Department of Licensing Services
Account—State

Appropriation (~~(\$7,696,000)~~)

\$7,685,000

License Plate Technology Account—State

Appropriation \$4,250,000

Abandoned Recreational Vehicle
Account—State

Appropriation \$2,925,000

Limousine Carriers Account—State
Appropriation \$113,000

Electric Vehicle Account—State
Appropriation \$264,000

DOL Technology Improvement & Data
Management

Account—State Appropriation
\$2,250,000

Agency Financial Transaction Account—
State

Appropriation \$11,903,000

TOTAL APPROPRIATION

(~~(\$366,677,000)~~)

\$343,193,000

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

(1) \$139,000 of the motorcycle safety education account—state appropriation is provided solely for the implementation of chapter 65, Laws of 2019 (motorcycle safety). If chapter 65, Laws of 2019 is not enacted by June 30, 2019, the amount provided in this subsection lapses.

(2) \$25,000 of the motorcycle safety education account—state appropriation, \$4,000 of the state wildlife account—state appropriation, \$1,708,000 of the highway safety account—state appropriation, \$576,000 of the motor vehicle account—state appropriation, \$22,000 of the ignition interlock device revolving account—state appropriation, and \$28,000 of the department of licensing services account—state appropriation are provided solely for the department to fund the appropriate staff and necessary equipment and software for data management, data analytics, and data compliance activities. The department must, in consultation with the office of the chief information officer, construct a framework with goals for providing better data stewardship and a plan to achieve those goals. The department must provide the framework and plan to the transportation committees of the legislature by December 31, 2019, and an update by May 1, 2020.

(3) Appropriations provided for the cloud continuity of operations project in

this section are subject to the conditions, limitations, and review provided in section 701 (~~of this act~~), chapter 219, Laws of 2020.

(4) \$24,028,000 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 department shall report on a quarterly basis on the use of these funds, associated workload, and information with comparative information with recent comparable months in prior years. The report must include detailed statewide and by licensing service office information on staffing levels, average monthly wait times, the number of enhanced drivers' licenses and enhanced identicards issued/renewed, and the number of primary drivers' licenses and identicards issued/renewed. Within the amounts provided in this subsection, the department shall implement efficiency measures to reduce the time for licensing transactions and wait times including, but not limited to, the installation of additional cameras at licensing service offices that reduce bottlenecks and align with the "keep your customer" initiative.

(5) \$507,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (Substitute Senate Bill No. 5419), Laws of 2019 (vehicle service fees) or chapter 417, Laws of 2019 (vehicle service fees). If neither chapter . . . (Substitute Senate Bill No. 5419), Laws of 2019 or chapter 417, Laws of 2019 are enacted by June 30, 2019, the amount provided in this subsection lapses.

(6) \$25,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter 177, Laws of 2019 (San Juan Islands license plate). If chapter 177, Laws of 2019 is not enacted by June 30, 2019, the amount provided in this subsection lapses.

(7) \$24,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter 384, Laws of 2019 (Seattle Storm license plate). If chapter 384, Laws of 2019 is not enacted by June 30, 2019, the amount provided in this subsection lapses.

(8) \$65,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter 440, Laws of 2019 (immigrants in the

workplace). If chapter 440, Laws of 2019 is not enacted by June 30, 2019, the amount provided in this subsection lapses.

(9) The appropriations in this section assume implementation of additional cost recovery mechanisms to recoup at least \$11,903,000 in credit card and other financial transaction costs as part of charges imposed for driver and vehicle fee transactions beginning January 1, 2020. At the direction of the office of financial management, the department must develop a method of tracking the additional amount of credit card and other financial cost-recovery revenues. In consultation with the office of financial management, the department must notify the state treasurer of these amounts and the state treasurer must deposit these revenues in the agency financial transaction account created in section 717, chapter 416, Laws of 2019 on a quarterly basis.

(10) \$1,281,000 of the department of licensing service account—state appropriation is provided solely for savings from the implementation of chapter 417, Laws of 2019 (vehicle service fees). If chapter 417, Laws of 2019 is enacted by June 30, 2019, the amount provided in this subsection lapses.

(11) \$2,650,000 of the abandoned recreational vehicle disposal account—state appropriation is provided solely for providing reimbursements in accordance with the department's abandoned recreational vehicle disposal reimbursement program. It is the intent of the legislature that the department prioritize this funding for allowable and approved reimbursements and not to build a reserve of funds within the account.

(12) \$20,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter 210, Laws of 2019 (Gold Star license plate). If chapter 210, Laws of 2019 is not enacted by June 30, 2019, the amount provided in this subsection lapses.

(13) \$31,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter 262, Laws of 2019 (snow bikes). If chapter 262, Laws of 2019 is not enacted by June 30, 2019, the amount provided in this subsection lapses.

(14) \$24,000 of the motor vehicle account—state appropriation is provided

solely for the implementation of chapter 139, Laws of 2019 (Purple Heart license plate). If chapter 139, Laws of 2019 is not enacted by June 30, 2019, the amount provided in this subsection lapses.

(15) \$24,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter 278, Laws of 2019 (vehicle and vessel owner information). If chapter 278, Laws of 2019 is not enacted by June 30, 2019, the amount provided in this subsection lapses.

(16) \$600,000 of the highway safety account—state appropriation is provided solely for the department to provide an interagency transfer to the department of social and health services, children's administration division for the purpose of providing driver's license support to a larger population of foster youth than is already served within existing resources. Support services include reimbursement of driver's license issuance costs, fees for driver training education, and motor vehicle liability insurance costs.

(17) The department 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. 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.

(18) \$91,000 of the highway safety account—state appropriation is provided solely for the department's costs related to the one Washington project.

(19) (~~(\$1,674,000)~~) \$1,174,000 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 continue the outreach plan that includes informational material that can be effectively communicated to all communities and populations in Washington. To accomplish this work, the department shall contract with an external vendor with demonstrated

experience and expertise in outreach and marketing to underrepresented communities in a (~~(culturally-responsive)~~) culturally responsive fashion.

(20) Due to the passage of chapter 1 (Initiative Measure No. 976), Laws of 2020, the department, working with the office of financial management, shall provide a monthly report on the number of registrations involved and differences between actual collections and collections if the initiative was not subject to a temporary injunction as of December 5, 2019.

(21) The appropriations in this section assume full cost recovery for the administration and collection of a motor vehicle excise tax on behalf of any regional transit authority pursuant to section 706 (~~(of this act)~~), chapter 219, Laws of 2020.

(~~(26)~~) (22) \$107,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter 78, Laws of 2020 (military veterans commercial driver's license waivers) or chapter . . . (Second Substitute Senate Bill No. 5544), Laws of 2020 (military veterans commercial driver's license waivers). If neither chapter 78, Laws of 2020 nor chapter . . . (Second Substitute Senate Bill No. 5544), Laws of 2020 is enacted by June 30, 2020, the amount provided in this subsection lapses.

(~~(28)~~) (23) \$114,000 of the highway safety account—state appropriation is provided solely for the implementation of chapter 124, Laws of 2020 (homeless youth identicards) or chapter . . . (Senate Bill No. 6304), Laws of 2020 (homeless youth identicards). If neither chapter 124, Laws of 2020 nor chapter . . . (Senate Bill No. 6304), Laws of 2020 is enacted by June 30, 2020, the amount provided in this subsection lapses.

(~~(29)~~) (24) \$24,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter 129, Laws of 2020 (Seattle national hockey league special license plate) or chapter . . . (Senate Bill No. 6562), Laws of 2020 (Seattle national hockey league special license plate). If neither chapter 129, Laws of 2020 nor chapter . . . (Senate Bill No. 6562), Laws of 2020 is enacted by June 30, 2020, the amount provided in this subsection lapses.

~~((30))~~ (25) \$14,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter . . . (Engrossed Substitute House Bill No. 2723), Laws of 2020 (off-road vehicle enforcement) or chapter . . . (Senate Bill No. 6115), Laws of 2020 (off-road vehicle enforcement). If neither chapter . . . (Engrossed Substitute House Bill No. 2723), Laws of 2020 nor chapter . . . (Senate Bill No. 6115), Laws of 2020 is enacted by June 30, 2020, the amount provided in this subsection lapses.

~~((31))~~ (26) \$105,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter 118, Laws of 2020 (tribal vehicles compact) or chapter . . . (Senate Bill No. 6251), Laws of 2020 (tribal vehicles compact). If neither chapter 118, Laws of 2020 nor chapter . . . (Senate Bill No. 6251), Laws of 2020 (tribal vehicles compact) is enacted by June 30, 2020, the amount provided in this subsection lapses.

~~((32))~~ (27) \$57,000 of the state wildlife account—state appropriation is provided solely for the implementation of chapter 148, Laws of 2020 (state wildlife account). If chapter 148, Laws of 2020 is not enacted by June 30, 2020, the amount provided in this subsection lapses.

~~((33))~~ (28) \$19,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter 93, Laws of 2020 (apples special license plate). If chapter 93, Laws of 2020 is not enacted by June 30, 2020, the amount provided in this subsection lapses.

~~((34))~~ (29) \$19,000 of the motor vehicle account—state appropriation is provided solely for the implementation of chapter 239, Laws of 2020 (stolen vehicle check). If chapter 239, Laws of 2020 is not enacted by June 30, 2020, the amount provided in this subsection lapses.

~~((36))~~ (30) \$40,000 of the department of licensing services account—state appropriation is provided solely for the department to report to the governor and chairs of the transportation committees of the legislature by December 1, 2020, with a proposed plan to allow the registered owner of a vehicle, or the registered owner's authorized representative, to voluntarily enter into either a quarterly or monthly payment plan with the

department to pay vehicle fees or taxes due at the time of application for renewal vehicle registration. The plan must include: (a) An analysis of the administrative costs associated with allowing the payment plans; (b) the estimated revenue impact by fund or account, including impacts to local governments; and (c) the recommended method to achieve the greatest level of customer payment compliance.

~~((37))~~ (31) (a) Within available resources, and in collaboration with the department of revenue, the department of licensing shall evaluate the effectiveness of chapter 218, Laws of 2017, in improving compliance with state laws relating to the registration of off-road vehicles, including the payment of retail sales and use tax. The department of licensing shall recommend any statutory, administrative, or other changes needed to optimize and further strengthen the compliance, including an implementation timeline and corresponding resource requirements. Among its recommendations, the department of licensing must address potential changes to the process under RCW 46.93.210 by which the department notifies persons whose vehicles may not be properly registered in the state. The department shall submit a report to the governor and the transportation committees of the legislature by December 15, 2020.

(b) If chapter . . . (Engrossed Substitute House Bill No. 2723), Laws of 2020 is enacted by June 30, 2020, this subsection has no force and effect.

Sec. 909. 2020 c 219 s 209 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—TOLL OPERATIONS AND MAINTENANCE—PROGRAM B

State Route Number 520 Corridor Account—State

Appropriation ~~((59,059,000))~~
\$36,503,000

State Route Number 520 Civil Penalties Account—State

Appropriation ~~((4,145,000))~~
\$20,230,000

Tacoma Narrows Toll Bridge Account—State

Appropriation	(\$33,806,000)
	<u>\$34,073,000</u>
Alaskan Way Viaduct Replacement Project Account-State	
Appropriation	(\$21,616,000)
	<u>\$19,857,000</u>
Interstate 405 and State Route Number 167 Express	
Toll Lanes Account-State Appropriation	(\$27,457,000)
	<u>\$23,637,000</u>
TOTAL	APPROPRIATION
	(\$146,083,000)
	<u>\$134,300,000</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 \$11,034,000 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) 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.

(3) (a) ~~(\$2,114,000)~~ \$1,406,000 of the Interstate 405 and state route number 167 express toll lanes account-state appropriation, ~~(\$4,920,000)~~ \$3,269,000 of the state route number 520 corridor account-state appropriation, ~~(\$2,116,000)~~ \$1,407,000 of the Tacoma Narrows toll bridge account-state appropriation, and ~~(\$2,776,000)~~ \$1,844,000 of the Alaskan Way viaduct replacement project account-state appropriation are provided solely for the department to finish implementing a new tolling customer service toll collection system, and are subject to the conditions, limitations, and review provided in section 701 ~~(of this act)~~, chapter 219, Laws of 2020.

(b) 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.

(4) The department shall make detailed quarterly reports to the transportation committees of the legislature and the public on the department's web site 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;

(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; and

(e) A summary of toll revenue by facility on all operating toll facilities and express toll lane systems, and an itemized depiction of the use of that revenue.

(5) (~~(\$24,735,000)~~) \$21,623,000 of the Interstate 405 and state route number 167 express toll lanes account-state appropriation is provided solely for operational costs related to the express toll lane facility.

~~(6) ((In calendar year 2021, toll equipment on the Tacoma Narrows Bridge will have reached the end of its operational life. During the 2019-2021 fiscal biennium, the department plans to issue a request for proposals as the first stage of a competitive procurement process that will replace the toll equipment and select a new tolling operator for the Tacoma Narrows Bridge. The request for proposals and subsequent competitive procurement must incorporate elements that prioritize the overall goal of lowering costs per transaction for the facility, such as incentives for innovative approaches which result in lower transactional costs, requests for efficiencies on the part of the bidder that lower operational costs, and incorporation of technologies such as self-serve credit card machines or other point-of-payment technologies that lower costs or improve operational efficiencies.~~

~~(7) \$18,840,000)~~ \$18,013,000 of the Alaskan Way viaduct replacement project account-state appropriation is provided solely for the new state route number 99 tunnel toll facility's expected share of collecting toll revenues, operating customer services, and maintaining toll collection systems. The legislature expects to see appropriate reductions to the other toll facility accounts once tolling on the new state route number 99 tunnel toll facility commences and any previously incurred costs for start-up of the new facility are charged back to the Alaskan Way viaduct replacement project account. The office of financial management shall closely monitor the application of the cost allocation model and ensure that the new state route number 99 tunnel toll facility is adequately sharing costs and the other toll facility accounts are not being overspent or subsidizing the new state route number 99 tunnel toll facility.

~~((+8))~~ (7) \$608,000 of the Interstate 405 and state route number 167 express

toll lanes account—state appropriation are provided solely for increased levels of service from the Washington state patrol for enforcement of toll lane violations on the Interstate 405 and state route number 167 express toll lanes. The department shall compile monthly data on the number of Washington state patrol enforcement hours on each facility and the percentage of time during peak hours that speeds are at or above forty-five miles per hour on each facility. The department shall provide this data in a report to the transportation committees of the legislature on at least a calendar quarterly basis.

~~((9))~~ (8) The department shall develop an ongoing cost allocation method to assign appropriate costs to each of the toll funds for services provided by each Washington state department of transportation program and all relevant transportation agencies, including the Washington state patrol and the transportation commission. This method should update the toll cost allocation method used in the 2020 supplemental transportation appropriations act. By December 1, 2020, a report with the recommended method and any changes or potential impacts to toll rates shall be submitted to the transportation committees of the legislature and the office of financial management.

Sec. 910. 2020 c 219 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 ~~((96,331,000))~~

\$93,032,000

Puget Sound Ferry Operations Account—
State

Appropriation \$263,000

Multimodal Transportation Account—
State

Appropriation ~~((2,878,000))~~

\$2,665,000

Transportation 2003 Account (Nickel
Account)—State

Appropriation \$1,460,000

TOTAL
~~((102,392,000))~~
\$98,880,000

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

(1) \$8,114,000 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))~~, chapter 219, Laws of 2020. 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. The department shall provide a report to the transportation committees of the legislature by December 31, 2019, detailing the project timeline as of July 1, 2019, an updated project timeline if necessary, expenditures made to date for the purposes of this project, and expenditures projected through the remainder of the project timeline.

(2) \$1,375,000 of the motor vehicle account—state appropriation is provided solely for the department's cost related to the one Washington project.

(3) \$21,500,000 of the motor vehicle account—state appropriation is provided solely for the activities of the information technology program in developing and maintaining information systems that support the operations and program delivery of the department, ensuring compliance with section 701 ~~((of this act))~~, chapter 219, Laws of 2020, and the requirements of the office of the chief information officer under RCW 43.88.092 to evaluate and prioritize any

new financial and capital systems replacement or modernization project and any other information technology project. During the 2019-2021 fiscal biennium, the department may use the distributed direct program support or other cost allocation method to fund a new capital systems replacement or modernization project. The department shall submit a decision package for implementation of a new capital systems replacement project to the governor and the transportation committees of the legislature as part of the normal budget process for the 2021-2023 biennium.

Sec. 911. 2020 c 219 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	((\$34,807,000))
	<u>\$33,819,000</u>
State Route Number 520 Corridor Account-State Appropriation	\$34,000
TOTAL APPROPRIATION	
	((\$34,841,000))
	<u>\$33,853,000</u>

Sec. 912. 2020 c 219 s 212 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION-AVIATION-PROGRAM F

Aeronautics Account-State Appropriation	((\$7,743,000))
	<u>\$6,773,000</u>
Aeronautics Account-Federal Appropriation	\$3,043,000
Aeronautics Account-Private/Local Appropriation	\$60,000
TOTAL APPROPRIATION	
	((\$10,846,000))
	<u>\$9,876,000</u>

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

(1) (~~(\$2,862,000)~~) \$2,505,000 of the aeronautics account-state appropriation is provided solely for the airport aid grant program, which provides

competitive grants to public use airports for pavement, safety, maintenance, planning, and security.

(2) (~~(\$268,000)~~) \$218,000 of the aeronautics account-state appropriation is provided solely for one FTE dedicated to planning aviation emergency services and addressing emerging aeronautics requirements.

(3) \$200,000 of the aeronautics account-state appropriation is provided solely for the department to convene an electric aircraft work group to study the state of the electrically powered aircraft industry and assess infrastructure needs related to the deployment of electric or hybrid-electric aircraft for commercial air travel in Washington state.

(a) The chair of the work group may be a consultant specializing in aeronautics. The work group must include, but is not limited to, representation from the electric aircraft industry, the aircraft manufacturing industry, electric utility districts, the battery industry, the department of commerce, the department of transportation aviation division, the airline pilots association, a primary airport representing an airport association, and the airline industry.

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

(i) Infrastructure requirements necessary to facilitate electric aircraft operations at airports;

(ii) Potential economic and public benefits including, but not limited to, the direct and indirect impact on the number of manufacturing and service jobs and the wages from those jobs in Washington state;

(iii) Potential incentives for industry in the manufacturing and operation of electric aircraft for regional air travel;

(iv) Educational and workforce requirements for manufacturing and maintaining electric aircraft;

(v) Demand and forecast for electric aircraft use to include expected timeline of the aircraft entering the market given federal aviation administration certification requirements;

(vi) Identification of up to six airports in Washington state that may

benefit from a pilot program once an electrically propelled aircraft for commercial use becomes available; and

(vii) Recommendations to further the advancement of the electrification of aircraft for regional commercial use within Washington state, including specific, measurable goals for the years 2030, 2040, and 2050 that reflect progressive and substantial increases in the utilization of electric and hybrid-electric commercial aircraft.

(c) The work group must submit a report and accompanying recommendations to the transportation committees of the legislature by November 15, 2020.

(4) (~~(\$350,000)~~) \$193,000 of the aeronautics account-state appropriation is provided solely for the implementation of chapter 396, Laws of 2019 (aviation coordinating commission).

(5) Within amounts appropriated in this section, the aviation division of the department shall assist and consult with the department of revenue in their efforts to update the document titled "Washington Action Plan - FAA Policy Concerning Airport Revenue" to reflect changes to Washington tax code regarding hazardous substances. The department of revenue, in consultation with the aviation division of the Washington state department of transportation, is tasked with developing and recommending a methodology to segregate and track actual amounts collected from the hazardous substance tax under chapter 82.21 RCW and the petroleum products tax under chapter 82.23A RCW as imposed on aviation fuel. The department of revenue is directed to submit a report, including the recommended methodology, to the fiscal committees of the house of representatives and the senate by January 11, 2021.

Sec. 913. 2020 c 219 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	((\$59,788,000))

\$55,549,000

Motor Vehicle Account-Federal	
Appropriation	\$500,000

Multimodal Transportation Account-State Appropriation	\$258,000
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TOTAL	APPROPRIATION
((\$60,546,000))	
<u>\$56,307,000</u>	

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

(1) 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 (1), 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.

(2) With respect to Parcel 12 of the real property conveyed by the state of Washington to the city of Mercer Island under that certain quitclaim deed, dated April 19, 2000, recorded in King county under recording no. 20000425001234, the requirement in the deed that the property be used for road/street purposes only will be deemed satisfied by the department of transportation so long as commuter parking, as part of the vertical development of the property, is one of the significant uses of the property.

(3) \$1,600,000 of the motor vehicle account-state appropriation is provided solely for real estate services activities. Consistent with RCW 47.12.120 and during the 2019-2021 fiscal biennium, when initiating, extending, or renewing any rent or lease agreements with a regional transit authority, consideration of value must be equivalent to one hundred percent of economic or market rent.

(4) (a) \$100,000 of the motor vehicle account-state appropriation is provided solely for the department to:

(i) Determine the real property owned by the state of Washington and under the jurisdiction of the department in King county that is surplus property located in an area encompassing south of Dearborn Street in Seattle, south of Newcastle, west of SR 515, and north of South 216th to SR 515; and

(ii) Use any remaining funds after (a) (i) of this subsection is completed to identify additional real property across the state owned by the state of Washington and under the jurisdiction of the department that is surplus property.

(b) The department shall provide a report to the transportation committees of the legislature describing the properties it has identified as surplus property under (a) of this subsection by October 1, 2020.

Sec. 914. 2020 c 219 s 214 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION-PUBLIC-PRIVATE PARTNERSHIPS-PROGRAM K

Motor Vehicle Account-State
Appropriation (~~(\$670,000)~~)

\$654,000

Electric Vehicle Account-State
Appropriation (~~(\$2,000,000)~~)

\$100,000

Multimodal Transportation Account-
State Appropriation (~~(\$1,634,000)~~)

\$350,000

TOTAL APPROPRIATION
(~~(\$4,304,000)~~)

\$1,104,000

The appropriations in this section are 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.

(2) \$350,000 of the multimodal transportation account-state appropriation is provided solely for the department to execute a transit oriented development pilot project at Kingsgate park and ride in Kirkland intended to be completed by December 31, 2023. The purpose of the pilot project is to demonstrate how appropriate department properties may be used to provide multiple public benefits such as affordable and market rate housing, commercial development, and institutional facilities in addition to transportation purposes. To accomplish the pilot project, the department is authorized to exercise all legal and administrative powers authorized in statute that may include, but is not limited to, the transfer, lease, or sale of some or all of the property to another governmental agency, public development authority, or nonprofit developer approved by the department and partner agencies. The department may also partner with sound transit, King county, the city of Kirkland, and any other federal, regional, or local jurisdiction on any policy changes necessary from those jurisdictions to facilitate the pilot project. By December 1, 2019, the department must report to the legislature on any legislative actions necessary to facilitate the pilot project and future transit oriented development projects.

(3) (~~(\$2,000,000)~~) \$100,000 of the electric vehicle account-state appropriation is provided solely for the clean alternative fuel vehicle charging and refueling infrastructure program in chapter 287, Laws of 2019 (advancing green transportation adoption).

~~(4) ((\$1,200,000 of the multimodal transportation account state appropriation is provided solely for the pilot program established under chapter 287, Laws of 2019 (advancing green transportation adoption) to provide clean alternative fuel vehicle use opportunities to underserved communities and low to moderate income members of the workforce not readily served by transit or located in transportation corridors with emissions that exceed federal or state emissions standards.~~

~~(5) \$84,000 of the multimodal transportation account state appropriation is provided solely for an interagency transfer to the department of commerce for the purpose of conducting a study as described in chapter 287, Laws of 2019 (advancing green transportation adoption) to identify opportunities to reduce barriers to electric vehicle adoption by lower income residents of the state through the use of vehicle and infrastructure financing assistance.~~

(6)) Building on the information and experience gained from the transit oriented development project at the Kingsgate park and ride, the department must identify a pilot park and ride with future public-private partnership development potential in Pierce county and report back to the transportation committees of the legislature by June 30, 2021, with a proposal for moving forward with a pilot project.

Sec. 915. 2020 c 219 s 215 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—HIGHWAY MAINTENANCE—PROGRAM M

Motor Vehicle	Account-State
Appropriation	(\$486,514,000)
	<u>\$461,472,000</u>

Motor Vehicle	Account-Federal
Appropriation	\$7,000,000

State Route Number 520 Corridor	Account-State
Appropriation	(\$4,447,000)
	<u>\$4,422,000</u>

Tacoma Narrows Toll Bridge	Account-State
Appropriation	(\$1,549,000)
	<u>\$1,539,000</u>

Alaskan Way Viaduct Replacement Project

Account-State	Appropriation
(\$9,537,000)	
	<u>\$8,844,000</u>

Interstate 405 and State Route Number 167 Express

Toll Lanes Account-State	Appropriation
	\$4,528,000

TOTAL	APPROPRIATION
(\$513,575,000)	
	<u>\$487,805,000</u>

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

(1) (a) \$6,170,000 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. Plan and reporting requirements as required in chapter 435, Laws of 2019 (Local Stormwater Charges) shall be consistent with the January 2012 findings of the Joint Transportation Committee Report for Effective Cost Recovery Structure for WSDOT, Jurisdictions, and Efficiencies in Stormwater Management.

(b) Pursuant to RCW 90.03.525(3), the department and the utilities imposing charges to the department shall negotiate with the goal of agreeing to rates such that the total charges to the department for the 2019-2021 fiscal biennium do not exceed the amount provided in this subsection. The department shall report to the transportation committees of the legislature on the amount of funds requested, the funds granted, and the strategies used to keep costs down, by January 17, 2021. If chapter 435, Laws of 2019 (local stormwater charges) is enacted by June 30, 2019, this subsection (1) (b) does not take effect.

(2) ~~(\$4,447,000)~~ \$4,422,000 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) ~~(\$1,549,000)~~ \$1,539,000 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) \$2,050,000 of the Interstate 405 and state route number 167 express toll lanes account-state appropriation is provided solely to maintain the Interstate 405 and state route number 167 express toll lanes between Lynnwood and Bellevue, and Renton and the southernmost point of the express toll lanes. These funds must be used in accordance with RCW 47.56.830(3).

(5) \$2,478,000 of the Interstate 405 and state route number 167 express toll lanes account-state appropriation is provided solely for maintenance for the 2019-2021 fiscal biennium only on the Interstate 405 roadway between Renton and Bellevue.

(6) \$5,000,000 of the motor vehicle account-state appropriation is provided solely for a contingency pool for snow and ice removal. The department must notify the office of financial management and the transportation committees of the legislature when they have spent the base budget for snow and ice removal and will begin using the contingency pool funding.

(7) \$1,025,000 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 at levels above that being implemented as of January 1, 2019. The department must contract out or hire a crew dedicated solely to collecting and disposing of garbage, clearing debris or hazardous material, and implementing safety improvements where hazards exist to the traveling public, department employees, or people encamped upon department-owned rights-of-way. The department may request assistance from the Washington state patrol as necessary in order for both agencies to provide enhanced safety-related activities regarding the emergency hazards along state highway rights-of-way in the Seattle area.

(8) \$1,015,000 of the motor vehicle account-state appropriation is provided solely for a partnership program between the department and the city of Tacoma. The program shall address the safety and public health problems created by homeless encampments on the department's property along state highways within the city limits. \$570,000 is for dedicated department maintenance staff and associated clean-up costs. The department and the city of Tacoma shall enter into a reimbursable agreement to

cover up to \$445,000 of the city's expenses for clean-up crews and landfill costs.

(9) The department must commence a pilot program for the 2019-2021 fiscal biennium at the four highest demand safety rest areas to create and maintain an online calendar for volunteer groups to check availability of weekends for the free coffee program. The calendar must be updated at least weekly and show dates and times that are, or are not, available to participate in the free coffee program. The department must submit a report to the legislature on the ongoing pilot by December 1, 2020, outlining the costs and benefits of the online calendar pilot, and including surveys from the volunteer groups and agency staff to determine its effectiveness.

Sec. 916. 2020 c 219 s 216 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—
TRAFFIC OPERATIONS—PROGRAM Q—OPERATING**

Motor Vehicle Account-State Appropriation	((\$76,211,000))
	<u>\$73,219,000</u>
Motor Vehicle Account-Federal Appropriation	\$2,050,000
Motor Vehicle Account-Private/Local Appropriation	\$250,000
State Route Number 520 Corridor Account-State Appropriation	((\$53,000))
	<u>\$49,000</u>
Tacoma Narrows Toll Bridge Account- State Appropriation	((\$31,000))
	<u>\$40,000</u>
Alaskan Way Viaduct Replacement Project Account- State Appropriation	((\$26,000))
	<u>\$32,000</u>
Interstate 405 and State Route Number 167 Express Toll Lanes Account-State Appropriation	((\$32,000))
	<u>\$21,000</u>
TOTAL	APPROPRIATION ((\$78,653,000))
	<u>\$75,661,000</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. 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)(a) During the 2019-2021 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: (i) Auto transportation company vehicles regulated under chapter 81.68 RCW; (ii) 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; (iii) private nonprofit transportation provider vehicles regulated under chapter 81.66 RCW; and (iv) 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.

(b) The department shall expand the high occupancy vehicle lane access pilot program to vehicles that deliver or collect blood, tissue, or blood components for a blood-collecting or distributing establishment regulated under chapter 70.335 RCW. Under the pilot program, when the department reserves a portion of a highway based on the number of passengers in a vehicle, blood-collecting or distributing establishment

vehicles that are clearly and identifiably marked as such on all sides of the vehicle are considered emergency vehicles and must be authorized to use the reserved portion of the highway.

(c) The department shall expand the high occupancy vehicle lane access pilot program to organ transport vehicles transporting a time urgent organ for an organ procurement organization as defined in RCW 68.64.010. Under the pilot program, when the department reserves a portion of a highway based on the number of passengers in a vehicle, organ transport vehicles that are clearly and identifiably marked as such on all sides of the vehicle are considered emergency vehicles and must be authorized to use the reserved portion of the highway.

(d) The department shall expand the high occupancy vehicle lane access pilot program to 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. Under the pilot program, when the department reserves a portion of a highway based on the number of passengers in a vehicle, wheelchair-accessible taxicabs that are clearly and identifiably marked as such on all sides of the vehicle are considered public transportation vehicles and must be authorized to use the reserved portion of the highway.

(e) Nothing in this subsection (2) is intended to exempt these vehicles from paying tolls when they do not meet the occupancy requirements established by the department for express toll lanes.

(3) 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.

(4) The department must make signage for low-height bridges a high priority.

(5) (~~(\$32,000)~~) \$21,000 of the Interstate 405 and state route number 167 express toll lanes account—state appropriation, (~~(\$53,000)~~) \$49,000 of the state route number 520 corridor account—state appropriation, (~~(\$31,000)~~) \$40,000 of the Tacoma Narrows toll bridge account—state appropriation, and (~~(\$26,000)~~) \$32,000 of the Alaskan Way

viaduct replacement project account-state appropriation are provided solely for the traffic operations program's proportional share of time spent supporting tolling operations for the respective tolling facilities.

Sec. 917. 2020 c 219 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 (~~(\$38,251,000)~~)
\$35,914,000

Motor Vehicle Account-Federal
Appropriation \$1,380,000

Motor Vehicle Account-Private/Local
Appropriation \$500,000

Multimodal Transportation Account-
State
Appropriation \$1,129,000

State Route Number 520 Corridor
Account-State
Appropriation (~~(\$199,000)~~)
\$185,000

Tacoma Narrows Toll Bridge Account-
State Appropriation (~~(\$116,000)~~)
\$150,000

Alaskan Way Viaduct Replacement
Project Account-
State Appropriation (~~(\$100,000)~~)
\$121,000

Interstate 405 and State Route Number
167 Express
Toll Lanes Account-State Appropriation
(~~(\$119,000)~~)
\$78,000

TOTAL APPROPRIATION
(~~(\$41,794,000)~~)
\$39,457,000

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

(1) \$2,000,000 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 1st each year. If moneys are provided in the omnibus operating appropriations act for a career connected learning grant program, defined in chapter . . . (Substitute House Bill No. 1336), Laws of 2019, or otherwise, the amount provided in this subsection lapses.

(2) \$150,000 of the motor vehicle account-state appropriation is provided solely for a user-centered and mobile-compatible web site redesign using estimated web site ad revenues.

(3) From the revenues generated by the five dollar per studded tire fee under RCW 46.37.427, \$250,000 of the motor vehicle account-state appropriation is provided solely for the department, in consultation with the appropriate local jurisdictions and relevant stakeholder groups, to establish a pilot media-based public information campaign regarding the damage of studded tire use on state and local roadways in Whatcom county, and to continue the existing pilot information campaign in Spokane county. The reason for the geographic selection of Spokane and Whatcom counties is based on the high utilization of studded tires in these jurisdictions. The public information campaigns must primarily focus on making the consumer aware of the safety implications for other drivers, road deterioration, financial impact for taxpayers, and, secondarily, the alternatives to studded tires. The Whatcom county pilot media-based public information campaign must begin by September 1, 2020. By January 14, 2021, the department must provide the transportation committees of the legislature an update on the Spokane and Whatcom county pilot media-based public information campaigns.

(4) (~~(\$119,000)~~) \$78,000 of the Interstate 405 and state route number 167 express toll lanes account-state appropriation, (~~(\$199,000)~~) \$185,000 of the state route number 520 corridor account-state appropriation, (~~(\$116,000)~~) \$150,000 of the Tacoma Narrows toll bridge account-state

appropriation, and (~~(\$100,000)~~) \$121,000 of the Alaskan Way viaduct replacement project account-state appropriation are provided solely for the transportation management and support program's proportional share of time spent supporting tolling operations for the respective tolling facilities.

Sec. 918. 2020 c 219 s 218 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION-TRANSPORTATION PLANNING, DATA, AND RESEARCH-PROGRAM T

Interstate 405 and State Route Number 167 Express Toll Lanes

Account-State Appropriation
 (~~(\$3,123,000)~~)
\$121,000

Motor Vehicle Account-State
 Appropriation (~~(\$26,587,000)~~)
\$24,053,000

Motor Vehicle Account-Federal
 Appropriation (~~(\$35,385,000)~~)
\$32,508,000

Motor Vehicle Account-Private/Local
 Appropriation \$1,200,000

Multimodal Transportation Account-
 State Appropriation \$710,000

Multimodal Transportation Account-
 Federal
 Appropriation \$2,809,000

Multimodal Transportation Account-
 Private/Local
 Appropriation \$100,000

State Route Number 520 Corridor
 Account-State
 Appropriation (~~(\$763,000)~~)
\$150,000

~~((Tacoma Narrows Toll Bridge Account-
 State Appropriation \$121,000~~

~~Alaskan Way Viaduct Replacement
 Project Account-
 State Appropriation (\$104,000))~~

TOTAL APPROPRIATION
 (~~(\$70,902,000)~~)
\$61,651,000

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

(1) \$130,000 of the motor vehicle account-state appropriation is provided solely for completion of a corridor study to identify potential improvements between exit 116 and exit 99 of Interstate 5. The study should further develop mid- and long-term strategies from the corridor sketch, and identify potential US 101/I-5 interchange improvements, a strategic plan for the Nisqually River bridges, regional congestion relief options, and ecosystem benefits to the Nisqually River estuary for salmon productivity and flood control.

(2) The study on state route number 518 referenced in section 218(5), chapter 297, Laws of 2018 must be submitted to the transportation committees of the legislature by November 30, 2019.

(3) \$100,000 of the motor vehicle account-state appropriation is provided solely to complete the Tacoma mall direct access feasibility study.

(4) (~~(\$4,600,000)~~) \$673,000 of the motor vehicle account-federal appropriation is provided solely to complete the road usage charge pilot project overseen by the transportation commission using the remaining unspent amount of the federal grant award. The purpose of the road usage charge pilot project is to explore the viability of a road usage charge as a possible replacement for the gas tax.

(5) \$1,050,000 of the motor vehicle account-federal appropriation is provided solely for the Forward Drive road usage charge research project overseen by the transportation commission using a portion of the amount of the federal grant award. The purpose of the Forward Drive road usage charge research project is to advance research in key policy areas related to road usage charge including assessing impacts of future mobility shifts on road usage charge revenues, conducting an equity analysis, updating and assessing emerging mileage reporting methods, determining opportunities to reduce cost of collection, conducting small-scale pilot tests, and identifying a long-term, detailed phase-in plan.

(~~(\$3,000,000)~~) (6) \$121,000 of the Interstate 405 and state route number 167 express toll lanes account-state

appropriation is provided solely for updating the state route number 167 master plan. If chapter 421, Laws of 2019 (addressing tolling) is not enacted by June 30, 2019, the amount provided in this subsection lapses.

~~((6) \$123,000 of the Interstate 405 and state route number 167 express toll lanes account state appropriation, \$207,000 of the state route number 520 corridor account state appropriation, \$121,000 of the Tacoma Narrows toll bridge account state appropriation, and \$104,000 of the Alaskan Way viaduct replacement project account state appropriation are provided solely for the transportation planning, data, and research program's proportional share of time spent supporting tolling operations for the respective tolling facilities.)~~

(7) By December 31, 2020, the department shall provide to the governor and the transportation committees of the legislature a report examining the feasibility of doing performance-based evaluations for projects. The department must incorporate feedback from stakeholder groups, including traditionally underserved and historically disadvantaged populations, and the report shall include the project evaluation procedures that would be used for the performance-based evaluation.

(8) ~~((556,000))~~ \$150,000 of the state route number 520 corridor account-state appropriation is provided solely for the department to contract with the University of Washington department of mechanical engineering, to study measures to reduce noise impacts from the state route number 520 bridge expansion joints. The field testing shall be scheduled during existing construction, maintenance, or other scheduled closures to minimize impacts. The testing must also ensure safety of the traveling public. The study shall examine testing methodologies and project timelines and costs. A final report must be submitted to the transportation committees of the legislature and the governor by ~~((December))~~ March 1, ((2021)) 2022.

(9) \$5,900,000 of the motor vehicle account-federal appropriation and \$400,000 of the motor vehicle account-private/local appropriation are provided solely for delivery of the department's state planning and research work program and pooled fund research projects, provided that the department may not expend any amounts provided in this

section on a long-range plan or corridor scenario analysis for I-5 from Tumwater to Marysville. This is not intended to reference or impact: The existing I-5 corridor from Mounts road to Tumwater design and operations alternatives analysis; design studies related to HOV lanes or operations; or where it is necessary to continue design and operations analysis related to projects already under development.

Sec. 919. 2020 c 219 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	(\$79,474,000)
<u>\$82,467,000</u>	
Multimodal Transportation Account-State Appropriation	\$2,833,000
Interstate 405 and State Route Number 167 Express Toll Lanes Account-State Appropriation	((122,000))
<u>\$9,000</u>	
State Route Number 520 Corridor Account-State Appropriation	((205,000))
<u>\$22,000</u>	
Tacoma Narrows Toll Bridge Account-State Appropriation	((120,000))
<u>\$17,000</u>	
Alaskan Way Viaduct Replacement Project Account-State Appropriation	((102,000))
<u>\$14,000</u>	
TOTAL	APPROPRIATION
((82,856,000))	
<u>\$85,362,000</u>	

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

(1) Consistent with existing protocol and practices, for any negotiated settlement of a claim against the state for the department that exceeds five million dollars, the department, in

conjunction with the attorney general and the department of enterprise services, shall notify the director of the office of financial management and the transportation committees of the legislature.

(2) Beginning October 1, 2019, and quarterly thereafter, the department, in conjunction with the attorney general and the department of enterprise services, shall provide a report with judgments and settlements dealing with the Washington state ferry system to the director of the office of financial management and the transportation committees of the legislature. The report must include information on: (a) The number of claims and settlements by type; (b) the average claim and settlement by type; (c) defense costs associated with those claims and settlements; and (d) information on the impacts of moving legal costs associated with the Washington state ferry system into the statewide self-insurance pool.

(3) Beginning October 1, 2019, and quarterly thereafter, the department, in conjunction with the attorney general and the department of enterprise services, shall provide a report with judgments and settlements dealing with the nonferry operations of the department to the director of the office of financial management and the transportation committees of the legislature. The report must include information on: (a) The number of claims and settlements by type; (b) the average claim and settlement by type; and (c) defense costs associated with those claims and settlements.

(4) (~~(\$122,000)~~) \$9,000 of the Interstate 405 and state route number 167 express toll lanes account-state appropriation, (~~(\$205,000)~~) \$22,000 of the state route number 520 corridor account-state appropriation, (~~(\$120,000)~~) \$17,000 of the Tacoma Narrows toll bridge account-state appropriation, and (~~(\$102,000)~~) \$14,000 of the Alaskan Way viaduct replacement project account-state appropriation are provided solely for the charges from other agencies' program's proportional share of supporting tolling operations for the respective tolling facilities.

(5) When the department identifies significant legal issues that have potential transportation budget implications, the department must initiate a briefing for appropriate legislative members or staff through the

office of the attorney general and its legislative briefing protocol.

Sec. 920. 2020 c 219 s 220 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION—
PUBLIC TRANSPORTATION—PROGRAM V**

State Vehicle Parking Account—State
Appropriation \$784,000

Regional Mobility Grant Program
Account—State

Appropriation (~~(\$88,698,000)~~)

\$78,159,000

Rural Mobility Grant Program Account—
State

Appropriation \$32,223,000

Multimodal Transportation Account—
State

Appropriation (~~(\$122,355,000)~~)

\$115,948,000

Multimodal Transportation Account—
Federal

Appropriation \$3,574,000

Multimodal Transportation Account—
Local

Appropriation \$100,000

TOTAL APPROPRIATION

(~~(\$247,734,000)~~)

\$230,788,000

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

(1) \$62,698,000 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) \$14,297,000 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. Fuel type may not be a factor in the grant selection process.

(b) \$48,401,000 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 2017 as reported in the "Summary of Public Transportation - 2017" published by the department of transportation. No transit agency may receive more than thirty percent of these distributions. Fuel type may not be a factor in the grant selection process.

(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. Fuel type may not be a factor in the grant selection process.

(3)(a) \$10,539,000 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. Fuel type may not be a factor in the grant selection process.

(b) At least \$1,600,000 of the amount provided in this subsection must be used for vanpool grants in congested corridors.

(4) \$27,483,000 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 ((2020)) 2021-2 ALL PROJECTS as developed ((March 11,

2020)) April 23, 2021, Program - Public Transportation Program (V).

(5)(a) ((\$61,215,000)) \$50,676,000 of the regional mobility grant program account-state appropriation is provided solely for the regional mobility grant projects identified in LEAP Transportation Document ((2020)) 2021-2 ALL PROJECTS as developed ((March 11, 2020)) April 23, 2021, 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, 2019, and December 15, 2020, 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. ((Additionally, when allocating funding for the 2021-2023 biennium, no more than thirty percent of the total grant program may directly benefit or support one grantee.)) 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. Fuel type may not be a factor in the grant selection process.

(b) In order to be eligible to receive a grant under (a) of this subsection during the 2019-2021 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) \$7,670,000 of the multimodal transportation account-state appropriation and \$784,000 of the state vehicle parking account-state appropriation are provided solely for CTR grants and activities. Fuel type may not be a factor in the grant selection process. Of this amount:

(a) \$1,000,000 of the multimodal transportation account-state appropriation is provided solely for the department to continue a pilot transit pass incentive program. Businesses and nonprofit organizations located in a county adjacent to Puget Sound with a population of more than seven hundred thousand that have never offered transit subsidies to employees are eligible to apply to the program for a fifty percent rebate on the cost of employee transit subsidies provided through the regional ORCA fare collection system. No single business or nonprofit organization may receive more than ten thousand dollars from the program.

(i) Businesses and nonprofit organizations may apply and be awarded funds prior to purchasing a transit subsidy, but the department may not provide reimbursement until proof of purchase or a contract has been provided to the department.

(ii) The department shall update the transportation committees of the legislature on the impact of the program by January 31, 2020, and may adopt rules to administer the program.

(b) \$30,000 of the state vehicle parking account-state appropriation is provided solely for the STAR pass program for state employees residing in Mason and Grays Harbor Counties. Use of the pass is for public transportation between Mason County and Thurston County, and Grays

Harbor and Thurston County. The pass may also be used within Grays Harbor County. The STAR pass commute trip reduction program is open to any state employee who expresses intent to commute to his or her assigned state worksite using a public transit system currently participating in the STAR pass program.

(c) (~~(\$1,000,000)~~) \$200,000 of the multimodal transportation account-state appropriation is provided solely for a first mile/last mile connections grant program. Eligible grant recipients include cities, businesses, nonprofits, and transportation network companies with first mile/last mile solution proposals. Transit agencies are not eligible. The commute trip reduction board shall develop grant parameters, evaluation criteria, and evaluate grant proposals. The commute trip reduction board shall provide the transportation committees of the legislature a report on the effectiveness of this grant program and best practices for continuing the program.

(8) Except as provided otherwise in this subsection, (~~(\$33,370,000)~~) \$32,008,000 of the multimodal transportation account-state appropriation is provided solely for connecting Washington transit projects identified in LEAP Transportation Document (~~(2020)~~) 2021-2 ALL PROJECTS as developed (~~(March 11, 2020)~~) April 23, 2021. 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) \$1,000,000 of the multimodal transportation account-state appropriation is provided solely for transit coordination grants. Fuel type may not be a factor in the grant selection process.

(10) The department shall not require more than a ten percent match from nonprofit transportation providers for state grants.

(11) (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 2021-2023 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) Mason Transit Park & Ride Development (G2000042); or

(iv) Pierce Transit - SR 7 Express Service (G2000045).

(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 2021-2023 fiscal biennium.

(c) To the extent practicable, the department shall use the flexibility and authority granted in this section to minimize the amount of reappropriations needed each biennium.

(12) \$750,000 of the multimodal transportation account-state appropriation is provided solely for Intercity Transit for the Dash shuttle program.

(13)(a) \$485,000 of the multimodal transportation account-state appropriation is provided solely for King county for:

(i) An expanded pilot program to provide certain students in the Highline, Tukwila, and Lake Washington school districts with an ORCA card during these school districts' summer vacations. In order 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; and

(ii) Providing administrative support to other interested school districts in King county to prepare for implementing similar programs for their students.

(b) King county must provide a report to the department and the transportation committees of the legislature by December 15, 2021, regarding:

(i) The annual student usage of the pilot program;

(ii) Available ridership data;

(iii) A cost estimate, including a detailed description of the various expenses leading to the cost estimate, and any other factors relevant to expanding the program to other King county school districts;

(iv) A cost estimate, including a detailed description of the various expenses leading to the cost estimate, and any other factors relevant to expanding the program to student populations other than high school or eligible for free and reduced-price lunches;

(v) Opportunities for subsidized ORCA cards or local grant or matching funds; and

(vi) Any additional information that would help determine if the pilot program should be extended or expanded.

(14) (~~(\$12,000,000)~~) \$7,007,000 of the multimodal transportation account-state appropriation is provided solely for the green transportation capital grant program established in chapter 287, Laws of 2019 (advancing green transportation adoption).

(15) \$555,000 of the multimodal transportation account-state appropriation is provided solely for an interagency transfer to the Washington State University extension energy program to establish and administer a technical assistance and education program for public agencies on the use of alternative fuel vehicles.

(~~(17)~~) (16) The appropriations in this section include savings due to anticipated project underruns; however, it is unknown which projects will provide savings. The legislature intends to provide sufficient flexibility for the department to manage to this savings target. To provide this flexibility, the office of financial management may authorize, through an allotment modification, reductions in the appropriated amounts that are provided solely for a particular purpose within this section subject to the following conditions and limitations:

(a) No allotment modifications may be made to amounts provided solely for the special needs transportation grant program;

(b) The department must confirm that any modification requested under this subsection of amounts provided solely for a specific purpose are not expected to be used for that purpose in this biennium;

(c) Allotment modifications authorized under this subsection may not result in increased funding for any project beyond the amount provided for that project in the 2019-2021 fiscal biennium in LEAP Transportation Document ((2020)) 2021-2 ALL PROJECTS as developed ((March 11, 2020)) April 23, 2021;

(d) Allotment modifications authorized under this subsection apply only to amounts appropriated in this section from the multimodal transportation account-state; and

(e) By December 1, 2020, the department must submit a report to the transportation committees of the legislature regarding the actions taken under this subsection.

((18)) (17) (a) The Washington state department of transportation public transportation division, working with the Thurston regional planning council, shall provide state agency management, the office of financial management, and the transportation committees of the legislature with results of their regional mobility grant program demonstration project I-5/US 101 Practical Solutions: State Capitol Campus Transportation Demand Management - Mobile Work. This includes reporting after the 2020 legislative session on the measurable results of an early pilot initiative, "Telework Tuesday," beginning in January 2020.

(b) Capitol campus state agency management is directed to fully participate in this work, which aims to reduce greenhouse gases, require less office space and parking investments; provide low cost congestion relief on I-5 during peak periods, US 101, and the local transportation network; and improve retention and recruitment of public employees. The agencies should actively: Encourage employees qualified to telework to participate in this program and increase the number of employees who qualify for mobile work and schedule shifts.

(c) If measurable success is achieved, the capitol campus state agencies shall provide options to expand the project to other jurisdictions concentrated with large employers. Expansion and encouragement of telework will help reduce demand on the transportation system, reduce traffic during peak hours, and reduce greenhouse gas emissions.

Sec. 921. 2020 c 219 s 221 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION-MARINE-PROGRAM X

Motor Vehicle Account-State	
Appropriation	\$250,000

Puget Sound Ferry Operations Account-State	
Appropriation	((\$545,997,000)
	<u>\$486,710,000</u>

Puget Sound Ferry Operations Account-Federal	
Appropriation	((\$7,932,000)
	<u>\$47,169,000</u>

Puget Sound Ferry Operations Account-Private/Local	
Appropriation	\$121,000

TOTAL APPROPRIATION	
	((\$554,300,000)
	<u>\$534,250,000</u>

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 2019-2021 supplemental and 2021-2023 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 2019-2021 fiscal biennium, the department may enter into a distributor controlled fuel hedging program and other methods of hedging approved by the fuel hedging committee,

which must include a representative of the department of enterprise services.

(3) (~~(\$73,161,000)~~) \$67,052,000 of the Puget Sound ferry operations account-state appropriation is provided solely for auto ferry vessel operating fuel in the 2019-2021 fiscal biennium, which reflect cost savings from a reduced biodiesel fuel requirement and, therefore, is contingent upon the enactment of section 703, chapter 416, Laws of 2019. The amount provided in this subsection represents the fuel budget for the purposes of calculating any ferry fare fuel surcharge. The department shall review future use of alternative fuels and dual fuel configurations, including hydrogen.

(4) \$650,000 of the Puget sound ferry operations account-state appropriation is provided solely for increased staffing at Washington ferry terminals to meet increased workload and customer expectations. Within the amount provided in this subsection, the department shall contract with uniformed officers for additional traffic control assistance at the Kingston ferry terminal during peak ferry travel times, with a particular focus on Sundays and holiday weekends. Traffic control methods should include, but not be limited to, holding traffic on the shoulder at Lindvog Road until space opens for cars at the tollbooths and dock, and management of traffic on Highway 104 in order to ensure Kingston residents and business owners have access to businesses, roads, and driveways.

(5) \$254,000 of the Puget Sound ferry operations account-state appropriation is provided solely for a dedicated inventory logistics manager on a one-time basis.

(6) \$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.

(7) By January 1, 2020, the ferries division must submit a workforce plan for reducing overtime due to shortages of staff available to fill vacant crew positions. The plan must include numbers of crew positions being filled by staff working overtime, strategies for filling these positions with straight time employees, progress toward implementing those strategies, and a forecast for when

overtime expenditures will return to historical averages.

(8) \$160,000 of the Puget Sound ferry operations account-state appropriation is provided solely for a ferry fleet baseline noise study, conducted by a consultant, for the purpose of establishing plans and data-driven goals to reduce ferry noise when Southern resident orca whales are present. In addition, the study must establish prioritized strategies to address vessels serving routes with the greatest exposure to orca whale movements.

(9) (a) \$250,000 of the motor vehicle account-state appropriation is provided solely for the department, in consultation with the Washington state transportation center, to develop a plan for service on the triangle route with a goal of providing maximum sailings moving the most passengers to all stops in the least travel time, including waits between sailings, within budget and resource constraints.

(b) The Washington state transportation center must use new traffic management models and scheduling tools to examine proposed improvements for the triangle route. The department shall report to the standing transportation committees of the legislature by January 15, 2021. The report must include:

(i) Implementation and status of data collection, modeling, scheduling, capital investments, and procedural improvements to allow Washington state ferries to schedule more sailings to and from all stops on the triangle route with minimum time between sailings;

(ii) Recommendations for emergency boat allocations, regular schedule policies, and emergency schedule policies based on all customers alternative travel options to ensure that any dock with no road access is prioritized in scheduling and scheduled service is provided based on population size, demographics, and local medical services;

(iii) Triangle route pilot economic analysis of Washington state ferries fare revenue and fuel cost impact of offering additional, better spaced sailings;

(iv) Results of an economic analysis of the return on investment of potentially acquiring and using traffic control infrastructure, technology, walk

on loading bridges, and Good-to-Go and ORCA replacement of current fare sales, validation, collections, accounting, and all associated labor and benefits costs that can be saved via those capital investments; and

(v) Recommendation on policies, procedures, or agency interpretations of statute that may be adopted to mitigate any delays or disruptions to scheduled sailings.

(10) \$15,139,000 of the Puget Sound ferry operations account-state appropriation is provided solely for training. Of the amount provided in this subsection:

(a) \$2,500,000 is for training for new employees.

(b) \$160,000 is for electronic chart display and information system training.

(c) \$379,000 is for marine evacuation slide training.

(11) \$1,600,000 of the Puget Sound ferry operations account-state appropriation is provided solely for naval architecture staff support for the marine maintenance program.

(12) \$336,000 of the Puget Sound ferry operations account-state appropriation is provided solely for inspections of fall restraint systems.

(13) \$4,361,000 of the Puget Sound ferry operations account-state appropriation is provided solely for overtime expenses incurred by engine and deck crew members.

(14) \$1,200,000 of the Puget Sound ferry operations account-state appropriation is provided solely for familiarization for new assignments of engine crew and terminal staff.

(15) \$100,000 of the Puget Sound ferry operations account-state appropriation is provided solely to develop a plan for upgrading a second vessel to meet the international convention for the safety of life at sea standards. The plan must identify the option with the lowest impacts to sailing schedules.

(16) The department must request reimbursement from the federal transit administration for the maximum amount of ferry operating expenses eligible for reimbursement under federal law.

Sec. 922. 2020 c 219 s 222 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION-
RAIL-PROGRAM Y-OPERATING**

Multimodal Transportation Account-
State

Appropriation ((~~\$70,244,000~~))

\$45,883,000

Multimodal Transportation Account-
Private/Local

Appropriation \$717,000

~~((Multimodal Transportation Account-
Federal~~

~~Appropriation \$500,000))~~

TOTAL APPROPRIATION

~~((~~\$71,461,000~~))~~

\$46,600,000

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

(1) (a) (i) \$224,000 of the multimodal transportation account-state appropriation and \$671,000 of the multimodal transportation account-private/local appropriation are provided solely for continued analysis of the ultra high-speed ground transportation corridor in a new study, with participation from Washington, Oregon, and British Columbia. No funds may be expended until the department is in receipt of \$671,000 in private/local funding provided solely for this purpose.

(ii) The ultra high-speed ground transportation corridor advisory group must include legislative membership.

(iii) "Ultra high-speed" means a maximum testing speed of at least two hundred fifty miles per hour.

(b) The study must consist of the following:

(i) Development of proposed corridor governance, general powers, operating structure, legal instruments, and contracting requirements, in the context of the roles of relevant jurisdictions, including federal, state, provincial, and local governments;

(ii) Development of a long-term funding and financing strategy for project initiation, development, construction, and program administration

of the high-speed corridor, building on the funding and financing chapter of the 2019 business case analysis and aligned with the recommendations of (b)(i) of this subsection; and

(iii) Development of recommendations for a department-led ultra-high speed corridor engagement plan for policy leadership from elected officials.

(c) This study must build on the results of the 2018 Washington state ultra high-speed ground transportation business case analysis and the 2019 Washington state ultra high-speed ground transportation study findings report. The department shall consult with the transportation committees of the legislature regarding all issues related to proposed corridor governance.

(d) The development work referenced in (b) of this subsection is intended to identify and make recommendations related to specific entities, including interjurisdictional entities, policies, and processes required for the purposes of furthering preliminary analysis efforts for the ultra high-speed ground transportation corridor. This development work is not intended to authorize one or more entities to assume decision making authority for the design, construction, or operation of an ultra high-speed rail corridor.

(e) By December 1, 2020, the department shall provide to the governor and the transportation committees of the legislature a report of the study's findings regarding the three elements noted in this subsection. As applicable, the report should also be sent to the executive and legislative branches of government in the state of Oregon and appropriate government bodies in the province of British Columbia.

(2) The department is directed to continue to pursue efforts to reduce costs, increase ridership, and review Amtrak Cascades fares and fare schedules. Within thirty days of each annual cost/revenue reconciliation under the Amtrak service contract, the department shall report annual credits to the office of financial management and the legislative transportation committees. Annual credits from Amtrak to the department including, but not limited to, credits due to higher ridership, reduced level of service, and fare or fare schedule adjustments, must be used to offset corresponding amounts of the

multimodal transportation account-state appropriation, which must be placed in reserve.

Sec. 923. 2020 c 219 s 223 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION—LOCAL PROGRAMS—PROGRAM Z—OPERATING

Motor Vehicle Account—State Appropriation	((\$12,187,000))
	<u>\$11,854,000</u>
Motor Vehicle Account—Federal Appropriation	\$2,567,000
Multiuse Roadway Safety Account—State Appropriation	\$450,000
Multimodal Transportation Account— State Appropriation	\$350,000
TOTAL	APPROPRIATION
	((\$15,554,000))
	<u>\$15,221,000</u>

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

(1) \$350,000 of the multimodal transportation account-state appropriation is provided solely for a study by the Puget Sound regional council of new passenger ferry service to better connect communities throughout the twelve county Puget Sound region. The study must assess potential new routes, identify future terminal locations, and provide recommendations to accelerate the electrification of the ferry fleet. The study must identify future passenger only demand throughout Western Washington, analyze potential routes and terminal locations on Puget Sound, Lake Washington, and Lake Union with an emphasis on preserving waterfront opportunities in public ownership and opportunities for partnership. The study must determine whether and when the passenger ferry service achieves a net reduction in carbon emissions including an analysis of the emissions of modes that passengers would otherwise have used. The study must estimate capital and operating costs for routes and terminals. The study must include early and continuous outreach with all interested stakeholders and a report to the legislature and all interested parties by January 31, 2021.

(2) \$1,142,000 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:

(a) In coordination with stakeholders, identify county-owned fish passage barriers, with priority given to barriers that share the same stream system as state-owned fish passage barriers. The study must identify, map, and provide a preliminary assessment of county-owned barriers that need correction, and provide, where possible, preliminary costs estimates for each barrier correction. The study must provide recommendations on:

(i) How to prioritize county-owned barriers within the same stream system of state-owned barriers in the current six-year construction plan to maximize state investment; and

(ii) How future state six-year construction plans should incorporate county-owned barriers;

(b) Update the local agency guidelines manual, including exploring alternatives within the local agency guidelines manual on county priorities;

(c) Study the current state of county transportation funding, identify emerging issues, and identify potential future alternative transportation fuel funding sources to meet current and future needs.

(3) The entire multiuse roadway safety account-state appropriation is provided solely for grants under RCW 46.09.540, subject to the following limitations:

(a) Twenty-five percent of the amounts provided are reserved for counties that each have a population of fifteen thousand persons or less;

(b)(i) Seventy-five percent of the amounts provided are reserved for counties that each have a population exceeding fifteen thousand persons; and

(ii) No county that receives a grant or grants under (b) of this subsection may receive more than sixty thousand dollars in total grants.

(4) \$280,000 of the motor vehicle account-state appropriation is provided solely for Wahkiakum county for operation

of the ferry between Puget Island and Westport, Oregon. These funds are provided outside the existing continuing agreement described in RCW 47.56.720, are not appropriated for that purpose, and therefore do not constitute payments under the agreement.

TRANSPORTATION AGENCIES-CAPITAL

Sec. 1001. 2020 c 219 s 301 (uncodified) is amended to read as follows:

FOR THE FREIGHT MOBILITY STRATEGIC INVESTMENT BOARD

Freight Mobility Investment Account-State

Appropriation (~~(\$23,015,000)~~)

\$17,344,000

Highway Safety Account-State
Appropriation \$81,000

Motor Vehicle Account-State
Appropriation (~~(\$4,907,000)~~)

\$3,165,000

Freight Mobility Multimodal Account-State

Appropriation (~~(\$4,992,000)~~)

\$4,454,000

Motor Vehicle Account-Federal
Appropriation \$1,899,000

Freight Mobility Multimodal Account-Private/Local

Appropriation \$1,250,000

TOTAL APPROPRIATION
(~~(\$36,144,000)~~)

\$28,193,000

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

(1) Except as otherwise provided in this section, the entire appropriations in this section are provided solely for the projects by amount, as listed in the LEAP Transportation Document (~~(2020-3 as developed March 11, 2020, Conference FMSIB Project List)~~) 2021-2 ALL PROJECTS as developed April 23, 2021, Freight Mobility Strategic Investment Board (FMSIB).

(2) Until directed by the legislature, the board may not initiate a new call for projects. By January 1, 2020, the board must report to the legislature on

alternative proposals to revise its project award and obligation process, which result in lower reappropriations.

~~((4))~~ (3) It is the intent of the legislature to continue to make strategic investments in a statewide freight mobility transportation system with the help of the freight mobility strategic investment board, including projects that mitigate the impact of freight movement on local communities.

Sec. 1002. 2020 c 219 s 302 (uncodified) is amended to read as follows:

FOR THE COUNTY ROAD ADMINISTRATION BOARD

Rural Arterial Trust Account-State Appropriation	((62,884,000))
	<u>\$51,184,000</u>
Motor Vehicle Account-State Appropriation	\$1,456,000
County Arterial Preservation Account-State Appropriation	\$39,590,000
TOTAL APPROPRIATION	((103,930,000))
	<u>\$92,230,000</u>

Sec. 1003. 2020 c 219 s 304 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION-FACILITIES-PROGRAM D-(DEPARTMENT OF TRANSPORTATION-ONLY PROJECTS)-CAPITAL

Motor Vehicle Account-State Appropriation	((51,187,000))
	<u>\$49,717,000</u>
Connecting Washington Account-State Appropriation	((51,523,000))
	<u>\$50,746,000</u>
TOTAL APPROPRIATION	((102,710,000))
	<u>\$100,463,000</u>

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

(1) ~~((51,523,000))~~ \$50,746,000 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) (a) ~~((43,297,000))~~ \$41,827,000 of the motor vehicle account-state appropriation is provided solely for the department facility located at 15700 Dayton Ave N in Shoreline. This appropriation is contingent upon the department of ecology signing a not less than twenty-year agreement to pay a share of any financing contract issued pursuant to chapter 39.94 RCW.

(b) Payments from the department of ecology as described in this subsection shall be deposited into the motor vehicle account.

(c) Total project costs are not to exceed ~~((46,500,000))~~ \$45,032,000.

(3) \$1,565,000 from the motor vehicle account-state appropriation is provided solely for furniture for the renovated Northwest Region Headquarters at Dayton Avenue. The department must efficiently furnish the renovated building.

Sec. 1004. 2020 c 219 s 305 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION-IMPROVEMENTS-PROGRAM I

Transportation Partnership Account-State Appropriation	((385,619,000))
	<u>\$395,679,000</u>
Motor Vehicle Account-State Appropriation	((102,543,000))
	<u>\$60,911,000</u>
Motor Vehicle Account-Federal Appropriation	((151,857,000))
	<u>\$156,148,000</u>
Motor Vehicle Account-Private/Local Appropriation	((70,404,000))
	<u>\$76,284,000</u>
Connecting Washington Account-State Appropriation	((2,355,205,000))
	<u>\$1,630,805,000</u>
Special Category C Account-State Appropriation	((36,134,000))
	<u>\$19,123,000</u>
Multimodal Transportation Account-State	

replacement project. The legislature intends that the \$25,000,000 of the transportation partnership account-state funds be repaid when those damages are recovered.

(9) (~~(\$3,000,000)~~) \$2,667,000 of the multimodal transportation account-state appropriation is provided solely for transit mitigation for the SR 99/Viaduct Project - Construction Mitigation project (809940B).

(10) (~~(\$168,655,000)~~) \$148,097,000 of the connecting Washington account-state appropriation, \$1,052,000 of the special category C account-state appropriation, and (~~(\$738,000)~~) \$1,338,000 of the motor vehicle account-private/local appropriation are provided solely for the US 395 North Spokane Corridor project (M00800R).

(11) (~~(\$82,991,000)~~) \$29,187,000 of the Interstate 405 and state route number 167 express toll lanes account-state appropriation is provided solely for the I-405/SR 522 to I-5 Capacity Improvements project (L2000234) for activities related to adding capacity on Interstate 405 between state route number 522 and Interstate 5, with the goals of increasing vehicle throughput and aligning project completion with the implementation of bus rapid transit in the vicinity of the project.

(12) (a) (~~(\$422,099,000)~~) \$356,007,000 of the connecting Washington account-state appropriation and (~~(\$456,000)~~) \$400,000 of the motor vehicle account-private/local appropriation are provided solely for the SR 520 Seattle Corridor Improvements - West End project (M00400R).

(b) Recognizing that the department of transportation requires full possession of parcel number 1-23190 to complete the Montlake Phase of the West End project, the department is directed to:

(i) Work with the operator of the Montlake boulevard market located on parcel number 1-23190 to negotiate a lease allowing continued operations up to January 1, 2020. After that time, the department shall identify an area in the vicinity of the Montlake property for a temporary market or other food service to be provided during the period of project construction. Should the current operator elect not to participate in providing that temporary service, the department shall then develop an outreach plan with the city to solicit community

input on the food services provided, and then advertise the opportunity to other potential vendors. Further, the department shall work with the city of Seattle and existing permit processes to facilitate vendor access to and use of the area in the vicinity of the Montlake property.

(ii) Upon completion of the Montlake Phase of the West End project (current anticipated contract completion of 2023), WSDOT shall sell that portion of the property not used for permanent transportation improvements and initiate a process to convey that surplus property to a subsequent owner.

(c) \$60,000 of the motor vehicle account-state appropriation is provided solely for grants to nonprofit organizations located in a city with a population exceeding six hundred thousand persons and that empower artists through equitable access to vital expertise, opportunities, and business services. Funds may be used only for the purpose of preserving, commemorating, and sharing the history of the city of Seattle's freeway protests and making the history of activism around the promotion of more integrated transportation and land use planning accessible to current and future generations through the preservation of Bent 2 of the R. H. Thompson freeway ramp.

(13) 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.

(14) (~~(\$310,469,000)~~) \$172,911,000 of the connecting Washington account-state appropriation (~~(is)~~), \$15,099,000 of the motor vehicle account-private/local appropriation, and \$1,500,000 of the motor vehicle account-federal appropriation are provided solely for the SR 167/SR 509 Puget Sound Gateway project (M00600R).

(a) Any savings on the project must stay on the Puget Sound Gateway corridor until the project is complete.

(b) Proceeds from the sale of any surplus real property acquired for the purpose of building the SR 167/SR 509 Puget Sound Gateway (M00600R) project must be deposited into the motor vehicle account for the purpose of constructing the project.

(c) 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.

(d) It is the legislature's intent that the department shall construct 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 after the base project is fully funded, the funds must first be applied toward the completion of these two full single-point urban interchanges.

(e) In designing the state route number 509/state route number 516 interchange component of the SR 167/SR 509 Puget Sound Gateway project (M00600R), the department shall make every effort to utilize the preferred "4B" design.

(f) The department shall explore the development of a multiuse trail for bicyclists, pedestrians, skateboarders, and similar users along the SR 167 right-of-way acquired for the project to connect a network of new and existing trails from Mount Rainier to Point Defiance Park.

(g) If sufficient bonding authority to complete this project is not provided within chapter 421, Laws of 2019 (addressing tolling), or within a bond

authorization act referencing chapter 421, Laws of 2019 by June 30, 2019, it is the intent of the legislature to return the Puget Sound Gateway project (M00600R) to its previously identified construction schedule by moving \$128,900,000 in connecting Washington account-state appropriation back to the 2027-2029 biennium from the 2023-2025 biennium on the list referenced in subsection (2) of this section. If sufficient bonding authority is provided, it is the intent of the legislature to advance the project to allow for earlier completion and inflationary savings.

(15) 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.

(16) (~~(\$1,029,000)~~) \$1,030,000 of the transportation partnership account-state appropriation is provided solely for the U.S. 2 Trestle IJR project (L1000158).

(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 annual 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) Any advisory group that the department convenes during the 2019-2021 fiscal biennium must consider the interests of the entire state of Washington.

(19) 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, 2021, 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.

(20) (a) For connecting Washington projects that have already begun and are eligible for the authority granted in section 601 (~~(of this act)~~), chapter 219, Laws of 2020, the department shall prioritize advancing the following projects if expected reappropriations become available:

(i) SR 14/I-205 to SE 164th Ave - Auxiliary Lanes (L2000102);

(ii) SR 305 Construction - Safety Improvements (N30500R);

(iii) SR 14/Bingen Underpass (L2220062);

(iv) I-405/NE 132nd Interchange - Totem Lake (L1000110);

(v) US Hwy 2 Safety (N00200R);

(vi) US-12/Walla Walla Corridor Improvements (T20900R);

(vii) I-5 JBLM Corridor Improvements (M00100R);

(viii) I-5/Slater Road Interchange - Improvements (L1000099);

(ix) SR 510/Yelm Loop Phase 2 (T32700R); or

(x) SR 520/124th St Interchange (Design and Right of Way) (L1000098).

(b) To the extent practicable, the department shall use the flexibility and authority granted in this section and in section 601 of this act to minimize the amount of reappropriations needed each biennium.

(c) The advancement of a project may not hinder the delivery of the projects for which the reappropriations are necessary for the 2021-2023 fiscal biennium.

(21) The legislature continues to prioritize the replacement of the state's aging infrastructure and recognizes the importance of reusing and recycling construction aggregate and recycled concrete materials in our transportation system. To accomplish Washington state's sustainability goals in transportation

and in accordance with RCW 70.95.805, the legislature reaffirms its determination that recycled concrete aggregate and other transportation building materials are natural resource construction materials that are too valuable to be wasted and landfilled, and are a commodity as defined in WAC 173-350-100.

Further, the legislature determines construction aggregate and recycled concrete materials substantially meet widely recognized international, national, and local standards and specifications referenced in American society for testing and materials, American concrete institute, Washington state department of transportation, Seattle department of transportation, American public works association, federal aviation administration, and federal highway administration specifications, and are described as necessary and desirable products for recycling and reuse by state and federal agencies.

As these recyclable materials have well established markets, are substantially a primary or secondary product of necessary construction processes and production, and are managed as an item of commercial value, construction aggregate and recycled concrete materials are exempt from chapter 173-350 WAC.

(22) (a) (~~(\$17,500,000)~~) \$8,072,000 of the motor vehicle account-state appropriation (~~(is)~~) and \$7,329,000 of the motor vehicle account-private/local appropriation are provided solely for staffing of a project office (~~(to replace the Interstate 5 bridge across the Columbia river (G2000088))~~) for the I-5 Interstate Bridge Replacement project (L2000370). (~~(If at least a \$9,000,000 transfer is not authorized in section 406(29), chapter 416, Laws of 2019, then \$9,000,000 of the motor vehicle account-state appropriation lapses.)~~)

(b) (~~(Of the amount provided in this subsection, \$7,780,000 of the motor vehicle account state appropriation must be placed in unallotted status by the office of financial management until the department develops a detailed plan for the work of this project office in consultation with the chairs and ranking members of the transportation committees of the legislature. The director of the office of financial management shall consult with the chairs and ranking members of the transportation committees~~)

~~of the legislature prior to making a decision to allot these funds.~~

~~(e))~~ The work of this project office includes, but is not limited to, the reevaluation of the purpose and need identified for the project previously known as the Columbia river crossing, the reevaluation of permits and development of a finance plan, the reengagement of key stakeholders and the public, and the reevaluation of scope, schedule, and budget for a reinvigorated bistate effort for replacement of the Interstate 5 Columbia river bridge. When reevaluating the finance plan for the project, the department shall assume that some costs of the new facility may be covered by tolls. The project office must also study the possible different governance structures for a bridge authority that would provide for the joint administration of the bridges over the Columbia river between Oregon and Washington. As part of this study, the project office must examine the feasibility and necessity of an interstate compact in conjunction with the national center for interstate compacts.

~~((d))~~ (c) Within the amount provided in this subsection, the department must implement chapter 137, Laws of 2019 (projects of statewide significance).

~~((e))~~ (d) The department shall have as a goal to:

(i) Reengage project stakeholders and reevaluate the purpose and need and environmental permits by July 1, 2020;

(ii) Develop a finance plan by December 1, 2020; and

(iii) Have made significant progress toward beginning the supplemental environmental impact statement process by June 30, 2021. The department shall aim to provide a progress report on these activities to the governor and the transportation committees of the legislature by December 1, 2019, and a final report to the governor and the transportation committees of the legislature by December 1, 2020.

~~(23) ((\$17,500,000 of the motor vehicle account state appropriation is provided solely to begin the pre-design phase on the I-5/Columbia River Bridge project (C2000088)).~~

~~(24))~~ (a) \$191,360,000 of the connecting Washington account-state

appropriation, \$47,655,000 of the motor vehicle account-federal appropriation, \$11,179,000 of the motor vehicle account-private/local appropriation, \$6,100,000 of the motor vehicle account-state appropriation, and \$18,706,000 of the transportation partnership account-state appropriation are provided solely for the Fish Passage Barrier Removal project (OBI4001) with the intent of fully complying with the court injunction by 2030.

(b) Of the amounts provided in this subsection, \$320,000 of the connecting Washington account-state appropriation is provided solely to remove the fish passage barrier on state route number 6 that interfaces with Boistfort Valley water utilities near milepost 46.6.

(c) The department shall coordinate with the Brian Abbott fish passage barrier removal board to use a watershed approach to maximize habitat gain by replacing both state and local culverts. The department shall deliver high habitat value fish passage barrier corrections that it has identified, guided by the following factors: Opportunity to bundle projects, ability to leverage investments by others, presence of other barriers, project readiness, other transportation projects in the area, and transportation impacts.

(d) The department must keep track of, for each barrier removed: (i) The location; (ii) the amount of fish habitat gain; and (iii) the amount spent to comply with the injunction.

(e) It is the intent of the legislature that for the amount listed for the 2021-2023 biennium for the Fish Passage Barrier Removal project (OBI4001) on the LEAP list referenced in subsection (1) of this section, that accrued practical design savings deposited in the transportation future funding program account be used to help fund the cost of fully complying with the court injunction by 2030.

~~((25))~~ (24) (a) The Washington state department of transportation is directed to pursue compliance with the *U.S. v. Washington* permanent injunction by delivering culvert corrections within the injunction area guided by the principle of providing the greatest fisheries habitat gain at the earliest time and considering the following factors: Opportunity to bundle projects, tribal priorities, ability to leverage

investments by others, presence of other barriers, project readiness, culvert condition, other transportation projects in the area, and transportation impacts.

(b) The department and Brian Abbott fish barrier removal board, while providing the opportunity for stakeholders, tribes, and government agencies to give input on a statewide culvert remediation plan, must provide updates on the development of the statewide culvert remediation plan to the capital budget, ways and means, and transportation committees of the legislature by November 1, 2020, and March 15, 2021. The first update must include a project timeline and plan to ensure that all state agencies with culvert correction programs are involved in the creation of the comprehensive plan. The department and Brian Abbott fish barrier removal board must submit the final comprehensive statewide culvert remediation plan and the process by which it will be adaptively managed over time to the governor and the legislative fiscal committees by June 30, 2021.

~~((26) \$16,649,000))~~ (25) \$4,880,000 of the connecting Washington account-state appropriation, \$373,000 of the motor vehicle account-state appropriation, and ~~((6,000,000))~~ \$113,000 of the motor vehicle account-private/local appropriation are provided solely for the I-90/Barker to Harvard - Improve Interchanges & Local Roads project (L2000122). The connecting Washington account appropriation for the improvements that fall within the city of Liberty Lake may only be expended if the city of Liberty Lake agrees to cover any project costs within the city of Liberty Lake above the \$20,900,000 of state appropriation provided for the total project in LEAP Transportation Document ~~((2020))~~ 2021-1 as developed ~~((March 11, 2020))~~ April 23, 2021, Program - Highway Improvements (I).

~~((27))~~ (26) (a) ~~((6,799,000))~~ \$3,901,000 of the motor vehicle account-federal appropriation, ~~((31,000))~~ \$34,000 of the motor vehicle account-state appropriation, ~~((3,812,000 of the transportation partnership account-state appropriation,))~~ and ~~((7,000,000))~~ \$4,519,000 of the Interstate 405 and state route number 167 express toll lanes account-state appropriation are provided solely for the SR 167/SR 410 to SR 18 - Congestion Management project (316706C).

(b) If sufficient bonding authority to complete this project is not provided within chapter 421, Laws of 2019 (addressing tolling), or within a bond authorization act referencing chapter 421, Laws of 2019 by June 30, 2019, it is the intent of the legislature to remove the \$100,000,000 in toll funding from this project on the list referenced in subsection (2) of this section.

~~((28))~~ (27) For the I-405/North 8th Street Direct Access Ramp in Renton project (L1000280), if sufficient bonding authority to begin this project is not provided within chapter 421, Laws of 2019 (addressing tolling), or within a bond authorization act referencing chapter 421, Laws of 2019, it is the intent of the legislature to remove the project from the list referenced in subsection (2) of this section.

~~((29) \$7,985,000))~~ (28) \$7,071,000 of the Special Category C account-state appropriation ~~((and \$1,000,000 of the motor vehicle account-private/local appropriation are))~~ is provided solely for the SR 18 Widening - Issaquah/Hobart Rd to Raging River project (L1000199) for improving and widening state route number 18 to four lanes from Issaquah-Hobart Road to Raging River.

~~((30))~~ (29) \$2,250,000 of the motor vehicle account-state appropriation is provided solely for the I-5 Corridor from Mounts Road to Tumwater project (L1000231) for completing a National and State Environmental Policy Act (NEPA/SEPA) analysis to identify mid- and long-term environmental impacts associated with future improvements along the I-5 corridor from Tumwater to DuPont.

~~((31) \$622,000))~~ (30) \$200,000 of the motor vehicle account-state appropriation is provided solely for the US 101/East Sequim Corridor Improvements project (L2000343).

~~((32) \$12,916,000))~~ (31) \$777,000 of the motor vehicle account-state appropriation is provided solely for the SR 522/Paradise Lk Rd Interchange & Widening on SR 522 (Design/Engineering) project (NPARADI).

~~((33) \$1,000,000))~~ (32) \$1,001,000 of the motor vehicle account-state appropriation ~~((is))~~ and \$1,227,000 of the motor vehicle account-federal appropriation are provided solely for the US 101/Morse Creek Safety Barrier project (L1000247).

~~((34) \$1,000,000))~~ (33) \$85,000 of the motor vehicle account-state appropriation is provided solely for the SR 162/410 Interchange Design and Right of Way project (L1000276).

~~((36) The appropriations in this section include savings due to anticipated project underruns; however, it is unknown which projects will provide savings. The legislature intends to provide sufficient flexibility for the department to manage to this savings target. To provide this flexibility, the office of financial management may authorize, through an allotment modification, reductions in the appropriated amounts that are provided solely for a particular purpose within this section subject to the following conditions and limitations:~~

~~(a) The department must confirm that any modification requested under this subsection of amounts provided solely for a specific purpose are not expected to be used for that purpose in this biennium;~~

~~(b) Allotment modifications authorized under this subsection may not result in increased funding for any project beyond the amount provided for that project in the 2019-2021 fiscal biennium in LEAP Transportation Document 2020-2 ALL PROJECTS as developed March 11, 2020;~~

~~(c) Allotment modifications authorized under this subsection apply only to amounts appropriated in this section from the following accounts: Multimodal transportation account-state, transportation partnership account-state, connecting Washington account-state, and special category C account-state; and~~

~~(d) By December 1, 2020, the department must submit a report to the transportation committees of the legislature regarding the actions taken under this subsection.)~~

Sec. 1005. 2020 c 219 s 306 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION-PRESERVATION-PROGRAM P

Recreational Vehicle Account-State
Appropriation \$2,971,000

Transportation Partnership Account-State

Appropriation ~~((20,248,000))~~

\$20,181,000

Motor Vehicle Account-State
Appropriation ~~((82,447,000))~~

\$87,755,000

Motor Vehicle Account-Federal
Appropriation ~~((490,744,000))~~

\$498,257,000

Motor Vehicle Account-Private/Local
Appropriation ~~((7,408,000))~~

\$7,660,000

State Route Number 520 Corridor
Account-State

Appropriation ~~((326,000))~~

\$395,000

Connecting Washington Account-State
Appropriation ~~((204,630,000))~~

\$178,258,000

Tacoma Narrows Toll Bridge Account-State

Appropriation ~~((8,350,000))~~

\$1,078,000

Alaskan Way Viaduct Replacement
Project Account-State

Appropriation ~~((10,000))~~

\$79,000

Interstate 405 and State Route Number
167 Express

Toll Lanes Account-State Appropriation
~~((3,018,000))~~

\$1,457,000

Transportation 2003 Account (Nickel
Account)-State

Appropriation \$17,892,000

TOTAL APPROPRIATION
~~((838,044,000))~~

\$815,983,000

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 ~~((2020))~~ 2021-1 as developed ~~((March 11, 2020))~~ April 23, 2021,

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))~~ 601 of this act, chapter . . ., Laws of 2021 (this act).

(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 ~~((2020))~~ 2021-2 ALL PROJECTS as developed ((March 11, 2020)) April 23, 2021, 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 or fish passage barrier corrections (OBI4001).

(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. Ten days prior to any transfer, the department must submit its request to the office of financial management and the transportation committees of the legislature and consider any concerns raised. The department shall submit a report on fiscal year funds transferred in the prior fiscal year using this subsection as part of the department's annual budget submittal.

(4) ~~((26,683,000))~~ \$21,517,000 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))~~, chapter 219, Laws of 2020. 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.

(5) ~~((4,000,000))~~ \$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 SR 99/Alaskan Way viaduct replacement project (809936Z).

(6) 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.

(7) \$21,289,000 of the motor vehicle account-federal appropriation and \$840,000 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 (L1000068). 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 annual agency budget request.

(8) 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.

(9) During the course of any planned resurfacing or other preservation activity on state route number 26 between Colfax and Othello in the 2019-2021 fiscal biennium, the department must add dug-in reflectors.

(10) Within the connecting Washington account-state appropriation, the department may transfer funds from Highway System Preservation (L1100071) to other preservation projects listed in the LEAP transportation document identified in subsection (1) of this section, if it is determined necessary for completion of these high priority preservation projects. The department's next budget submittal after using this subsection must appropriately reflect the transfer.

Sec. 1006. 2020 c 219 s 307 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION-TRAFFIC OPERATIONS-PROGRAM Q-CAPITAL

Motor Vehicle Account-State
Appropriation ((~~\$7,746,000~~))
\$6,296,000

Motor Vehicle Account-Federal
Appropriation ((~~\$6,137,000~~))
\$5,039,000

Motor Vehicle Account-Private/Local
Appropriation \$579,000

Interstate 405 and State Route Number 167 Express

Toll Lanes Account-State Appropriation \$100,000

TOTAL APPROPRIATION
((~~\$14,562,000~~))
\$12,014,000

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

((~~1~~) ~~\$700,000~~) \$121,000 of the motor vehicle account-state appropriation is provided solely for the SR 99 Aurora Bridge ITS project (L2000338).

Sec. 1007. 2020 c 219 s 308 (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 ((~~\$116,253,000~~))
\$85,281,000

Puget Sound Capital Construction
Account-Federal

Appropriation ((~~\$198,688,000~~))
\$177,352,000

Puget Sound Capital Construction
Account-Private/Local

Appropriation ((~~\$4,779,000~~))
\$4,575,000

Transportation Partnership Account-State

Appropriation ((~~\$6,582,000~~))
\$2,312,000

Connecting Washington Account-State
Appropriation \$112,426,000

Capital Vessel Replacement Account-State

Appropriation ((~~\$96,030,000~~))
\$35,547,000

Transportation 2003 Account (Nickel Account)-State

Appropriation \$986,000

TOTAL APPROPRIATION
((~~\$535,744,000~~))
\$418,479,000

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 ((~~2020~~) 2021-2 ALL PROJECTS as developed ((~~March 11, 2020~~) April 23, 2021, Program - Washington State Ferries Capital Program (W).

(2) \$2,857,000 of the Puget Sound capital construction account-state appropriation, ((~~\$17,832,000~~) \$18,818,000 of the Puget Sound capital construction account-federal appropriation, and \$63,789,000 of the connecting Washington account-state

appropriation, are provided solely for the Mukilteo ferry terminal (952515P). 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) (~~(\$102,641,000)~~) \$94,643,000 of the Puget Sound capital construction account-federal appropriation, \$47,819,000 of the connecting Washington account-state appropriation, and \$4,355,000 of the Puget Sound capital construction account-local appropriation are provided solely for the Seattle Terminal Replacement project (900010L).

(4) \$5,357,000 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) (~~(\$2,300,000)~~) \$2,224,000 of the Puget Sound capital construction account-state appropriation is provided solely for the ORCA acceptance project (L2000300). The ferry system shall work with Washington technology solutions and the tolling division on the development of a new, interoperable ticketing system.

(6) \$495,000 of the Puget Sound capital construction account-state appropriation is provided solely for an electric ferry planning team (G2000087) to develop ten-year and twenty-year implementation plans to efficiently deploy hybrid-electric vessels, including a cost-benefit analysis of construction and operation of hybrid-electric vessels with and without charging infrastructure. The plan includes, but is not limited to, vessel technology and feasibility, vessel and terminal deployment schedules, project financing, and workforce requirements. The plan shall be submitted to the office of financial management and the transportation committees of the legislature by June 30, 2020.

(7) (~~(\$35,000,000)~~) \$10,776,000 of the Puget Sound capital construction account-state appropriation and \$8,000,000 of the Puget Sound capital construction account-federal appropriation are provided solely for the conversion of up to two Jumbo Mark II vessels to electric hybrid propulsion (G2000084). The department shall seek additional funds for the purposes of this

subsection. (~~The department may spend from the Puget Sound capital construction account-state appropriation in this section only as much as the department receives in Volkswagen settlement funds for the purposes of this subsection.~~)

(8) \$400,000 of the Puget Sound capital construction account-state appropriation is provided solely for a request for proposals for a new maintenance management system (project L2000301) and is subject to the conditions, limitations, and review provided in section 701 (~~of this act~~), chapter 219, Laws of 2020.

(9) (~~(\$96,030,000)~~) \$35,547,000 of the capital vessel replacement account-state appropriation is provided solely for the acquisition of a 144-car hybrid-electric vessel. The vendor must present to the joint transportation committee and the office of financial management, by September 15, 2019, a list of options that will result in significant cost savings changes in terms of construction or the long-term maintenance and operations of the vessel. The vendor must allow for exercising the options without a penalty. It is the intent of the legislature to provide an additional \$88,000,000 in funding in the 2021-23 biennium. The reduction provided in this subsection is an assumed underrun pursuant to subsection (11) of this section. The commencement of construction of new vessels for the ferry system is important not only for safety reasons, but also to keep skilled marine construction jobs in the Puget Sound region and to sustain the capacity of the region to meet the ongoing construction and preservation needs of the ferry system fleet of vessels. The legislature has determined that the current vessel procurement process must move forward with all due speed, balancing the interests of both the taxpayers and shipyards. To accomplish construction of vessels in accordance with RCW 47.60.810, the prevailing shipbuilder, for vessels initially funded after July 1, 2020, is encouraged to follow the historical practice of subcontracting the construction of ferry superstructures to a separate nonaffiliated contractor located within the Puget Sound region, that is qualified in accordance with RCW 47.60.690.

(10) The capital vessel replacement account-state appropriation includes up to (~~(\$96,030,000)~~) \$35,547,000 in

proceeds from the sale of bonds authorized in RCW 47.10.873.

~~((12))~~ (11) The appropriations in this section include savings due to anticipated project underruns; however, it is unknown which projects will provide savings. The legislature intends to provide sufficient flexibility for the department to manage to this savings target. To provide this flexibility, the office of financial management may authorize, through an allotment modification, reductions in the appropriated amounts that are provided solely for a particular purpose within this section subject to the following conditions and limitations:

(a) The department must confirm that any modification requested under this subsection of amounts provided solely for a specific purpose are not expected to be used for that purpose in this biennium;

(b) Allotment modifications authorized under this subsection may not result in increased funding for any project beyond the amount provided for that project in the 2019-2021 fiscal biennium in LEAP Transportation Document ~~((2020))~~ 2021-2 ALL PROJECTS as developed ~~((March 11, 2020))~~ April 23, 2021;

(c) Allotment modifications authorized under this subsection apply only to amounts appropriated in this section from the following accounts: Puget Sound capital construction account-state, transportation partnership account-state, and capital vessel replacement account-state; and

(d) By December 1, 2020, the department must submit a report to the transportation committees of the legislature regarding the actions taken under this subsection.

Sec. 1008. 2020 c 219 s 309 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF TRANSPORTATION-RAIL-PROGRAM Y-CAPITAL

Motor Vehicle Account-State
Appropriation ~~((3,300,000))~~

\$2,300,000

Essential Rail Assistance Account-State
Appropriation \$851,000

Transportation Infrastructure
Account-State

Appropriation ~~((7,554,000))~~

\$7,465,000

Multimodal Transportation Account-State

Appropriation ~~((74,876,000))~~

\$72,135,000

Multimodal Transportation Account-Federal

Appropriation \$8,601,000

Multimodal Transportation Account-Local

Appropriation \$336,000

TOTAL APPROPRIATION
~~((95,518,000))~~

\$91,688,000

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 ~~((2020))~~ 2021-2 ALL PROJECTS as developed ~~((March 11, 2020))~~ April 23, 2021, Program - Rail Program (Y).

(2) ~~((7,136,000))~~ \$7,047,000 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) \$7,782,000 of the multimodal transportation account-state appropriation, \$51,000 of the transportation infrastructure account-state appropriation, and \$135,000 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) \$716,000 of the essential rail assistance account—state appropriation and \$82,000 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 and transfers deposited into the essential rail assistance account from leases and sale of property relating to the Palouse river and Coulee City railroad;

(ii) Revenues from trackage rights agreement fees paid by shippers; and

(iii) Revenues and transfers 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, 2020, the department shall submit a prioritized list of

recommended projects to the office of financial management and the transportation committees of the legislature.

(7) (~~(\$10,000,000)~~) \$4,031,000 of the multimodal transportation account—state appropriation is provided solely as expenditure authority for any insurance proceeds received by the state for Passenger Rail Equipment Replacement (project 700010C.) The department must use this expenditure authority only to purchase replacement equipment that has been competitively procured and for service recovery needs and corrective actions related to the December 2017 derailment.

(8) \$898,000 of the multimodal transportation account—federal appropriation and \$8,000 of the multimodal transportation account—state appropriation are provided solely for the Ridgefield Rail Overpass (project 725910A). Total costs for this project may not exceed \$909,000 across fiscal biennia.

(9) (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 2021-2023 fiscal biennium, the department may, on a pilot basis, apply funding from a project in this section with an appropriation that cannot be used for the current fiscal biennium to advance the South Kelso Railroad Crossing project (L1000147).

(b) 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 2021-2023 fiscal biennium.

(c) To the extent practicable, the department shall use the flexibility and authority granted in this section to minimize the amount of reappropriations needed each biennium.

(10) (~~The multimodal transportation account—state appropriation includes up to \$25,000,000 in proceeds from the sale of bonds authorized in RCW 47.10.867.~~)

~~((11))~~) The department must report to the joint transportation committee on the progress made on freight rail investment bank projects and freight rail assistance projects funded during this biennium by January 1, 2020.

~~((12))~~) (11) \$1,500,000 of the multimodal transportation account-state appropriation is provided solely for the Chelatchie Prairie railroad roadbed rehabilitation project (L1000233).

~~((13))~~) (12) \$250,000 of the multimodal transportation account-state appropriation is provided solely for the Port of Moses Lake Northern Columbia Basin railroad feasibility study (L1000235).

~~((14))~~) (13) \$500,000 of the multimodal transportation account-state appropriation is provided solely for the Spokane airport transload facility project (L1000242).

~~((15))~~ ~~\$1,000,000 of the motor vehicle account-state appropriation is provided solely for the grade separation at Bell road project (L1000239).~~

~~((16))~~) (14) \$750,000 of the motor vehicle account-state appropriation and \$399,000 of the multimodal transportation account-state appropriation are provided solely for the rail crossing improvements at 6th Ave. and South 19th St. project (L2000289).

~~((18))~~) (15) The appropriations in this section include savings due to anticipated project underruns; however, it is unknown which projects will provide savings. The legislature intends to provide sufficient flexibility for the department to manage to this savings target. To provide this flexibility, the office of financial management may authorize, through an allotment modification, reductions in the appropriated amounts that are provided solely for a particular purpose within this section subject to the following conditions and limitations:

(a) The department must confirm that any modification requested under this subsection of amounts provided solely for a specific purpose are not expected to be used for that purpose in this biennium;

(b) Allotment modifications authorized under this subsection may not result in increased funding for any project beyond the amount provided for that project in the 2019-2021 fiscal biennium in LEAP

Transportation Document (~~(2020)~~) 2021-2 ALL PROJECTS as developed (~~(March 11, 2020)~~) April 23, 2021;

(c) Allotment modifications authorized under this subsection apply only to amounts appropriated in this section from the multimodal transportation account-state; and

(d) By December 1, 2020, the department must submit a report to the transportation committees of the legislature regarding the actions taken under this subsection.

Sec. 1009. 2020 c 219 s 310 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF TRANSPORTATION-
LOCAL PROGRAMS-PROGRAM Z-CAPITAL**

Highway Infrastructure Account-State
Appropriation \$1,276,000

Highway Infrastructure Account-
Federal Appropriation \$1,337,000

Transportation Partnership Account-
State

Appropriation (~~(\$2,380,000)~~)
\$1,630,000

Highway Safety Account-State
Appropriation \$1,314,000

Motor Vehicle Account-State
Appropriation (~~(\$35,607,000)~~)
\$24,543,000

Motor Vehicle Account-Federal
Appropriation (~~(\$41,420,000)~~)
\$52,267,000

Motor Vehicle Account-Private/Local
Appropriation (~~(\$24,600,000)~~)
\$18,000,000

Connecting Washington Account-State
Appropriation (~~(\$155,550,000)~~)
\$130,708,000

Multimodal Transportation Account-
State

Appropriation (~~(\$77,469,000)~~)
\$74,351,000

TOTAL APPROPRIATION
(~~(\$340,953,000)~~)
\$305,426,000

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 ((2020)) 2021-2 ALL PROJECTS as developed ((~~March 11, 2020~~)) April 23, 2021, 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) ((~~\$19,380,000~~)) \$8,361,000 of the multimodal transportation account-state appropriation is provided solely for newly selected pedestrian and bicycle safety program projects. ((~~\$18,577,000~~)) \$19,363,000 of the multimodal transportation account-state appropriation and \$1,380,000 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~~)) \$4,066,000 of the motor vehicle account-federal appropriation and ((~~\$7,750,000~~)) \$4,668,000 of the multimodal transportation account-state appropriation are provided solely for newly selected safe routes to school projects. ((~~\$11,354,000~~)) \$10,744,000 of the motor vehicle account-federal appropriation, ((~~\$4,640,000~~)) \$3,075,000 of the multimodal transportation account-state appropriation, and \$1,314,000 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, 2019, and December 1, 2020, 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) ((~~\$37,537,000~~)) \$32,976,000 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) ((~~\$23,926,000~~)) \$13,829,000 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.

(6) (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 2021-2023 fiscal biennium, the department may, on a pilot basis, apply funding from a project in this section with an appropriation that cannot be used for the current fiscal biennium to advance one or more of the following projects:

(i) I-5/Port of Tacoma Road Interchange (L1000087);

(ii) SR 99 Revitalization in Edmonds (NEDMOND); or

(iii) SR 523 145th Street (L1000148);

(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 2021-2023 fiscal biennium.

(c) To the extent practicable, the department shall use the flexibility and authority granted in this section to minimize the amount of reappropriations needed each biennium.

(7) It is the expectation of the legislature that the department will be administering a local railroad crossing safety grant program for \$7,000,000 in federal funds during the 2019-2021 fiscal biennium.

(8) (a) (~~(\$15,213,000)~~) \$22,500,000 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.

(b) The department shall convene a stakeholder group for the purpose of developing a recommendation for a Washington freight advisory committee. The recommendations must include, but are not limited to, defining the committee's purpose and goals, roles and responsibilities, reporting structure, and proposed activities. Stakeholders must include representation from, but not limited to, the trucking industry, the maritime industry, the rail industry, cities, tribal governments, counties, ports, and representatives from key industrial associations important to the state's economic vitality and other relevant public and private interests. In developing the recommendation, the stakeholder group must review practices used by other states. The proposed committee must conform with requirements of the fixing America's surface transportation act and other relevant federal legislation. The recommendations must include how the committee can address improving freight mobility including, but not limited to, addressing insufficient truck parking in Washington state, examining the link between preservation investments and freight mobility, and enhancing freight logistics through the application of technology. The stakeholder group shall make recommendations to the governor and the transportation committees of the legislature by December 1, 2020.

(9) \$1,000,000 of the motor vehicle account-state appropriation is provided

solely for the Beech Street Extension project (L1000222).

(10) (~~(\$3,900,000)~~) \$2,000,000 of the motor vehicle account-state appropriation is provided solely for the Dupont-Steilacoom road improvements project (L1000224).

(11) (~~(\$650,000)~~) \$100,000 of the motor vehicle account-state appropriation is provided solely for the SR 104/40th place northeast roundabout project (L1000244).

(12) (~~(\$860,000)~~) \$360,000 of the multimodal transportation account-state appropriation is provided solely for the Clinton to Ken's corner trail project (L1000249).

~~(13) (~~(\$210,000 of the motor vehicle account-state appropriation is provided solely for the I-405/44th gateway signage and green-scaping improvements project (L1000250).~~~~

~~(14) (\$650,000)~~ \$50,000 of the motor vehicle account-state appropriation is provided solely for the Wallace Kneeland and Shelton springs road intersection improvements project (L1000260).

~~((15))~~ (14) \$1,000,000 of the motor vehicle account-state appropriation and \$500,000 of the multimodal transportation account-state appropriation are provided solely for the complete 224th Phase two project (L1000270).

~~((16))~~ (15) \$60,000 of the multimodal transportation account-state appropriation is provided solely for the installation of an updated meteorological station at the Colville airport (L1000279).

~~((17))~~ (16) (a) \$700,000 of the motor vehicle account-state appropriation is provided solely for the Ballard-Interbay Regional Transportation system plan project (L1000281).

(b) Funding in this subsection is provided solely for the city of Seattle to develop a plan and report for the Ballard-Interbay Regional Transportation System project to improve mobility for people and freight. The plan must be developed in coordination and partnership with entities including but not limited to the city of Seattle, King county, the Port of Seattle, Sound Transit, the Washington state military department for the Seattle armory, and the Washington state department of

transportation. The plan must examine replacement of the Ballard bridge and the Magnolia bridge, which was damaged in the 2001 Nisqually earthquake. The city must provide a report on the plan that includes recommendations to the Seattle city council, King county council, and the transportation committees of the legislature by November 1, 2020. The report must include recommendations on how to maintain the current and future capacities of the Magnolia and Ballard bridges, an overview and analysis of all plans between 2010 and 2020 that examine how to replace the Magnolia bridge, and recommendations on a timeline for constructing new Magnolia and Ballard bridges.

~~((18))~~ (17) \$750,000 of the motor vehicle account-state appropriation is provided solely for the Mickelson Parkway project (L1000282).

~~((19) \$300,000)~~ (18) \$175,000 of the motor vehicle account-state appropriation is provided solely for the South 314th Street Improvements project (L1000283).

~~((20) \$250,000)~~ (19) \$200,000 of the motor vehicle account-state appropriation is provided solely for the Ridgefield South I-5 Access Planning project (L1000284).

~~((21) \$300,000)~~ (20) \$50,000 of the motor vehicle account-state appropriation is provided solely for the Washougal 32nd Street Underpass Design and Permitting project (L1000285).

~~((22) \$600,000 of the connecting Washington account-state appropriation, \$150,000)~~ (21) \$25,000 of the motor vehicle account-state appropriation~~((7))~~ and \$267,000 of the multimodal transportation account-state appropriation are provided solely for the Bingen Walnut Creek and Maple Railroad Crossing (L2000328).

~~((23) \$1,500,000)~~ (22) \$200,000 of the motor vehicle account-state appropriation is provided solely for the SR 303 Warren Avenue Bridge Pedestrian Improvements project (L2000339).

~~((24) \$1,000,000)~~ (23) \$150,000 of the motor vehicle account-state appropriation is provided solely for the 72nd/Washington Improvements in Yakima project (L2000341).

~~((25) \$650,000)~~ (24) \$150,000 of the motor vehicle account-state

appropriation is provided solely for the 48th/Washington Improvements in Yakima project (L2000342).

~~((27))~~ (25) The appropriations in this section include savings due to anticipated project underruns; however, it is unknown which projects will provide savings. The legislature intends to provide sufficient flexibility for the department to manage to this savings target. To provide this flexibility, the office of financial management may authorize, through an allotment modification, reductions in the appropriated amounts that are provided solely for a particular purpose within this section subject to the following conditions and limitations:

(a) The department must confirm that any modification requested under this subsection of amounts provided solely for a specific purpose are not expected to be used for that purpose in this biennium;

(b) Allotment modifications authorized under this subsection may not result in increased funding for any project beyond the amount provided for that project in the 2019-2021 fiscal biennium in LEAP Transportation Document ~~((2020))~~ 2021-2 ALL PROJECTS as developed ~~((March 11, 2020))~~ April 23, 2021;

(c) Allotment modifications authorized under this subsection apply only to amounts appropriated in this section from the following accounts: Connecting Washington account-state and multimodal transportation account-state; and

(d) By December 1, 2020, the department must submit a report to the transportation committees of the legislature regarding the actions taken under this subsection.

(26) \$11,679,000 of the motor vehicle account-federal appropriation is provided solely for acceleration of local preservation projects that ensure the reliable movement of freight on the national highway freight system (G2000100). The department shall identify projects through its current national highway system asset management call for projects with applications due in February 2021. The department shall give priority to those projects that can be obligated by September 30, 2021.

Sec. 1010. 2019 c 416 s 302 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE PATROL

State Patrol Highway Account—State
Appropriation (~~(\$3,277,000)~~)
\$2,437,000

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) (~~(\$468,000)~~) \$268,000 for roof replacements;
- (3) \$350,000 for fuel tank decommissioning;
- (4) (~~(\$759,000)~~) \$119,000 for generator and electrical replacement;
- (5) \$750,000 for water and fire suppression systems; and
- (6) \$700,000 for academy training tank preservation reappropriation.

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.

TRANSFERS AND DISTRIBUTIONS

Sec. 1101. 2020 c 219 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

Special Category C Account—State
Appropriation (~~(\$105,000)~~)

\$21,000

(~~(Multimodal Transportation Account—State Appropriation \$125,000)~~)

Transportation Partnership Account—State Appropriation (~~(\$1,407,000)~~)

\$182,000

Connecting Washington Account—State
Appropriation (~~(\$7,723,000)~~)

\$2,455,000

Highway Bond Retirement Account—State
Appropriation (~~(\$1,378,835,000)~~)

\$1,308,311,000

Ferry Bond Retirement Account—State
Appropriation (~~(\$25,078,000)~~)

\$25,079,000

Transportation Improvement Board Bond
Retirement

Account—State Appropriation
(~~(\$12,452,000)~~)

\$12,062,000

Nondebt-Limit Reimbursable Bond
Retirement

Account—State Appropriation
(~~(\$31,253,000)~~)

\$29,514,000

Toll Facility Bond Retirement Account—
State

Appropriation (~~(\$86,483,000)~~)

\$85,565,000

TOTAL APPROPRIATION
(~~(\$1,543,461,000)~~)

\$1,463,189,000

Sec. 1102. 2020 c 219 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

(~~(Multimodal Transportation Account—State Appropriation \$25,000)~~)

Transportation Partnership Account—
State

Appropriation (~~(\$281,000)~~)

\$68,000

Connecting Washington Account—State
Appropriation (~~(\$1,599,000)~~)

\$640,000

Special Category C Account—State
Appropriation (~~(\$21,000)~~)

\$9,000

TOTAL APPROPRIATION
(~~(\$1,926,000)~~)

\$717,000

Sec. 1103. 2020 c 219 s 403 (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
((~~\$508,276,000~~))

\$456,823,000

Sec. 1104. 2020 c 219 s 404 (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

((~~\$2,146,790,000~~))

\$1,921,901,000

Sec. 1105. 2020 c 219 s 405 (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 ((~~\$235,788,000~~))

\$240,415,000

Sec. 1106. 2020 c 219 s 406 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER—ADMINISTRATIVE TRANSFERS

(1) Highway Safety Account—State Appropriation:

For transfer to the Multimodal Transportation

Account—State ((~~\$54,000,000~~))

\$24,000,000

(2) (~~Transportation Partnership Account—State~~)

~~Appropriation: For transfer to the Motor Vehicle~~

~~Account—State \$45,000,000~~

~~(3))~~ Motor Vehicle Account—State Appropriation:

For transfer to the State Patrol Highway

Account—State ((~~\$57,000,000~~))

\$25,400,000

~~((4))~~ (3) Motor Vehicle Account—State Appropriation:

For transfer to the Freight Mobility Investment

Account—State \$8,070,000

~~((5))~~ (4) Motor Vehicle Account—State Appropriation:

For transfer to the Rural Arterial Trust

Account—State \$1,732,000

(5) (a) Motor Vehicle Account—State Appropriation:

For transfer to the State Route Number 520 Civil

Penalties Account—State \$6,000,000

(b) The funds provided in (a) of this subsection are a loan to the state route number 520 civil penalties account—state, and the legislature assumes that these funds will be reimbursed to the motor vehicle account—state in the 2021-2023 biennium.

(6) Motor Vehicle Account—State Appropriation:

For transfer to the Transportation Improvement

Account—State ((~~\$5,067,000~~))

\$34,067,000

(7) Motor Vehicle Account—State Appropriation:

For transfer to the Puget Sound Capital Construction

Account—State ((~~\$52,000,000~~))

\$61,000,000

(8) Motor Vehicle Account—State Appropriation:

For transfer to the Puget Sound Ferry Operations

Account—State \$55,000,000

(9) Rural Mobility Grant Program Account—State

Appropriation: For transfer to the Multimodal

Transportation Account-State
\$3,000,000

(10) State Route Number 520 Civil Penalties

Account-State Appropriation: For transfer to

the State Route Number 520 Corridor

Account-State ((~~\$1,434,000~~))

\$1,666,000

(11) Capital Vessel Replacement Account-State

Appropriation: For transfer to the Connecting

Washington Account-State
\$60,000,000

(12) Multimodal Transportation Account-State

Appropriation: For transfer to the Regional

Mobility Grant Program Account-State
\$11,215,000

(13) Multimodal Transportation Account-State

Appropriation: For transfer to the Rural

Mobility Grant Program Account-State
\$15,223,000

(14) (~~Transportation 2003 Account (Nickel Account)~~)

~~State Appropriation: For transfer to the Puget~~

~~Sound Capital Construction Account-State \$15,000,000~~

~~(15) (a) Alaskan Way Viaduct Replacement Project~~

~~Account-State Appropriation: For transfer to the~~

~~Motor Vehicle Account-State
\$9,992,000~~

~~(b) The transfer identified in this subsection is provided solely to repay in full the motor vehicle account state appropriation loan from section 1005(21), chapter 416, Laws of 2019.~~

~~(16)) (a) Transportation Partnership Account-State~~

Appropriation: For transfer to the Alaskan Way Viaduct

Replacement Project Account-State
\$77,956,000

(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.

~~((17))~~ (15) Motor Vehicle Account-State Appropriation:

For transfer to the County Arterial Preservation

Account-State (~~(\$4,829,000)~~)

\$9,902,000

~~((18))~~ (16) (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(7), chapter 416, Laws of 2019.

~~((19) Capital Vessel Replacement Account-State~~

~~Appropriation: For transfer to the Transportation~~

~~Partnership Account-State
\$2,312,000~~

~~(20))~~ (17) (a) Alaskan Way Viaduct Replacement Project

Account-State Appropriation: For transfer to the

Transportation Partnership Account-State (~~(\$15,858,000)~~)

\$15,577,000

(b) The amount transferred in this subsection represents repayment of debt service incurred for the construction of the SR 99/Alaskan Way Viaduct Replacement project (809936Z).

~~((21))~~ (18) Tacoma Narrows Toll Bridge Account-State

Appropriation: For transfer to the Motor

Vehicle Account-State \$950,000

~~((22))~~ (19) (a) Tacoma Narrows Toll Bridge Account-State Appropriation:

For transfer to the Motor Vehicle Account-State \$5,000,000

(b) A transfer in the amount of \$5,000,000 was made from the Motor Vehicle Account to the Tacoma Narrows Toll Bridge Account in April 2019. It is the intent of the legislature that this transfer was to be temporary, for the purpose of minimizing the impact of toll increases, and this is an equivalent reimbursing transfer to occur in November 2019.

~~((23))~~ (20) (a) Transportation ~~((2003 Account (Nickel Account)))~~

Partnership Account-State Appropriation:

For transfer to the Tacoma Narrows Toll Bridge Account-State \$12,543,000

(b) 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 after the debt service and deferred sales tax on the Tacoma Narrows bridge construction costs are fully repaid in accordance with chapter 195, Laws of 2018.

~~((24))~~ (21) Transportation Infrastructure Account-State

Appropriation: For transfer to the multimodal

Transportation Account-State \$9,000,000

~~((25))~~ (22) Multimodal Transportation Account-State

Appropriation: For transfer to the Pilotage

Account-State \$2,500,000

~~((26))~~ (23) (a) Motor Vehicle Account-State

Appropriation: For transfer to the County Road

Administration Board Emergency Loan Account-State \$1,000,000

(b) If chapter 157, Laws of 2019 is not enacted by June 30, 2019, the amount provided in this subsection lapses.

~~((27))~~ (24) (a) Advanced Environmental Mitigation

Revolving Account-State Appropriation: For transfer

to the Motor Vehicle Account-State \$9,000,000

(b) The amount transferred in this subsection is contingent on at least a \$9,000,000 transfer to the advanced environmental mitigation revolving account authorized by June 30, 2019, in the omnibus capital appropriations act.

~~((28))~~ ~~Multimodal Transportation Account-State~~

~~Appropriation: For transfer to the Electric Vehicle~~

~~Charging Infrastructure Account-State \$1,000,000~~

~~((29))~~ (25) Multimodal Transportation Account-State

Appropriation: For transfer to the Complete Streets

Grant Program Account-State \$10,200,000

~~((30))~~ (26) (a) Multimodal Transportation Account-State

Appropriation: For transfer to the Connecting

Washington Account-State \$82,080,000

(b) The amount transferred in this subsection represents a reversal of the changes made to RCW 82.32.385, in section 703, chapter 219, Laws of 2020, that directed a transfer of \$82,080,000 to the multimodal transportation account rather than the connecting Washington account.

(27) (a) Transportation Partnership Account-State

Appropriation: For transfer to the Capital Vessel

Replacement Account-State ~~((96,030,000))~~

\$35,547,000

(b) The amount transferred in this subsection represents proceeds from the sale of bonds authorized in RCW 47.10.873.

~~((31))~~ (28) Freight Mobility Multimodal Account-State

Appropriation: For transfer to the Multimodal Transportation

Account-State \$7,296,000

~~((32))~~ (29) Connecting Washington Account-State

Appropriation: For transfer to the Motor Vehicle

Account-State \$115,000,000

(30) (a) Motor Vehicle Account-State Appropriation:

For transfer to the Alaskan Way Viaduct Replacement

Project Account-State \$13,000,000

(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 traffic on the toll facility has recovered from the COVID-19 pandemic.

(31) Motor Vehicle Account-State Appropriation:

For transfer to the Transportation 2003 Account

(Nickel Account)-State \$12,800,000

(32) Multimodal Transportation Account-State

Appropriation: For transfer to the Puget Sound

Ferry Operations Account-State \$55,000,000

Sec. 1107. 2020 c 219 s 407 (uncodified) is amended to read as follows:

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

Sec. 1108. 2020 c 219 s 408 (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 (~~(\$199,522,000)~~)

\$199,523,000

Toll Facility Bond Retirement Account-State

Appropriation \$25,372,000

TOTAL APPROPRIATION (~~(\$224,894,000)~~)

\$224,895,000

MISCELLANEOUS 2019-2021 FISCAL BIENNIUM

NEW SECTION. Sec. 1201. A new section is added to 2019 c 416 (uncodified) to read as follows:

The appropriations to the department of transportation in chapter 416, Laws of 2019, chapter 219, Laws of 2020, and this act must be expended for the programs and in the amounts specified in chapter 416, Laws of 2019, chapter 219, Laws of 2020, and this act. However, after May 1, 2021, unless specifically prohibited, the department may transfer state appropriations for the 2019-2021 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 appropriate transportation committees of the legislature prior to approving any allotment modifications or transfers under this section.

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.** 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."

and that the bill do pass as recommended by the Conference Committee:

Senators Hobbs, King and Saldana
Representatives Barkis, Fey and Wylie

There being no objection, the House adopted the conference committee report on SUBSTITUTE SENATE BILL NO. 5165 and advanced the bill as recommended by the conference committee to final passage.

**FINAL PASSAGE OF SENATE BILL AS
RECOMMENDED BY CONFERENCE COMMITTEE**

Representatives Fey and Barkis spoke in favor of the passage of the bill as recommended by the conference committee.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Substitute Senate Bill No. 5165 as recommended by the conference committee.

ROLL CALL

The Clerk called the roll on the final passage of Substitute Senate Bill No. 5165, as recommended by the conference committee, and the bill passed the House by the following votes: Yeas: 90; Nays: 6; Absent: 0; Excused: 2

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dye, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, Jinkins, Johnson, J., Kirby, Klicker, Klippert, Kloba, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, Morgan, Mosbrucker, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, and Ybarra

Voting nay: Representatives Caldier, Dufault, Kraft, McCaslin, Orcutt, and Young

Excused: Representatives McEntire and Robertson

SUBSTITUTE SENATE BILL NO. 5165, as recommended by the conference committee, having received the constitutional majority, was declared passed.

With the consent of the House, SUBSTITUTE SENATE BILL NO. 5165 was immediately transmitted to the Senate.

CONFERENCE COMMITTEE REPORT

April 23, 2021

Engrossed Second Substitute House Bill No. 1477

Includes "New Item": YES

Madame Speaker:

We of your Conference Committee, to whom was referred ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1477, implementing the national 988 system to enhance and expand behavioral health crisis response and suicide prevention services, have had the same under consideration and we recommend that:

All previous amendments not be adopted and that the attached striking amendment S-3066.4 be adopted.

Strike everything after the enacting clause and insert the following:

"PART I

CRISIS CALL CENTER HUBS AND CRISIS SERVICES

NEW SECTION. **Sec. 101.** (1) The legislature finds that:

(a) Nearly 6,000 Washington adults and children died by suicide in the last five years, according to the federal centers for disease control and prevention, tragically reflecting a state increase of 36 percent in the last 10 years.

(b) Suicide is now the single leading cause of death for Washington young people ages 10 through 24, with total deaths 22 percent higher than for vehicle crashes.

(c) Groups with suicide rates higher than the general population include veterans, American Indians/Alaska Natives, LGBTQ youth, and people living in rural counties across the state.

(d) More than one in five Washington residents are currently living with a behavioral health disorder.

(e) The COVID-19 pandemic has increased stressors and substance use among Washington residents.

(f) An improved crisis response system will reduce reliance on emergency room services and the use of law enforcement response to behavioral health crises and

will stabilize individuals in the community whenever possible.

(g) To accomplish effective crisis response and suicide prevention, Washington state must continue its integrated approach to address mental health and substance use disorder in tandem under the umbrella of behavioral health disorders, consistently with chapter 71.24 RCW and the state's approach to integrated health care. This is particularly true in the domain of suicide prevention, because of the prevalence of substance use as both a risk factor and means for suicide.

(2) The legislature intends to:

(a) Establish crisis call center hubs and expand the crisis response system in a deliberate, phased approach that includes the involvement of partners from a range of perspectives to:

(i) Save lives by improving the quality of and access to behavioral health crisis services;

(ii) Further equity in addressing mental health and substance use treatment and assure a culturally and linguistically competent response to behavioral health crises;

(iii) Recognize that, historically, crisis response placed marginalized communities, including those experiencing behavioral health crises, at disproportionate risk of poor outcomes and criminal justice involvement;

(iv) Comply with the national suicide hotline designation act of 2020 and the federal communications commission's rules adopted July 16, 2020, to assure that all Washington residents receive a consistent and effective level of 988 suicide prevention and other behavioral health crisis response and suicide prevention services no matter where they live, work, or travel in the state; and

(v) Provide higher quality support for people experiencing behavioral health crises through investment in new technology to create a crisis call center hub system to triage calls and link individuals to follow-up care.

(b) Make additional investments to enhance the crisis response system, including the expansion of crisis teams, to be known as mobile rapid response crisis teams, and deployment of a wide array of crisis stabilization services, such as 23-hour crisis stabilization

units based on the living room model, crisis stabilization centers, short-term respite facilities, peer-run respite centers, and same-day walk-in behavioral health services. The overall crisis system shall contain components that operate like hospital emergency departments that accept all walk-ins and ambulance, fire, and police drop-offs. Certified peer counselors as well as peers in other roles providing support must be incorporated within the crisis system and along the continuum of crisis care.

NEW SECTION. Sec. 102. A new section is added to chapter 71.24 RCW to read as follows:

(1) Establishing the state crisis call center hubs and enhancing the crisis response system will require collaborative work between the department and the authority within their respective roles. The department shall have primary responsibility for establishing and designating the crisis call center hubs. The authority shall have primary responsibility for developing and implementing the crisis response system and services to support the work of the crisis call center hubs. In any instance in which one agency is identified as the lead, the expectation is that agency will be communicating and collaborating with the other to ensure seamless, continuous, and effective service delivery within the statewide crisis response system.

(2) The department shall provide adequate funding for the state's crisis call centers to meet an expected increase in the use of the call centers based on the implementation of the 988 crisis hotline. The funding level shall be established at a level anticipated to achieve an in-state call response rate of at least 90 percent by July 22, 2022. The funding level shall be determined by considering standards and cost per call predictions provided by the administrator of the national suicide prevention lifeline, call volume predictions, guidance on crisis call center performance metrics, and necessary technology upgrades.

(3) The department shall adopt rules by July 1, 2023, to establish standards for designation of crisis call centers as crisis call center hubs. The department shall collaborate with the authority and other agencies to assure coordination and availability of services, and shall

consider national guidelines for behavioral health crisis care as determined by the federal substance abuse and mental health services administration, national behavioral health accrediting bodies, and national behavioral health provider associations to the extent they are appropriate, and recommendations from the crisis response improvement strategy committee created in section 103 of this act.

(4) The department shall designate crisis call center hubs by July 1, 2024. The crisis call center hubs shall provide crisis intervention services, triage, care coordination, referrals, and connections to individuals contacting the 988 crisis hotline from any jurisdiction within Washington 24 hours a day, seven days a week, using the system platform developed under subsection (5) of this section.

(a) To be designated as a crisis call center hub, the applicant must demonstrate to the department the ability to comply with the requirements of this section and to contract to provide crisis call center hub services. The department may revoke the designation of any crisis call center hub that fails to substantially comply with the contract.

(b) The contracts entered shall require designated crisis call center hubs to:

(i) Have an active agreement with the administrator of the national suicide prevention lifeline for participation within its network;

(ii) Meet the requirements for operational and clinical standards established by the department and based upon the national suicide prevention lifeline best practices guidelines and other recognized best practices;

(iii) Employ highly qualified, skilled, and trained clinical staff who have sufficient training and resources to provide empathy to callers in acute distress, de-escalate crises, assess behavioral health disorders and suicide risk, triage to system partners, and provide case management and documentation. Call center staff shall be trained to make every effort to resolve cases in the least restrictive environment and without law enforcement involvement whenever possible. Call center staff shall coordinate with certified peer counselors to provide follow-up and outreach to callers in

distress as available. It is intended for transition planning to include a pathway for continued employment and skill advancement as needed for experienced crisis call center employees;

(iv) Collaborate with the authority, the national suicide prevention lifeline, and veterans crisis line networks to assure consistency of public messaging about the 988 crisis hotline; and

(v) Provide data and reports and participate in evaluations and related quality improvement activities, according to standards established by the department in collaboration with the authority.

(c) The department and the authority shall incorporate recommendations from the crisis response improvement strategy committee created under section 103 of this act in its agreements with crisis call center hubs, as appropriate.

(5) The department and authority must coordinate to develop the technology and platforms necessary to manage and operate the behavioral health crisis response and suicide prevention system. The technologies developed must include:

(a) A new technologically advanced behavioral health and suicide prevention crisis call center system platform using technology demonstrated to be interoperable across crisis and emergency response systems used throughout the state, such as 911 systems, emergency medical services systems, and other nonbehavioral health crisis services, for use in crisis call center hubs designated by the department under subsection (4) of this section. This platform, which shall be fully funded by July 1, 2023, shall be developed by the department and must include the capacity to receive crisis assistance requests through phone calls, texts, chats, and other similar methods of communication that may be developed in the future that promote access to the behavioral health crisis system; and

(b) A behavioral health integrated client referral system capable of providing system coordination information to crisis call center hubs and the other entities involved in behavioral health care. This system shall be developed by the authority.

(6) In developing the new technologies under subsection (5) of this section, the

department and the authority must coordinate to designate a primary technology system to provide each of the following:

(a) Access to real-time information relevant to the coordination of behavioral health crisis response and suicide prevention services, including:

(i) Real-time bed availability for all behavioral health bed types, including but not limited to crisis stabilization services, triage facilities, psychiatric inpatient, substance use disorder inpatient, withdrawal management, peer-run respite centers, and crisis respite services, inclusive of both voluntary and involuntary beds, for use by crisis response workers, first responders, health care providers, emergency departments, and individuals in crisis; and

(ii) Real-time information relevant to the coordination of behavioral health crisis response and suicide prevention services for a person, including the means to access:

(A) Information about any less restrictive alternative treatment orders or mental health advance directives related to the person; and

(B) Information necessary to enable the crisis call center hub to actively collaborate with emergency departments, primary care providers and behavioral health providers within managed care organizations, behavioral health administrative services organizations, and other health care payers to establish a safety plan for the person in accordance with best practices and provide the next steps for the person's transition to follow-up noncrisis care. To establish information-sharing guidelines that fulfill the intent of this section the authority shall consider input from the confidential information compliance and coordination subcommittee established under section 103 of this act;

(b) The means to request deployment of appropriate crisis response services, which may include mobile rapid response crisis teams, co-responder teams, designated crisis responders, fire department mobile integrated health teams, or community assistance referral and educational services programs under RCW 35.21.930, according to best practice guidelines established by the authority,

and track local response through global positioning technology; and

(c) The means to track the outcome of the 988 call to enable appropriate follow up, cross-system coordination, and accountability, including as appropriate: (i) Any immediate services dispatched and reports generated from the encounter; (ii) the validation of a safety plan established for the caller in accordance with best practices; (iii) the next steps for the caller to follow in transition to noncrisis follow-up care, including a next-day appointment for callers experiencing urgent, symptomatic behavioral health care needs; and (iv) the means to verify and document whether the caller was successful in making the transition to appropriate noncrisis follow-up care indicated in the safety plan for the person, to be completed either by the care coordinator provided through the person's managed care organization, health plan, or behavioral health administrative services organization, or if such a care coordinator is not available or does not follow through, by the staff of the crisis call center hub;

(d) A means to facilitate actions to verify and document whether the person's transition to follow up noncrisis care was completed and services offered, to be performed by a care coordinator provided through the person's managed care organization, health plan, or behavioral health administrative services organization, or if such a care coordinator is not available or does not follow through, by the staff of the crisis call center hub;

(e) The means to provide geographically, culturally, and linguistically appropriate services to persons who are part of high-risk populations or otherwise have need of specialized services or accommodations, and to document these services or accommodations; and

(f) When appropriate, consultation with tribal governments to ensure coordinated care in government-to-government relationships, and access to dedicated services to tribal members.

(7) To implement this section the department and the authority shall collaborate with the state enhanced 911 coordination office, emergency management division, and military department to develop technology that is

demonstrated to be interoperable between the 988 crisis hotline system and crisis and emergency response systems used throughout the state, such as 911 systems, emergency medical services systems, and other nonbehavioral health crisis services, as well as the national suicide prevention lifeline, to assure cohesive interoperability, develop training programs and operations for both 911 public safety telecommunicators and crisis line workers, develop suicide and other behavioral health crisis assessments and intervention strategies, and establish efficient and equitable access to resources via crisis hotlines.

(8) The authority shall:

(a) Collaborate with county authorities and behavioral health administrative services organizations to develop procedures to dispatch behavioral health crisis services in coordination with crisis call center hubs to effectuate the intent of this section;

(b) Establish formal agreements with managed care organizations and behavioral health administrative services organizations by January 1, 2023, to provide for the services, capacities, and coordination necessary to effectuate the intent of this section, which shall include a requirement to arrange next-day appointments for persons contacting the 988 crisis hotline experiencing urgent, symptomatic behavioral health care needs with geographically, culturally, and linguistically appropriate primary care or behavioral health providers within the person's provider network, or, if uninsured, through the person's behavioral health administrative services organization;

(c) Create best practices guidelines by July 1, 2023, for deployment of appropriate and available crisis response services by crisis call center hubs to assist 988 hotline callers to minimize nonessential reliance on emergency room services and the use of law enforcement, considering input from relevant stakeholders and recommendations made by the crisis response improvement strategy committee created under section 103 of this act;

(d) Develop procedures to allow appropriate information sharing and communication between and across crisis and emergency response systems for the purpose of real-time crisis care

coordination including, but not limited to, deployment of crisis and outgoing services, follow-up care, and linked, flexible services specific to crisis response; and

(e) Establish guidelines to appropriately serve high-risk populations who request crisis services. The authority shall design these guidelines to promote behavioral health equity for all populations with attention to circumstances of race, ethnicity, gender, socioeconomic status, sexual orientation, and geographic location, and include components such as training requirements for call response workers, policies for transferring such callers to an appropriate specialized center or subnetwork within or external to the national suicide prevention lifeline network, and procedures for referring persons who access the 988 crisis hotline to linguistically and culturally competent care.

NEW SECTION. Sec. 103. A new section is added to chapter 71.24 RCW to read as follows:

(1) The crisis response improvement strategy committee is established for the purpose of providing advice in developing an integrated behavioral health crisis response and suicide prevention system containing the elements described in this section. The work of the committee shall be received and reviewed by a steering committee, which shall in turn form subcommittees to provide the technical analysis and input needed to formulate system change recommendations.

(2) The office of financial management shall contract with the behavioral health institute at Harborview medical center to facilitate and provide staff support to the steering committee and to the crisis response improvement strategy committee.

(3) The steering committee shall select three cochairs from among its members to lead the crisis response improvement strategy committee. The crisis response improvement strategy committee shall consist of the following members, who shall be appointed or requested by the authority, unless otherwise noted:

(a) The director of the authority, or his or her designee, who shall also serve on the steering committee;

(b) The secretary of the department, or his or her designee, who shall also serve on the steering committee;

(c) A member representing the office of the governor, who shall also serve on the steering committee;

(d) The Washington state insurance commissioner, or his or her designee;

(e) Up to two members representing federally recognized tribes, one from eastern Washington and one from western Washington, who have expertise in behavioral health needs of their communities;

(f) One member from each of the two largest caucuses of the senate, one of whom shall also be designated to participate on the steering committee, to be appointed by the president of the senate;

(g) One member from each of the two largest caucuses of the house of representatives, one of whom shall also be designated to participate on the steering committee, to be appointed by the speaker of the house of representatives;

(h) The director of the Washington state department of veterans affairs, or his or her designee;

(i) The state enhanced 911 coordinator, or his or her designee;

(j) A member with lived experience of a suicide attempt;

(k) A member with lived experience of a suicide loss;

(l) A member with experience of participation in the crisis system related to lived experience of a mental health disorder;

(m) A member with experience of participation in the crisis system related to lived experience with a substance use disorder;

(n) A member representing each crisis call center in Washington that is contracted with the national suicide prevention lifeline;

(o) Up to two members representing behavioral health administrative services organizations, one from an urban region and one from a rural region;

(p) A member representing the Washington council for behavioral health;

(q) A member representing the association of alcoholism and addiction programs of Washington state;

(r) A member representing the Washington state hospital association;

(s) A member representing the national alliance on mental illness Washington;

(t) A member representing the behavioral health interests of persons of color recommended by Sea Mar community health centers;

(u) A member representing the behavioral health interests of persons of color recommended by Asian counseling and referral service;

(v) A member representing law enforcement;

(w) A member representing a university-based suicide prevention center of excellence;

(x) A member representing an emergency medical services department with a CARES program;

(y) A member representing medicaid managed care organizations, as recommended by the association of Washington healthcare plans;

(z) A member representing commercial health insurance, as recommended by the association of Washington healthcare plans;

(aa) A member representing the Washington association of designated crisis responders;

(bb) A member representing the children and youth behavioral health work group;

(cc) A member representing a social justice organization addressing police accountability and the use of deadly force; and

(dd) A member representing an organization specializing in facilitating behavioral health services for LGBTQ populations.

(4) The crisis response improvement strategy committee shall assist the steering committee to identify potential barriers and make recommendations necessary to implement and effectively monitor the progress of the 988 crisis hotline in Washington and make recommendations for the statewide improvement of behavioral health crisis

response and suicide prevention services.

(5) The steering committee must develop a comprehensive assessment of the behavioral health crisis response and suicide prevention services system by January 1, 2022, including an inventory of existing statewide and regional behavioral health crisis response, suicide prevention, and crisis stabilization services and resources, and taking into account capital projects which are planned and funded. The comprehensive assessment shall identify:

(a) Statewide and regional insufficiencies and gaps in behavioral health crisis response and suicide prevention services and resources needed to meet population needs;

(b) Quantifiable goals for the provision of statewide and regional behavioral health crisis services and targeted deployment of resources, which consider factors such as reported rates of involuntary commitment detentions, single-bed certifications, suicide attempts and deaths, substance use disorder-related overdoses, overdose or withdrawal-related deaths, and incarcerations due to a behavioral health incident;

(c) A process for establishing outcome measures, benchmarks, and improvement targets, for the crisis response system; and

(d) Potential funding sources to provide statewide and regional behavioral health crisis services and resources.

(6) The steering committee, taking into account the comprehensive assessment work under subsection (5) of this section as it becomes available, after discussion with the crisis response improvement strategy committee and hearing reports from the subcommittees, shall report on the following:

(a) A recommended vision for an integrated crisis network in Washington that includes, but is not limited to: An integrated 988 crisis hotline and crisis call center hubs; mobile rapid response crisis teams; mobile crisis response units for youth, adult, and geriatric population; a range of crisis stabilization services; an integrated involuntary treatment system; access to peer-run services, including peer-run

respite centers; adequate crisis respite services; and data resources;

(b) Recommendations to promote equity in services for individuals of diverse circumstances of culture, race, ethnicity, gender, socioeconomic status, sexual orientation, and for individuals in tribal, urban, and rural communities;

(c) Recommendations for a work plan with timelines to implement appropriate local responses to calls to the 988 crisis hotline within Washington in accordance with the time frames required by the national suicide hotline designation act of 2020;

(d) The necessary components of each of the new technologically advanced behavioral health crisis call center system platform and the new behavioral health integrated client referral system, as provided under section 102 of this act, for assigning and tracking response to behavioral health crisis calls and providing real-time bed and outpatient appointment availability to 988 operators, emergency departments, designated crisis responders, and other behavioral health crisis responders, which shall include but not be limited to:

(i) Identification of the components crisis call center hub staff need to effectively coordinate crisis response services and find available beds and available primary care and behavioral health outpatient appointments;

(ii) Evaluation of existing bed tracking models currently utilized by other states and identifying the model most suitable to Washington's crisis behavioral health system;

(iii) Evaluation of whether bed tracking will improve access to all behavioral health bed types and other impacts and benefits; and

(iv) Exploration of how the bed tracking and outpatient appointment availability platform can facilitate more timely access to care and other impacts and benefits;

(e) The necessary systems and capabilities that licensed or certified behavioral health agencies, behavioral health providers, and any other relevant parties will require to report, maintain, and update inpatient and residential bed and outpatient service availability in real time to correspond with the crisis

call center system platform or behavioral health integrated client referral system identified in section 102 of this act, as appropriate;

(f) A work plan to establish the capacity for the crisis call center hubs to integrate Spanish language interpreters and Spanish-speaking call center staff into their operations, and to ensure the availability of resources to meet the unique needs of persons in the agricultural community who are experiencing mental health stresses, which explicitly addresses concerns regarding confidentiality;

(g) A work plan with timelines to enhance and expand the availability of community-based mobile rapid response crisis teams based in each region, including specialized teams as appropriate to respond to the unique needs of youth, including American Indian and Alaska Native youth and LGBTQ youth, and geriatric populations, including older adults of color and older adults with comorbid dementia;

(h) The identification of other personal and systemic behavioral health challenges which implementation of the 988 crisis hotline has the potential to address in addition to suicide response and behavioral health crises;

(i) The development of a plan for the statewide equitable distribution of crisis stabilization services, behavioral health beds, and peer-run respite services;

(j) Recommendations concerning how health plans, managed care organizations, and behavioral health administrative services organizations shall fulfill requirements to provide assignment of a care coordinator and to provide next-day appointments for enrollees who contact the behavioral health crisis system;

(k) Appropriate allocation of crisis system funding responsibilities among medicaid managed care organizations, commercial insurers, and behavioral health administrative services organizations;

(l) Recommendations for constituting a statewide behavioral health crisis response and suicide prevention oversight board or similar structure for ongoing monitoring of the behavioral health crisis system and where this should be established; and

(m) Cost estimates for each of the components of the integrated behavioral health crisis response and suicide prevention system.

(7) The steering committee shall consist only of members appointed to the steering committee under this section. The steering committee shall convene the committee, form subcommittees, assign tasks to the subcommittees, and establish a schedule of meetings and their agendas.

(8) The subcommittees of the crisis response improvement strategy committee shall focus on discrete topics. The subcommittees may include participants who are not members of the crisis response improvement strategy committee, as needed to provide professional expertise and community perspectives. Each subcommittee shall have at least one member representing the interests of stakeholders in a rural community, at least one member representing the interests of stakeholders in an urban community, and at least one member representing the interests of youth stakeholders. The steering committee shall form the following subcommittees:

(a) A Washington tribal 988 subcommittee, which shall examine and make recommendations with respect to the needs of tribes related to the 988 system, and which shall include representation from the American Indian health commission;

(b) A credentialing and training subcommittee, to recommend workforce needs and requirements necessary to implement this act, including minimum education requirements such as whether it would be appropriate to allow crisis call center hubs to employ clinical staff without a bachelor's degree or master's degree based on the person's skills and life or work experience;

(c) A technology subcommittee, to examine issues and requirements related to the technology needed to implement this act;

(d) A cross-system crisis response collaboration subcommittee, to examine and define the complementary roles and interactions between mobile rapid response crisis teams, designated crisis responders, law enforcement, emergency medical services teams, 911 and 988 operators, public and private health plans, behavioral health crisis response agencies, nonbehavioral health crisis

response agencies, and others needed to implement this act;

(e) A confidential information compliance and coordination subcommittee, to examine issues relating to sharing and protection of health information needed to implement this act; and

(f) Any other subcommittee needed to facilitate the work of the committee, at the discretion of the steering committee.

(9) The proceedings of the crisis response improvement strategy committee must be open to the public and invite testimony from a broad range of perspectives. The committee shall seek input from tribes, veterans, the LGBTQ community, and communities of color to help discern how well the crisis response system is currently working and recommend ways to improve the crisis response system.

(10) Legislative members of the crisis response improvement strategy committee shall be 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.

(11) The steering committee, with the advice of the crisis response improvement strategy committee, shall provide a progress report and the result of its comprehensive assessment under subsection (5) of this section to the governor and appropriate policy and fiscal committee of the legislature by January 1, 2022. The steering committee shall report the crisis response improvement strategy committee's further progress and the steering committee's recommendations related to crisis call center hubs to the governor and appropriate policy and fiscal committees of the legislature by January 1, 2023. The steering committee shall provide its final report to the governor and the appropriate policy and fiscal committees of the legislature by January 1, 2024.

(12) This section expires June 30, 2024.

NEW SECTION. Sec. 104. A new section is added to chapter 71.24 RCW to read as follows:

(1) The steering committee of the crisis response improvement strategy committee established under section 103 of this act must monitor and make recommendations related to the funding of crisis response services out of the account created in section 205 of this act. The crisis response improvement strategy steering committee must analyze:

(a) The projected expenditures from the account created under section 205 of this act, taking into account call volume, utilization projections, and other operational impacts;

(b) The costs of providing statewide coverage of mobile rapid response crisis teams or other behavioral health first responder services recommended by the crisis response improvement strategy committee, based on 988 crisis hotline utilization and taking into account existing state and local funding;

(c) Potential options to reduce the tax imposed in section 202 of this act, given the expected level of costs related to infrastructure development and operational support of the 988 crisis hotline and crisis call center hubs; and

(d) The viability of providing funding for in-person mobile rapid response crisis services or other behavioral health first responder services recommended by the crisis response improvement strategy committee funded from the account created in section 205 of this act, given the expected revenues to the account and the level of expenditures required under (a) of this subsection.

(2) If the steering committee finds that funding in-person mobile rapid response crisis services or other behavioral health first responder services recommended by the crisis response improvement strategy committee is viable from the account given the level of expenditures necessary to support the infrastructure development and operational support of the 988 crisis hotline and crisis call center hubs, the steering committee must analyze options for the location and composition of such services given need and available resources with the requirement that funds from the account supplement, not supplant, existing behavioral health crisis funding.

(3) The work of the steering committee under this section must be facilitated by

the behavioral health institute at Harborview medical center through its contract with the office of financial management under section 103 of this act with assistance provided by staff from senate committee services, the office of program research, and the office of financial management.

(4) The steering committee shall submit preliminary recommendations to the governor and the appropriate policy and fiscal committees of the legislature by January 1, 2022, and final recommendations to the governor and the appropriate policy and fiscal committees of the legislature by January 1, 2023.

(5) This section expires on July 1, 2023.

NEW SECTION. Sec. 105. A new section is added to chapter 71.24 RCW to read as follows:

(1) The department and authority shall provide an annual report regarding the usage of the 988 crisis hotline, call outcomes, and the provision of crisis services inclusive of mobile rapid response crisis teams and crisis stabilization services. The report shall be submitted to the governor and the appropriate committees of the legislature each November beginning in 2023. The report shall include information on the fund deposits and expenditures of the account created in section 205 of this act.

(2) The department and authority shall coordinate with the department of revenue, and any other agency that is appropriated funding under the account created in section 205 of this act, to develop and submit information to the federal communications commission required for the completion of fee accountability reports pursuant to the national suicide hotline designation act of 2020.

(3) The joint legislative audit and review committee shall schedule an audit to begin after the full implementation of this act, to provide transparency as to how funds from the statewide 988 behavioral health crisis response and suicide prevention line account have been expended, and to determine whether funds used to provide acute behavioral health, crisis outreach, and stabilization services are being used to supplement services identified as baseline services in the comprehensive analysis provided under section 103 of this act, or to

supplant baseline services. The committee shall provide a report by November 1, 2027, which includes recommendations as to the adequacy of the funding provided to accomplish the intent of the act and any other recommendations for alteration or improvement.

NEW SECTION. Sec. 106. A new section is added to chapter 48.43 RCW to read as follows:

Health plans issued or renewed on or after January 1, 2023, must make next-day appointments available to enrollees experiencing urgent, symptomatic behavioral health conditions to receive covered behavioral health services. The appointment may be with a licensed provider other than a licensed behavioral health professional, as long as that provider is acting within their scope of practice, and may be provided through telemedicine consistent with RCW 48.43.735. Need for urgent symptomatic care is associated with the presentation of behavioral health signs or symptoms that require immediate attention, but are not emergent.

NEW SECTION. Sec. 107. A new section is added to chapter 43.06 RCW to read as follows:

(1) The governor shall appoint a 988 hotline and behavioral health crisis system coordinator to provide project coordination and oversight for the implementation and administration of the 988 crisis hotline, other requirements of this act, and other projects supporting the behavioral health crisis system. The coordinator shall:

(a) Oversee the collaboration between the department of health and the health care authority in their respective roles in supporting the crisis call center hubs, providing the necessary support services for 988 callers, and establishing adequate requirements and guidance for their contractors to fulfill the requirements of this act;

(b) Ensure coordination and facilitate communication between stakeholders such as crisis call center hub contractors, behavioral health administrative service organizations, county authorities, other crisis hotline centers, managed care organizations, and, in collaboration with the state enhanced 911 coordination office, with 911 emergency communications systems;

(c) Review the development of adequate and consistent training for crisis call center personnel and, in coordination with the state enhanced 911 coordination office, for 911 operators with respect to their interactions with the crisis hotline center; and

(d) Coordinate implementation of other behavioral health initiatives among state agencies and educational institutions, as appropriate, including coordination of data between agencies.

(2) This section expires June 30, 2024.

NEW SECTION. Sec. 108. A new section is added to chapter 71.24 RCW to read as follows:

(1) When acting in their statutory capacities pursuant to this act, the state, department, authority, state enhanced 911 coordination office, emergency management division, military department, any other state agency, and their officers, employees, and agents are deemed to be carrying out duties owed to the public in general and not to any individual person or class of persons separate and apart from the public. Nothing contained in this act may be construed to evidence a legislative intent that the duties to be performed by the state, department, authority, state enhanced 911 coordination office, emergency management division, military department, any other state agency, and their officers, employees, and agents, as required by this act, are owed to any individual person or class of persons separate and apart from the public in general.

(2) Each crisis call center hub designated by the department under any contract or agreement pursuant to this act shall be deemed to be an independent contractor, separate and apart from the department and the state.

NEW SECTION. Sec. 109. A new section is added to chapter 71.24 RCW to read as follows:

For the purpose of development and implementation of technology and platforms by the department and the authority under section 102 of this act, the department and the authority shall create a sophisticated technical and operational plan. The plan shall not conflict with, nor delay, the department meeting and satisfying existing 988 federal requirements that are already

underway and must be met by July 16, 2022, nor is it intended to delay the initial planning phase of the project, or the planning and deliverables tied to any grant award received and allotted by the department or the authority prior to April 1, 2021. To the extent that funds are appropriated for this specific purpose, the department and the authority must contract for a consultant to critically analyze the development and implementation technology and platforms and operational challenges to best position the solutions for success. Prior to initiation of a new information technology development, which does not include the initial planning phase of this project or any contracting needed to complete the initial planning phase, the department and authority shall submit the technical and operational plan to the governor, office of financial management, steering committee of the crisis response improvement strategy committee created under section 103 of this act, and appropriate policy and fiscal committees of the legislature, which shall include the committees referenced in this section. The plan must be approved by the office of the chief information officer, the director of the office of financial management, and the steering committee of the crisis response improvement strategy committee, which shall consider any feedback received from the senate ways and means committee chair, the house of representatives appropriations committee chair, the senate environment, energy and technology committee chair, the senate behavioral health subcommittee chair, and the house of representatives health care and wellness committee chair, before any funds are expended for the solutions, other than those funds needed to complete the initial planning phase. A draft technical and operational plan must be submitted no later than January 1, 2022, and a final plan by August 31, 2022.

The plan submitted must include, but not be limited to:

- (1) Data management;
- (2) Data security;
- (3) Data flow;
- (4) Data access and permissions;

(5) Protocols to ensure staff are following proper health information privacy procedures;

(6) Cybersecurity requirements and how to meet these;

(7) Service level agreements by vendor;

(8) Maintenance and operations costs;

(9) Identification of what existing software as a service products might be applicable, to include the:

(a) Vendor name;

(b) Vendor offerings to include product module and functionality detail and whether each represent add-ons that must be paid separately;

(c) Vendor pricing structure by year through implementation; and

(d) Vendor pricing structure by year post implementation;

(10) Integration limitations by system;

(11) Data analytic and performance metrics to be required by system;

(12) Liability;

(13) Which agency will host the electronic health record software as a service;

(14) Regulatory agency;

(15) The timeline by fiscal year from initiation to implementation for each solution in this act;

(16) How to plan in a manner that ensures efficient use of state resources and maximizes federal financial participation; and

(17) A complete comprehensive business plan analysis.

PART II

TAX

NEW SECTION. Sec. 201. DEFINITIONS.

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

(a) "988 crisis hotline" has the same meaning as in RCW 71.24.025.

(b) "Crisis call center hub" has the same meaning as in RCW 71.24.025.

(2) The definitions in RCW 82.14B.020 apply to this chapter.

NEW SECTION. Sec. 202. TAX IMPOSED.

(1)(a) A statewide 988 behavioral health crisis response and suicide prevention

line tax is imposed on the use of all radio access lines:

(i) By subscribers whose place of primary use is located within the state in the amount set forth in (a)(ii) of this subsection (1) per month for each radio access line. The tax must be uniform for each radio access line under this subsection (1); and

(ii) By consumers whose retail transaction occurs within the state in the amount set forth in this subsection (1)(a)(ii) per retail transaction. The amount of tax must be uniform for each retail transaction under this subsection (1) and is as follows:

(A) Beginning October 1, 2021, through December 31, 2022, the tax rate is 24 cents for each radio access line; and

(B) Beginning January 1, 2023, the tax rate is 40 cents for each radio access line.

(b) The tax imposed under this subsection (1) must be remitted to the department by radio communications service companies, including those companies that resell radio access lines, and sellers of prepaid wireless telecommunications service, on a tax return provided by the department. Tax proceeds must be deposited by the treasurer into the statewide 988 behavioral health crisis response and suicide prevention line account created in section 205 of this act.

(c) For the purposes of this subsection (1), the retail transaction is deemed to occur at the location where the transaction is sourced under RCW 82.32.520(3)(c).

(2) A statewide 988 behavioral health crisis response and suicide prevention line tax is imposed on all interconnected voice over internet protocol service lines in the state. The amount of tax must be uniform for each line and must be levied on no more than the number of voice over internet protocol service lines on an account that is capable of simultaneous unrestricted outward calling to the public switched telephone network. The tax imposed under this subsection (2) must be remitted to the department by interconnected voice over internet protocol service companies on a tax return provided by the department. The amount of tax for each interconnected voice over internet protocol service line

whose place of primary use is located in the state is as follows:

(a) Beginning October 1, 2021, through December 31, 2022, the tax rate is 24 cents for an interconnected voice over internet protocol service line; and

(b) Beginning January 1, 2023, the tax rate is 40 cents for an interconnected voice over internet protocol service line.

(3) A statewide 988 behavioral health crisis response and suicide prevention line tax is imposed on all switched access lines in the state. The amount of tax must be uniform for each line and must be levied on no more than the number of switched access lines on an account that is capable of simultaneous unrestricted outward calling to the public switched telephone network. The tax imposed under this subsection (3) must be remitted to the department by local exchange companies on a tax return provided by the department. The amount of tax for each switched access line whose place of primary use is located in the state is as follows:

(a) Beginning October 1, 2021, through December 31, 2022, the tax rate is 24 cents for each switched access line; and

(b) Beginning January 1, 2023, the tax rate is 40 cents for each switched access line.

(4) Tax proceeds collected pursuant to this section must be deposited by the treasurer into the statewide 988 behavioral health crisis response and suicide prevention line account created in section 205 of this act.

NEW SECTION. Sec. 203. COLLECTION OF TAX. (1) Except as provided otherwise in subsection (2) of this section:

(a) The statewide 988 behavioral health crisis response and suicide prevention line tax on radio access lines must be collected from the subscriber by the radio communications service company, including those companies that resell radio access lines, providing the radio access line to the subscriber, and the seller of prepaid wireless telecommunications services.

(b) The statewide 988 behavioral health crisis response and suicide prevention line tax on interconnected voice over internet protocol service lines must be collected from the subscriber by the interconnected voice

over internet protocol service company providing the interconnected voice over internet protocol service line to the subscriber.

(c) The statewide 988 behavioral health crisis response and suicide prevention line tax on switched access lines must be collected from the subscriber by the local exchange company.

(d) The amount of the tax must be stated separately on the billing statement which is sent to the subscriber.

(2)(a) The statewide 988 behavioral health crisis response and suicide prevention line tax imposed by this chapter must be collected from the consumer by the seller of a prepaid wireless telecommunications service for each retail transaction occurring in this state.

(b) The department must transfer all tax proceeds remitted by a seller under this subsection (2) to the statewide 988 behavioral health crisis response and suicide prevention line account created in section 205 of this act.

(c) The taxes required by this subsection to be collected by the seller must be separately stated in any sales invoice or instrument of sale provided to the consumer.

NEW SECTION. Sec. 204. PAYMENT AND COLLECTION. (1)(a) The statewide 988 behavioral health crisis response and suicide prevention line tax imposed by this chapter must be paid by the subscriber to the radio communications service company providing the radio access line, the local exchange company, or the interconnected voice over internet protocol service company providing the interconnected voice over internet protocol service line.

(b) Each radio communications service company, each local exchange company, and each interconnected voice over internet protocol service company, must collect from the subscriber the full amount of the taxes payable. The statewide 988 behavioral health crisis response and suicide prevention line tax required by this chapter to be collected by a company or seller, are deemed to be held in trust by the company or seller until paid to the department. Any radio communications service company, local exchange company, or interconnected voice over internet protocol service company that

appropriates or converts the tax collected to its own use or to any use other than the payment of the tax to the extent that the money collected is not available for payment on the due date as prescribed in this chapter is guilty of a gross misdemeanor.

(2) If any radio communications service company, local exchange company, or interconnected voice over internet protocol service company fails to collect the statewide 988 behavioral health crisis response and suicide prevention line tax or, after collecting the tax, fails to pay it to the department in the manner prescribed by this chapter, whether such failure is the result of its own act or the result of acts or conditions beyond its control, the company or seller is personally liable to the state for the amount of the tax, unless the company or seller has taken from the buyer in good faith documentation, in a form and manner prescribed by the department, stating that the buyer is not a subscriber or consumer or is otherwise not liable for the statewide 988 behavioral health crisis response and suicide prevention line tax.

(3) The amount of tax, until paid by the subscriber to the radio communications service company, local exchange company, the interconnected voice over internet protocol service company, or to the department, constitutes a debt from the subscriber to the company, or from the consumer to the seller. Any company or seller that fails or refuses to collect the tax as required with intent to violate the provisions of this chapter or to gain some advantage or benefit, either direct or indirect, and any subscriber or consumer who refuses to pay any tax due under this chapter is guilty of a misdemeanor. The statewide 988 behavioral health crisis response and suicide prevention line tax required by this chapter to be collected by the radio communications service company, local exchange company, or interconnected voice over internet protocol service company must be stated separately on the billing statement that is sent to the subscriber.

(4) If a subscriber has failed to pay to the radio communications service company, local exchange company, or interconnected voice over internet protocol service company, the statewide 988 behavioral health crisis response and

suicide prevention line tax imposed by this chapter and the company or seller has not paid the amount of the tax to the department, the department may, in its discretion, proceed directly against the subscriber or consumer for collection of the tax, in which case a penalty of 10 percent may be added to the amount of the tax for failure of the subscriber or consumer to pay the tax to the company or seller, regardless of when the tax is collected by the department.

NEW SECTION. **Sec. 205.** ACCOUNT CREATION. (1) The statewide 988 behavioral health crisis response and suicide prevention line account is created in the state treasury. All receipts from the statewide 988 behavioral health crisis response and suicide prevention line tax imposed pursuant to this chapter must be deposited into the account. Moneys may only be spent after appropriation.

(2) Expenditures from the account may only be used for (a) ensuring the efficient and effective routing of calls made to the 988 crisis hotline to an appropriate crisis hotline center or crisis call center hub; and (b) personnel and the provision of acute behavioral health, crisis outreach, and crisis stabilization services, as defined in RCW 71.24.025, by directly responding to the 988 crisis hotline.

(3) Moneys in the account may not be used to supplant general fund appropriations for behavioral health services or for medicaid covered services to individuals enrolled in the medicaid program.

NEW SECTION. **Sec. 206.** PREEMPTION. A city or county may not impose a tax, measured on a per line basis, on radio access lines, interconnected voice over internet protocol service lines, or switched access lines, for the purpose of ensuring the efficient and effective routing of calls made to the 988 crisis hotline to an appropriate crisis hotline center or crisis call center hub; or providing personnel or acute behavioral health, crisis outreach, or crisis stabilization services, as defined in RCW 71.24.025, associated with directly responding to the 988 crisis hotline.

PART III

APPROPRIATIONS

NEW SECTION. **Sec. 301.** The appropriations in this section are

provided to the department of health and are subject to the following conditions and limitations:

(1) The sum of \$23,016,000, or as much thereof as may be necessary, is appropriated for the fiscal biennium ending June 30, 2023, from the statewide 988 behavioral health crisis response and suicide prevention line account. The amount in this subsection is provided solely for the department to route calls to and contract for the operations of call centers and call center hubs. This includes funding for operations, training, and call center information technology and program staff.

(2) The sum of \$1,000,000, or as much thereof as may be necessary, is appropriated for the fiscal biennium ending June 30, 2023, from the statewide 988 behavioral health crisis response and suicide prevention line account. The amount in this subsection is provided solely for the department to contract for the development and operations of a tribal crisis line.

(3) The following sums, or so much thereof as may be necessary, are each appropriated: \$189,000 from the statewide 988 behavioral health crisis response and suicide prevention line account for the fiscal biennium ending June 30, 2023; and \$80,000 from the state general fund-federal account for the fiscal biennium ending June 30, 2023. The amounts in this subsection are provided solely for the department to provide staff support necessary to critically analyze the planning, development, and implementation of technology solutions to create the technical and operational plan pursuant to section 109 of this act.

(4) The sum of \$420,000, or as much thereof as may be necessary, is appropriated for the fiscal biennium ending June 30, 2023, from the statewide 988 behavioral health crisis response and suicide prevention line account. The amount in this subsection is provided solely for the department to participate in and provide support to the committee created in section 103 of this act.

NEW SECTION. **Sec. 302.** The appropriations in this section are provided to the state health care authority and are subject to the following conditions and limitations:

(1) The following sums, or as much thereof as may be necessary, are each appropriated: \$770,000 from the

statewide 988 behavioral health crisis response and suicide prevention line account for the fiscal biennium ending June 30, 2023; and \$326,000 from the state general fund-federal account for the fiscal biennium ending June 30, 2023. The amounts in this subsection are provided solely for the authority to provide staff and contracted support necessary to critically analyze the planning, development, and implementation of technology solutions to create the technical and operational plan pursuant to section 109 of this act.

(2) The following sums, or so much thereof as may be necessary, are each appropriated: \$644,000 from the statewide 988 behavioral health crisis response and suicide prevention line account for the fiscal biennium ending June 30, 2023; and \$127,000 from the state general fund-federal account for the fiscal biennium ending June 30, 2023. The amounts in this subsection are provided solely for the authority to participate in and provide support to the committee created in section 103 of this act.

(3) The following sums, or as much thereof as may be necessary, are each appropriated: \$381,000 from the statewide 988 behavioral health crisis response and suicide prevention line account for the fiscal biennium ending June 30, 2023; and \$381,000 from the state general fund-federal account for the fiscal biennium ending June 30, 2023. The amounts in this subsection are provided solely for the authority to fulfill its duties as described in section 102(8) of this act. This includes funding for collaboration with managed care organizations, county authorities, and behavioral health administrative services organizations related to crisis services, and the development of processes and best practices for crisis services.

NEW SECTION. **Sec. 303.** The sum of \$200,000, or as much thereof as may be necessary, is appropriated for the fiscal biennium ending June 30, 2023, from the statewide 988 behavioral health crisis response and suicide prevention line account to the office of financial management and provided solely to provide staff and contracted services support to the committee created in section 103 of this act.

PART IV

DEFINITIONS AND MISCELLANEOUS

Sec. 401. RCW 71.24.025 and 2020 c 256 s 201 are each reenacted and amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Acutely mentally ill" means a condition which is limited to a short-term severe crisis episode of:

(a) A mental disorder as defined in RCW 71.05.020 or, in the case of a child, as defined in RCW 71.34.020;

(b) Being gravely disabled as defined in RCW 71.05.020 or, in the case of a child, a gravely disabled minor as defined in RCW 71.34.020; or

(c) Presenting a likelihood of serious harm as defined in RCW 71.05.020 or, in the case of a child, as defined in RCW 71.34.020.

(2) "Alcoholism" means a disease, characterized by a dependency on alcoholic beverages, loss of control over the amount and circumstances of use, symptoms of tolerance, physiological or psychological withdrawal, or both, if use is reduced or discontinued, and impairment of health or disruption of social or economic functioning.

(3) "Approved substance use disorder treatment program" means a program for persons with a substance use disorder provided by a treatment program licensed or certified by the department as meeting standards adopted under this chapter.

(4) "Authority" means the Washington state health care authority.

(5) "Available resources" means funds appropriated for the purpose of providing community behavioral health programs, federal funds, except those provided according to Title XIX of the Social Security Act, and state funds appropriated under this chapter or chapter 71.05 RCW by the legislature during any biennium for the purpose of providing residential services, resource management services, community support services, and other behavioral health services. This does not include funds appropriated for the purpose of operating and administering the state psychiatric hospitals.

(6) "Behavioral health administrative services organization" means an entity contracted with the authority to

administer behavioral health services and programs under RCW 71.24.381, including crisis services and administration of chapter 71.05 RCW, the involuntary treatment act, for all individuals in a defined regional service area.

(7) "Behavioral health aide" means a counselor, health educator, and advocate who helps address individual and community-based behavioral health needs, including those related to alcohol, drug, and tobacco abuse as well as mental health problems such as grief, depression, suicide, and related issues and is certified by a community health aide program of the Indian health service or one or more tribes or tribal organizations consistent with the provisions of 25 U.S.C. Sec. 16161 and RCW 43.71B.010 (7) and (8).

(8) "Behavioral health provider" means a person licensed under chapter 18.57, 18.57A, 18.71, 18.71A, 18.83, 18.205, 18.225, or 18.79 RCW, as it applies to registered nurses and advanced registered nurse practitioners.

(9) "Behavioral health services" means mental health services as described in this chapter and chapter 71.36 RCW and substance use disorder treatment services as described in this chapter that, depending on the type of service, are provided by licensed or certified behavioral health agencies, behavioral health providers, or integrated into other health care providers.

(10) "Child" means a person under the age of eighteen years.

(11) "Chronically mentally ill adult" or "adult who is chronically mentally ill" means an adult who has a mental disorder and meets at least one of the following criteria:

(a) Has undergone two or more episodes of hospital care for a mental disorder within the preceding two years; or

(b) Has experienced a continuous psychiatric hospitalization or residential treatment exceeding six months' duration within the preceding year; or

(c) Has been unable to engage in any substantial gainful activity by reason of any mental disorder which has lasted for a continuous period of not less than twelve months. "Substantial gainful activity" shall be defined by the

authority by rule consistent with Public Law 92-603, as amended.

(12) "Clubhouse" means a community-based program that provides rehabilitation services and is licensed or certified by the department.

(13) "Community behavioral health program" means all expenditures, services, activities, or programs, including reasonable administration and overhead, designed and conducted to prevent or treat substance use disorder, mental illness, or both in the community behavioral health system.

(14) "Community behavioral health service delivery system" means public, private, or tribal agencies that provide services specifically to persons with mental disorders, substance use disorders, or both, as defined under RCW 71.05.020 and receive funding from public sources.

(15) "Community support services" means services authorized, planned, and coordinated through resource management services including, at a minimum, assessment, diagnosis, emergency crisis intervention available twenty-four hours, seven days a week, prescreening determinations for persons who are mentally ill being considered for placement in nursing homes as required by federal law, screening for patients being considered for admission to residential services, diagnosis and treatment for children who are acutely mentally ill or severely emotionally or behaviorally disturbed discovered under screening through the federal Title XIX early and periodic screening, diagnosis, and treatment program, investigation, legal, and other nonresidential services under chapter 71.05 RCW, case management services, psychiatric treatment including medication supervision, counseling, psychotherapy, assuring transfer of relevant patient information between service providers, recovery services, and other services determined by behavioral health administrative services organizations.

(16) "Consensus-based" means a program or practice that has general support among treatment providers and experts, based on experience or professional literature, and may have anecdotal or case study support, or that is agreed but not possible to perform studies with random assignment and controlled groups.

(17) "County authority" means the board of county commissioners, county council, or county executive having authority to establish a behavioral health administrative services organization, or two or more of the county authorities specified in this subsection which have entered into an agreement to establish a behavioral health administrative services organization.

(18) "Department" means the department of health.

(19) "Designated crisis responder" has the same meaning as in RCW 71.05.020.

(20) "Director" means the director of the authority.

(21) "Drug addiction" means a disease characterized by a dependency on psychoactive chemicals, loss of control over the amount and circumstances of use, symptoms of tolerance, physiological or psychological withdrawal, or both, if use is reduced or discontinued, and impairment of health or disruption of social or economic functioning.

(22) "Early adopter" means a regional service area for which all of the county authorities have requested that the authority purchase medical and behavioral health services through a managed care health system as defined under RCW 71.24.380(6).

(23) "Emerging best practice" or "promising practice" means a program or practice that, based on statistical analyses or a well established theory of change, shows potential for meeting the evidence-based or research-based criteria, which may include the use of a program that is evidence-based for outcomes other than those listed in subsection (24) of this section.

(24) "Evidence-based" means a program or practice that has been tested in heterogeneous or intended populations with multiple randomized, or statistically controlled evaluations, or both; or one large multiple site randomized, or statistically controlled evaluation, or both, where the weight of the evidence from a systemic review demonstrates sustained improvements in at least one outcome. "Evidence-based" also means a program or practice that can be implemented with a set of procedures to allow successful replication in Washington and, when possible, is determined to be cost-beneficial.

(25) "Indian health care provider" means a health care program operated by the Indian health service or by a tribe, tribal organization, or urban Indian organization as those terms are defined in the Indian health care improvement act (25 U.S.C. Sec. 1603).

(26) "Intensive behavioral health treatment facility" means a community-based specialized residential treatment facility for individuals with behavioral health conditions, including individuals discharging from or being diverted from state and local hospitals, whose impairment or behaviors do not meet, or no longer meet, criteria for involuntary inpatient commitment under chapter 71.05 RCW, but whose care needs cannot be met in other community-based placement settings.

(27) "Licensed or certified behavioral health agency" means:

(a) An entity licensed or certified according to this chapter or chapter 71.05 RCW;

(b) An entity deemed to meet state minimum standards as a result of accreditation by a recognized behavioral health accrediting body recognized and having a current agreement with the department; or

(c) An entity with a tribal attestation that it meets state minimum standards for a licensed or certified behavioral health agency.

(28) "Licensed physician" means a person licensed to practice medicine or osteopathic medicine and surgery in the state of Washington.

(29) "Long-term inpatient care" means inpatient services for persons committed for, or voluntarily receiving intensive treatment for, periods of ninety days or greater under chapter 71.05 RCW. "Long-term inpatient care" as used in this chapter does not include: (a) Services for individuals committed under chapter 71.05 RCW who are receiving services pursuant to a conditional release or a court-ordered less restrictive alternative to detention; or (b) services for individuals voluntarily receiving less restrictive alternative treatment on the grounds of the state hospital.

(30) "Managed care organization" means an organization, having a certificate of authority or certificate of registration from the office of the insurance

commissioner, that contracts with the authority under a comprehensive risk contract to provide prepaid health care services to enrollees under the authority's managed care programs under chapter 74.09 RCW.

(31) "Mental health peer-run respite center" means a peer-run program to serve individuals in need of voluntary, short-term, noncrisis services that focus on recovery and wellness.

(32) Mental health "treatment records" include registration and all other records concerning persons who are receiving or who at any time have received services for mental illness, which are maintained by the department of social and health services or the authority, by behavioral health administrative services organizations and their staffs, by managed care organizations and their staffs, or by treatment facilities. "Treatment records" do not include notes or records maintained for personal use by a person providing treatment services for the entities listed in this subsection, or a treatment facility if the notes or records are not available to others.

(33) "Mentally ill persons," "persons who are mentally ill," and "the mentally ill" mean persons and conditions defined in subsections (1), (11), (40), and (41) of this section.

(34) "Recovery" means a process of change through which individuals improve their health and wellness, live a self-directed life, and strive to reach their full potential.

(35) "Research-based" means a program or practice that has been tested with a single randomized, or statistically controlled evaluation, or both, demonstrating sustained desirable outcomes; or where the weight of the evidence from a systemic review supports sustained outcomes as described in subsection (24) of this section but does not meet the full criteria for evidence-based.

(36) "Residential services" means a complete range of residences and supports authorized by resource management services and which may involve a facility, a distinct part thereof, or services which support community living, for persons who are acutely mentally ill, adults who are chronically mentally ill, children who are severely emotionally disturbed, or adults who are seriously

disturbed and determined by the behavioral health administrative services organization or managed care organization to be at risk of becoming acutely or chronically mentally ill. The services shall include at least evaluation and treatment services as defined in chapter 71.05 RCW, acute crisis respite care, long-term adaptive and rehabilitative care, and supervised and supported living services, and shall also include any residential services developed to service persons who are mentally ill in nursing homes, residential treatment facilities, assisted living facilities, and adult family homes, and may include outpatient services provided as an element in a package of services in a supported housing model. Residential services for children in out-of-home placements related to their mental disorder shall not include the costs of food and shelter, except for children's long-term residential facilities existing prior to January 1, 1991.

(37) "Resilience" means the personal and community qualities that enable individuals to rebound from adversity, trauma, tragedy, threats, or other stresses, and to live productive lives.

(38) "Resource management services" mean the planning, coordination, and authorization of residential services and community support services administered pursuant to an individual service plan for: (a) Adults and children who are acutely mentally ill; (b) adults who are chronically mentally ill; (c) children who are severely emotionally disturbed; or (d) adults who are seriously disturbed and determined by a behavioral health administrative services organization or managed care organization to be at risk of becoming acutely or chronically mentally ill. Such planning, coordination, and authorization shall include mental health screening for children eligible under the federal Title XIX early and periodic screening, diagnosis, and treatment program. Resource management services include seven day a week, twenty-four hour a day availability of information regarding enrollment of adults and children who are mentally ill in services and their individual service plan to designated crisis responders, evaluation and treatment facilities, and others as determined by the behavioral health administrative services

organization or managed care organization, as applicable.

(39) "Secretary" means the secretary of the department of health.

(40) "Seriously disturbed person" means a person who:

(a) Is gravely disabled or presents a likelihood of serious harm to himself or herself or others, or to the property of others, as a result of a mental disorder as defined in chapter 71.05 RCW;

(b) Has been on conditional release status, or under a less restrictive alternative order, at some time during the preceding two years from an evaluation and treatment facility or a state mental health hospital;

(c) Has a mental disorder which causes major impairment in several areas of daily living;

(d) Exhibits suicidal preoccupation or attempts; or

(e) Is a child diagnosed by a mental health professional, as defined in chapter 71.34 RCW, as experiencing a mental disorder which is clearly interfering with the child's functioning in family or school or with peers or is clearly interfering with the child's personality development and learning.

(41) "Severely emotionally disturbed child" or "child who is severely emotionally disturbed" means a child who has been determined by the behavioral health administrative services organization or managed care organization, if applicable, to be experiencing a mental disorder as defined in chapter 71.34 RCW, including those mental disorders that result in a behavioral or conduct disorder, that is clearly interfering with the child's functioning in family or school or with peers and who meets at least one of the following criteria:

(a) Has undergone inpatient treatment or placement outside of the home related to a mental disorder within the last two years;

(b) Has undergone involuntary treatment under chapter 71.34 RCW within the last two years;

(c) Is currently served by at least one of the following child-serving systems: Juvenile justice, child-protection/welfare, special education, or developmental disabilities;

(d) Is at risk of escalating maladjustment due to:

(i) Chronic family dysfunction involving a caretaker who is mentally ill or inadequate;

(ii) Changes in custodial adult;

(iii) Going to, residing in, or returning from any placement outside of the home, for example, psychiatric hospital, short-term inpatient, residential treatment, group or foster home, or a correctional facility;

(iv) Subject to repeated physical abuse or neglect;

(v) Drug or alcohol abuse; or

(vi) Homelessness.

(42) "State minimum standards" means minimum requirements established by rules adopted and necessary to implement this chapter by:

(a) The authority for:

(i) Delivery of mental health and substance use disorder services; and

(ii) Community support services and resource management services;

(b) The department of health for:

(i) Licensed or certified behavioral health agencies for the purpose of providing mental health or substance use disorder programs and services, or both;

(ii) Licensed behavioral health providers for the provision of mental health or substance use disorder services, or both; and

(iii) Residential services.

(43) "Substance use disorder" means a cluster of cognitive, behavioral, and physiological symptoms indicating that an individual continues using the substance despite significant substance-related problems. The diagnosis of a substance use disorder is based on a pathological pattern of behaviors related to the use of the substances.

(44) "Tribe," for the purposes of this section, means a federally recognized Indian tribe.

(45) "Crisis call center hub" means a state-designated center participating in the national suicide prevention lifeline network to respond to statewide or regional 988 calls that meets the requirements of section 102 of this act.

(46) "Crisis stabilization services" means services such as 23-hour crisis stabilization units based on the living room model, crisis stabilization units as provided in RCW 71.05.020, triage facilities as provided in RCW 71.05.020, short-term respite facilities, peer-run respite services, and same-day walk-in behavioral health services, including within the overall crisis system components that operate like hospital emergency departments that accept all walk-ins, and ambulance, fire, and police drop-offs.

(47) "Mobile rapid response crisis team" means a team that provides professional on-site community-based intervention such as outreach, de-escalation, stabilization, resource connection, and follow-up support for individuals who are experiencing a behavioral health crisis, that shall include certified peer counselors as a best practice to the extent practicable based on workforce availability, and that meets standards for response times established by the authority.

(48) "988 crisis hotline" means the universal telephone number within the United States designated for the purpose of the national suicide prevention and mental health crisis hotline system operating through the national suicide prevention lifeline.

Sec. 402. RCW 71.24.025 and 2020 c 256 s 201 and 2020 c 80 s 52 are each reenacted and amended to read as follows:

Unless the context clearly requires otherwise, the definitions in this section apply throughout this chapter.

(1) "Acutely mentally ill" means a condition which is limited to a short-term severe crisis episode of:

(a) A mental disorder as defined in RCW 71.05.020 or, in the case of a child, as defined in RCW 71.34.020;

(b) Being gravely disabled as defined in RCW 71.05.020 or, in the case of a child, a gravely disabled minor as defined in RCW 71.34.020; or

(c) Presenting a likelihood of serious harm as defined in RCW 71.05.020 or, in the case of a child, as defined in RCW 71.34.020.

(2) "Alcoholism" means a disease, characterized by a dependency on alcoholic beverages, loss of control over the amount and circumstances of use,

symptoms of tolerance, physiological or psychological withdrawal, or both, if use is reduced or discontinued, and impairment of health or disruption of social or economic functioning.

(3) "Approved substance use disorder treatment program" means a program for persons with a substance use disorder provided by a treatment program licensed or certified by the department as meeting standards adopted under this chapter.

(4) "Authority" means the Washington state health care authority.

(5) "Available resources" means funds appropriated for the purpose of providing community behavioral health programs, federal funds, except those provided according to Title XIX of the Social Security Act, and state funds appropriated under this chapter or chapter 71.05 RCW by the legislature during any biennium for the purpose of providing residential services, resource management services, community support services, and other behavioral health services. This does not include funds appropriated for the purpose of operating and administering the state psychiatric hospitals.

(6) "Behavioral health administrative services organization" means an entity contracted with the authority to administer behavioral health services and programs under RCW 71.24.381, including crisis services and administration of chapter 71.05 RCW, the involuntary treatment act, for all individuals in a defined regional service area.

(7) "Behavioral health aide" means a counselor, health educator, and advocate who helps address individual and community-based behavioral health needs, including those related to alcohol, drug, and tobacco abuse as well as mental health problems such as grief, depression, suicide, and related issues and is certified by a community health aide program of the Indian health service or one or more tribes or tribal organizations consistent with the provisions of 25 U.S.C. Sec. 16161 and RCW 43.71B.010 (7) and (8).

(8) "Behavioral health provider" means a person licensed under chapter 18.57, 18.71, 18.71A, 18.83, 18.205, 18.225, or 18.79 RCW, as it applies to registered nurses and advanced registered nurse practitioners.

(9) "Behavioral health services" means mental health services as described in this chapter and chapter 71.36 RCW and substance use disorder treatment services as described in this chapter that, depending on the type of service, are provided by licensed or certified behavioral health agencies, behavioral health providers, or integrated into other health care providers.

(10) "Child" means a person under the age of eighteen years.

(11) "Chronically mentally ill adult" or "adult who is chronically mentally ill" means an adult who has a mental disorder and meets at least one of the following criteria:

(a) Has undergone two or more episodes of hospital care for a mental disorder within the preceding two years; or

(b) Has experienced a continuous psychiatric hospitalization or residential treatment exceeding six months' duration within the preceding year; or

(c) Has been unable to engage in any substantial gainful activity by reason of any mental disorder which has lasted for a continuous period of not less than twelve months. "Substantial gainful activity" shall be defined by the authority by rule consistent with Public Law 92-603, as amended.

(12) "Clubhouse" means a community-based program that provides rehabilitation services and is licensed or certified by the department.

(13) "Community behavioral health program" means all expenditures, services, activities, or programs, including reasonable administration and overhead, designed and conducted to prevent or treat substance use disorder, mental illness, or both in the community behavioral health system.

(14) "Community behavioral health service delivery system" means public, private, or tribal agencies that provide services specifically to persons with mental disorders, substance use disorders, or both, as defined under RCW 71.05.020 and receive funding from public sources.

(15) "Community support services" means services authorized, planned, and coordinated through resource management services including, at a minimum, assessment, diagnosis, emergency crisis

intervention available twenty-four hours, seven days a week, prescreening determinations for persons who are mentally ill being considered for placement in nursing homes as required by federal law, screening for patients being considered for admission to residential services, diagnosis and treatment for children who are acutely mentally ill or severely emotionally or behaviorally disturbed discovered under screening through the federal Title XIX early and periodic screening, diagnosis, and treatment program, investigation, legal, and other nonresidential services under chapter 71.05 RCW, case management services, psychiatric treatment including medication supervision, counseling, psychotherapy, assuring transfer of relevant patient information between service providers, recovery services, and other services determined by behavioral health administrative services organizations.

(16) "Consensus-based" means a program or practice that has general support among treatment providers and experts, based on experience or professional literature, and may have anecdotal or case study support, or that is agreed but not possible to perform studies with random assignment and controlled groups.

(17) "County authority" means the board of county commissioners, county council, or county executive having authority to establish a behavioral health administrative services organization, or two or more of the county authorities specified in this subsection which have entered into an agreement to establish a behavioral health administrative services organization.

(18) "Department" means the department of health.

(19) "Designated crisis responder" has the same meaning as in RCW 71.05.020.

(20) "Director" means the director of the authority.

(21) "Drug addiction" means a disease characterized by a dependency on psychoactive chemicals, loss of control over the amount and circumstances of use, symptoms of tolerance, physiological or psychological withdrawal, or both, if use is reduced or discontinued, and impairment of health or disruption of social or economic functioning.

(22) "Early adopter" means a regional service area for which all of the county authorities have requested that the authority purchase medical and behavioral health services through a managed care health system as defined under RCW 71.24.380(6).

(23) "Emerging best practice" or "promising practice" means a program or practice that, based on statistical analyses or a well established theory of change, shows potential for meeting the evidence-based or research-based criteria, which may include the use of a program that is evidence-based for outcomes other than those listed in subsection (24) of this section.

(24) "Evidence-based" means a program or practice that has been tested in heterogeneous or intended populations with multiple randomized, or statistically controlled evaluations, or both; or one large multiple site randomized, or statistically controlled evaluation, or both, where the weight of the evidence from a systemic review demonstrates sustained improvements in at least one outcome. "Evidence-based" also means a program or practice that can be implemented with a set of procedures to allow successful replication in Washington and, when possible, is determined to be cost-beneficial.

(25) "Indian health care provider" means a health care program operated by the Indian health service or by a tribe, tribal organization, or urban Indian organization as those terms are defined in the Indian health care improvement act (25 U.S.C. Sec. 1603).

(26) "Intensive behavioral health treatment facility" means a community-based specialized residential treatment facility for individuals with behavioral health conditions, including individuals discharging from or being diverted from state and local hospitals, whose impairment or behaviors do not meet, or no longer meet, criteria for involuntary inpatient commitment under chapter 71.05 RCW, but whose care needs cannot be met in other community-based placement settings.

(27) "Licensed or certified behavioral health agency" means:

(a) An entity licensed or certified according to this chapter or chapter 71.05 RCW;

(b) An entity deemed to meet state minimum standards as a result of accreditation by a recognized behavioral health accrediting body recognized and having a current agreement with the department; or

(c) An entity with a tribal attestation that it meets state minimum standards for a licensed or certified behavioral health agency.

(28) "Licensed physician" means a person licensed to practice medicine or osteopathic medicine and surgery in the state of Washington.

(29) "Long-term inpatient care" means inpatient services for persons committed for, or voluntarily receiving intensive treatment for, periods of ninety days or greater under chapter 71.05 RCW. "Long-term inpatient care" as used in this chapter does not include: (a) Services for individuals committed under chapter 71.05 RCW who are receiving services pursuant to a conditional release or a court-ordered less restrictive alternative to detention; or (b) services for individuals voluntarily receiving less restrictive alternative treatment on the grounds of the state hospital.

(30) "Managed care organization" means an organization, having a certificate of authority or certificate of registration from the office of the insurance commissioner, that contracts with the authority under a comprehensive risk contract to provide prepaid health care services to enrollees under the authority's managed care programs under chapter 74.09 RCW.

(31) "Mental health peer-run respite center" means a peer-run program to serve individuals in need of voluntary, short-term, noncrisis services that focus on recovery and wellness.

(32) Mental health "treatment records" include registration and all other records concerning persons who are receiving or who at any time have received services for mental illness, which are maintained by the department of social and health services or the authority, by behavioral health administrative services organizations and their staffs, by managed care organizations and their staffs, or by treatment facilities. "Treatment records" do not include notes or records maintained for personal use by a person providing treatment services for the entities listed in this subsection, or a

treatment facility if the notes or records are not available to others.

(33) "Mentally ill persons," "persons who are mentally ill," and "the mentally ill" mean persons and conditions defined in subsections (1), (11), (40), and (41) of this section.

(34) "Recovery" means a process of change through which individuals improve their health and wellness, live a self-directed life, and strive to reach their full potential.

(35) "Research-based" means a program or practice that has been tested with a single randomized, or statistically controlled evaluation, or both, demonstrating sustained desirable outcomes; or where the weight of the evidence from a systemic review supports sustained outcomes as described in subsection (24) of this section but does not meet the full criteria for evidence-based.

(36) "Residential services" means a complete range of residences and supports authorized by resource management services and which may involve a facility, a distinct part thereof, or services which support community living, for persons who are acutely mentally ill, adults who are chronically mentally ill, children who are severely emotionally disturbed, or adults who are seriously disturbed and determined by the behavioral health administrative services organization or managed care organization to be at risk of becoming acutely or chronically mentally ill. The services shall include at least evaluation and treatment services as defined in chapter 71.05 RCW, acute crisis respite care, long-term adaptive and rehabilitative care, and supervised and supported living services, and shall also include any residential services developed to service persons who are mentally ill in nursing homes, residential treatment facilities, assisted living facilities, and adult family homes, and may include outpatient services provided as an element in a package of services in a supported housing model. Residential services for children in out-of-home placements related to their mental disorder shall not include the costs of food and shelter, except for children's long-term residential facilities existing prior to January 1, 1991.

(37) "Resilience" means the personal and community qualities that enable individuals to rebound from adversity, trauma, tragedy, threats, or other stresses, and to live productive lives.

(38) "Resource management services" mean the planning, coordination, and authorization of residential services and community support services administered pursuant to an individual service plan for: (a) Adults and children who are acutely mentally ill; (b) adults who are chronically mentally ill; (c) children who are severely emotionally disturbed; or (d) adults who are seriously disturbed and determined by a behavioral health administrative services organization or managed care organization to be at risk of becoming acutely or chronically mentally ill. Such planning, coordination, and authorization shall include mental health screening for children eligible under the federal Title XIX early and periodic screening, diagnosis, and treatment program. Resource management services include seven day a week, twenty-four hour a day availability of information regarding enrollment of adults and children who are mentally ill in services and their individual service plan to designated crisis responders, evaluation and treatment facilities, and others as determined by the behavioral health administrative services organization or managed care organization, as applicable.

(39) "Secretary" means the secretary of the department of health.

(40) "Seriously disturbed person" means a person who:

(a) Is gravely disabled or presents a likelihood of serious harm to himself or herself or others, or to the property of others, as a result of a mental disorder as defined in chapter 71.05 RCW;

(b) Has been on conditional release status, or under a less restrictive alternative order, at some time during the preceding two years from an evaluation and treatment facility or a state mental health hospital;

(c) Has a mental disorder which causes major impairment in several areas of daily living;

(d) Exhibits suicidal preoccupation or attempts; or

(e) Is a child diagnosed by a mental health professional, as defined in chapter 71.34 RCW, as experiencing a mental disorder which is clearly interfering with the child's functioning in family or school or with peers or is clearly interfering with the child's personality development and learning.

(41) "Severely emotionally disturbed child" or "child who is severely emotionally disturbed" means a child who has been determined by the behavioral health administrative services organization or managed care organization, if applicable, to be experiencing a mental disorder as defined in chapter 71.34 RCW, including those mental disorders that result in a behavioral or conduct disorder, that is clearly interfering with the child's functioning in family or school or with peers and who meets at least one of the following criteria:

(a) Has undergone inpatient treatment or placement outside of the home related to a mental disorder within the last two years;

(b) Has undergone involuntary treatment under chapter 71.34 RCW within the last two years;

(c) Is currently served by at least one of the following child-serving systems: Juvenile justice, child-protection/welfare, special education, or developmental disabilities;

(d) Is at risk of escalating maladjustment due to:

(i) Chronic family dysfunction involving a caretaker who is mentally ill or inadequate;

(ii) Changes in custodial adult;

(iii) Going to, residing in, or returning from any placement outside of the home, for example, psychiatric hospital, short-term inpatient, residential treatment, group or foster home, or a correctional facility;

(iv) Subject to repeated physical abuse or neglect;

(v) Drug or alcohol abuse; or

(vi) Homelessness.

(42) "State minimum standards" means minimum requirements established by rules adopted and necessary to implement this chapter by:

(a) The authority for:

(i) Delivery of mental health and substance use disorder services; and

(ii) Community support services and resource management services;

(b) The department of health for:

(i) Licensed or certified behavioral health agencies for the purpose of providing mental health or substance use disorder programs and services, or both;

(ii) Licensed behavioral health providers for the provision of mental health or substance use disorder services, or both; and

(iii) Residential services.

(43) "Substance use disorder" means a cluster of cognitive, behavioral, and physiological symptoms indicating that an individual continues using the substance despite significant substance-related problems. The diagnosis of a substance use disorder is based on a pathological pattern of behaviors related to the use of the substances.

(44) "Tribe," for the purposes of this section, means a federally recognized Indian tribe.

(45) "Crisis call center hub" means a state-designated center participating in the national suicide prevention lifeline network to respond to statewide or regional 988 calls that meets the requirements of section 102 of this act.

(46) "Crisis stabilization services" means services such as 23-hour crisis stabilization units based on the living room model, crisis stabilization units as provided in RCW 71.05.020, triage facilities as provided in RCW 71.05.020, short-term respite facilities, peer-run respite services, and same-day walk-in behavioral health services, including within the overall crisis system components that operate like hospital emergency departments that accept all walk-ins, and ambulance, fire, and police drop-offs.

(47) "Mobile rapid response crisis team" means a team that provides professional on-site community-based intervention such as outreach, de-escalation, stabilization, resource connection, and follow-up support for individuals who are experiencing a behavioral health crisis, that shall include certified peer counselors as a best practice to the extent practicable

based on workforce availability, and that meets standards for response times established by the authority.

(48) "988 crisis hotline" means the universal telephone number within the United States designated for the purpose of the national suicide prevention and mental health crisis hotline system operating through the national suicide prevention lifeline.

Sec. 403. RCW 71.24.649 and 2019 c 324 s 5 are each amended to read as follows:

The secretary shall license or certify mental health peer-run respite centers that meet state minimum standards. In consultation with the authority and the department of social and health services, the secretary must:

(1) Establish requirements for licensed and certified community behavioral health agencies to provide mental health peer-run respite center services and establish physical plant and service requirements to provide voluntary, short-term, noncrisis services that focus on recovery and wellness;

(2) Require licensed and certified agencies to partner with the local crisis system including, but not limited to, evaluation and treatment facilities and designated crisis responders;

(3) Establish staffing requirements, including rules to ensure that facilities are peer-run;

(4) Limit services to a maximum of seven days in a month;

(5) Limit services to individuals who are experiencing psychiatric distress, but do not meet legal criteria for involuntary hospitalization under chapter 71.05 RCW; and

(6) Limit services to persons at least eighteen years of age.

NEW SECTION. Sec. 404. Sections 201 through 206 of this act constitute a new chapter in Title 82 RCW.

NEW SECTION. Sec. 405. Sections 201 through 205 of this act take effect October 1, 2021.

NEW SECTION. Sec. 406. Section 401 of this act expires July 1, 2022.

NEW SECTION. Sec. 407. Section 402 of this act takes effect July 1, 2022.

NEW SECTION. **Sec. 408.** Section 103 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 immediately."

and that the bill do pass as recommended by the Conference Committee:

Senators Dhingra and Robinson
Representatives Macri and Orwall

There being no objection, the House adopted the conference committee report on ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1477 and advanced the bill as recommended by the conference committee to final passage.

**FINAL PASSAGE OF HOUSE BILL AS
RECOMMENDED BY CONFERENCE COMMITTEE**

Representatives Orwall and Dent spoke in favor of the passage of the bill as recommended by the conference committee.

Representative Schmick spoke against the passage of the bill as recommended by the conference committee.

The Speaker (Representative Lovick presiding) stated the question before the House to be final passage of Engrossed Second Substitute House Bill No. 1477, as recommended by the conference committee.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 1477, as recommended by the conference committee, and the bill passed the House by the following votes: Yeas: 71; Nays: 25; Absent: 0; Excused: 2

Voting yea: Representatives Barkis, Bateman, Berg, Bergquist, Berry, Bronoske, Caldier, Callan, Chambers, Chandler, Chopp, Cody, Davis, Dent, Dolan, Duerr, Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Gregerson, Griffey, Hackney, Hansen, Harris-Talley, Hoff, Jinkins, Johnson, J., Kirby, Klicker, Klippert, Kloba, Leavitt, Lekanoff, Lovick, Macri, Morgan, Mosbrucker, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Rule, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, Wylie, and Ybarra

Voting nay: Representatives Abbarno, Boehnke, Chapman, Chase, Cory, Dufault, Dye, Graham, Harris, Jacobsen, Kraft, Kretz, MacEwen, Maycumber, McCaslin, Orcutt, Rude, Schmick, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox, and Young

Excused: Representatives McEntire and Robertson

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1477, as recommended by the conference committee, having received the constitutional majority, was declared passed.

The Speaker assumed the chair.

CONFERENCE COMMITTEE REPORT

April 23, 2021

Engrossed Substitute Senate Bill No. 5096

Includes "New Item": YES

Madame Speaker:

We of your Conference Committee, to whom was referred ENGROSSED SUBSTITUTE SENATE BILL NO. 5096, enacting an excise tax on gains from the sale or exchange of certain capital assets, have had the same under consideration and we recommend that:

All previous amendments not be adopted and that the attached striking amendment H-1637.1 be adopted.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** INTENT. The legislature finds that it is the paramount duty of the state to amply provide every child in the state with an education, creating the opportunity for the child to succeed in school and thrive in life. The legislature further finds that high quality early learning and child care is critical to a child's success in school and life, as it supports the development of the child's social-emotional, physical, cognitive, and language skills. Therefore, the legislature will invest in the ongoing support of K-12 education and early learning and child care by dedicating revenues from this act to the education legacy trust account and the common school construction account.

The legislature further recognizes that a tax system that is fair, balanced, and works for everyone is essential to help all Washingtonians grow and thrive. But Washington's tax system today is the most regressive in the nation because it asks those making the least to pay the most as a percentage of their income. Middle-income families in Washington pay two to four times more in taxes, as a percentage of household income, as compared to top earners in the state. Low-income Washingtonians pay at least

six times more than do our wealthiest residents.

To help meet the state's paramount duty, the legislature intends to levy a seven percent tax on the voluntary sale or exchange of stocks, bonds, and other capital assets where the profit is in excess of \$250,000 annually to fund K-12 education, early learning, and child care, and advance our paramount duty to amply provide an education to every child in the state. The legislature recognizes that levying this tax will have the additional effect of making material progress toward rebalancing the state's tax code.

The legislature further intends to exempt certain assets from the tax including, but not limited to, qualified family-owned small businesses, all residential and other real property, and retirement accounts.

NEW SECTION. Sec. 2. DISTRIBUTION OF REVENUES. (1) All taxes, interest, and penalties collected under this chapter shall be distributed as follows:

(a) The first \$500,000,000 collected each fiscal year shall be deposited into the education legacy trust account created in RCW 83.100.230; and

(b) Any remainder collected each fiscal year shall be deposited into the common school construction account.

(2) The amounts specified under subsection (1)(a) of this section shall be adjusted annually as provided under section 17 of this act.

Sec. 3. RCW 83.100.230 and 2019 c 415 s 990 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, early learning and child care programs, and other educational improvement efforts. ~~((During the 2015-2017, 2017-2019, and 2019-2021 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.))~~

NEW SECTION. Sec. 4. DEFINITIONS. The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Adjusted capital gain" means federal net long-term capital gain:

(a) Plus any amount of long-term capital loss from a sale or exchange that is exempt from the tax imposed in this chapter, to the extent such loss was included in calculating federal net long-term capital gain;

(b) Plus any amount of long-term capital loss from a sale or exchange that is not allocated to Washington under section 11 of this act, to the extent such loss was included in calculating federal net long-term capital gain;

(c) Plus any amount of loss carryforward from a sale or exchange that is not allocated to Washington under section 11 of this act, to the extent such loss was included in calculating federal net long-term capital gain;

(d) Less any amount of long-term capital gain from a sale or exchange that is not allocated to Washington under section 11 of this act, to the extent such gain was included in calculating federal net long-term capital gain; and

(e) Less any amount of long-term capital gain from a sale or exchange that is exempt from the tax imposed in this chapter, to the extent such gain was included in calculating federal net long-term capital gain.

(2) "Capital asset" has the same meaning as provided by Title 26 U.S.C. Sec. 1221 of the internal revenue code and also includes any other property if the sale or exchange of the property results in a gain that is treated as a long-term capital gain under Title 26 U.S.C. Sec. 1231 or any other provision of the internal revenue code.

(3) "Federal net long-term capital gain" means the net long-term capital gain reportable for federal income tax purposes determined as if Title 26 U.S.C. Secs. 55 through 59, 1400Z-1, and 1400Z-2 of the internal revenue code did not exist.

(4) "Individual" means a natural person.

(5) "Internal revenue code" means the United States internal revenue code of 1986, as amended, as of the effective

date of this section, or such subsequent date as the department may provide by rule consistent with the purpose of this chapter.

(6) "Long-term capital asset" means a capital asset that is held for more than one year.

(7) "Long-term capital gain" means gain from the sale or exchange of a long-term capital asset.

(8) "Long-term capital loss" means a loss from the sale or exchange of a long-term capital asset.

(9) "Real estate" means land and fixtures affixed to land. "Real estate" also includes used mobile homes, used park model trailers, used floating homes, and improvements constructed upon leased land.

(10) (a) "Resident" means an individual:

(i) Who is domiciled in this state during the taxable year, unless the individual (A) maintained no permanent place of abode in this state during the entire taxable year, (B) maintained a permanent place of abode outside of this state during the entire taxable year, and (C) spent in the aggregate not more than 30 days of the taxable year in this state; or

(ii) Who is not domiciled in this state during the taxable year, but maintained a place of abode and was physically present in this state for more than 183 days during the taxable year.

(b) For purposes of this subsection, "day" means a calendar day or any portion of a calendar day.

(c) An individual who is a resident under (a) of this subsection is a resident for that portion of a taxable year in which the individual was domiciled in this state or maintained a place of abode in this state.

(11) "Taxable year" means the taxpayer's taxable year as determined under the internal revenue code.

(12) "Taxpayer" means an individual subject to tax under this chapter.

(13) "Washington capital gains" means an individual's adjusted capital gain, as modified in section 7 of this act, for each return filed under this chapter.

NEW SECTION. **Sec. 5.** TAX IMPOSED.

(1) Beginning January 1, 2022, an excise tax is imposed on the sale or exchange of long-term capital assets. Only individuals are subject to payment of the tax, which equals seven percent multiplied by an individual's Washington capital gains.

(2) The tax levied in subsection (1) of this section is necessary for the support of the state government and its existing public institutions.

(3) If an individual's Washington capital gains are less than zero for a taxable year, no tax is due under this section and no such amount is allowed as a carryover for use in the calculation of that individual's adjusted capital gain, as defined in section 4(1) of this act, for any taxable year. To the extent that a loss carryforward is included in the calculation of an individual's federal net long-term capital gain and that loss carryforward is directly attributable to losses from sales or exchanges allocated to this state under section 11 of this act, the loss carryforward is included in the calculation of that individual's adjusted capital gain for the purposes of this chapter. An individual may not include any losses carried back for federal income tax purposes in the calculation of that individual's adjusted capital gain for any taxable year.

(4) (a) The tax imposed in this section applies to the sale or exchange of long-term capital assets owned by the taxpayer, whether the taxpayer was the legal or beneficial owner of such assets at the time of the sale or exchange. The tax applies when the Washington capital gains are recognized by the taxpayer in accordance with this chapter.

(b) For purposes of this chapter:

(i) An individual is considered to be a beneficial owner of long-term capital assets held by an entity that is a pass-through or disregarded entity for federal tax purposes, such as a partnership, limited liability company, S corporation, or grantor trust, to the extent of the individual's ownership interest in the entity as reported for federal income tax purposes.

(ii) A nongrantor trust is deemed to be a grantor trust if the trust does not qualify as a grantor trust for federal tax purposes, and the grantor's transfer of assets to the trust is treated as an

incomplete gift under Title 26 U.S.C. Sec. 2511 of the internal revenue code and its accompanying regulations. A grantor of such trust is considered the beneficial owner of the capital assets of the trust for purposes of the tax imposed in this section and must include any long-term capital gain or loss from the sale or exchange of a capital asset by the trust in the calculation of that individual's adjusted capital gain, if such gain or loss is allocated to this state under section 11 of this act.

NEW SECTION. Sec. 6. EXEMPTIONS.
This chapter does not apply to the sale or exchange of:

(1) All real estate transferred by deed, real estate contract, judgment, or other lawful instruments that transfer title to real property and are filed as a public record with the counties where real property is located;

(2) (a) An interest in a privately held entity only to the extent that any long-term capital gain or loss from such sale or exchange is directly attributable to the real estate owned directly by such entity.

(b) (i) Except as provided in (b) (ii) and (iii) of this subsection, the value of the exemption under this subsection is equal to the fair market value of the real estate owned directly by the entity less its basis, at the time that the sale or exchange of the individual's interest occurs, multiplied by the percentage of the ownership interest in the entity which is sold or exchanged by the individual.

(ii) If a sale or exchange of an interest in an entity results in an amount directly attributable to real property and that is considered as an amount realized from the sale or exchange of property other than a capital asset under Title 26 U.S.C. Sec. 751 of the internal revenue code, such amount must not be considered in the calculation of an individual's exemption amount under (b) (i) of this subsection (2).

(iii) Real estate not owned directly by the entity in which an individual is selling or exchanging the individual's interest must not be considered in the calculation of an individual's exemption amount under (b) (i) of this subsection (2).

(c) Fair market value of real estate may be established by a fair market

appraisal of the real estate or an allocation of assets by the seller and the buyer made under Title 26 U.S.C. Sec. 1060 of the internal revenue code, as amended. However, the department is not bound by the parties' agreement as to the allocation of assets, allocation of consideration, or fair market value, if such allocations or fair market value do not reflect the fair market value of the real estate. The assessed value of the real estate for property tax purposes may be used to determine the fair market value of the real estate, if the assessed value is current as of the date of the sale or exchange of the ownership interest in the entity owning the real estate and the department determines that this method is reasonable under the circumstances.

(d) The value of the exemption under this subsection (2) may not exceed the individual's long-term capital gain or loss from the sale or exchange of an interest in an entity for which the individual is claiming this exemption;

(3) Assets held under a retirement savings account under Title 26 U.S.C. Sec. 401(k) of the internal revenue code, a tax-sheltered annuity or custodial account described in Title 26 U.S.C. Sec. 403(b) of the internal revenue code, a deferred compensation plan under Title 26 U.S.C. Sec. 457(b) of the internal revenue code, an individual retirement account or individual retirement annuity described in Title 26 U.S.C. Sec. 408 of the internal revenue code, a Roth individual retirement account described in Title 26 U.S.C. Sec. 408A of the internal revenue code, an employee defined contribution program, an employee defined benefit plan, or a similar retirement savings vehicle;

(4) Assets pursuant to, or under imminent threat of, condemnation proceedings by the United States, the state or any of its political subdivisions, or a municipal corporation;

(5) Cattle, horses, or breeding livestock if for the taxable year of the sale or exchange, more than 50 percent of the taxpayer's gross income for the taxable year, including from the sale or exchange of capital assets, is from farming or ranching;

(6) Property depreciable under Title 26 U.S.C. Sec. 167(a) (1) of the internal revenue code, or that qualifies for

expensing under Title 26 U.S.C. Sec. 179 of the internal revenue code;

(7) Timber, timberland, or the receipt of Washington capital gains as dividends and distributions from real estate investment trusts derived from gains from the sale or exchange of timber and timberland. "Timber" means forest trees, standing or down, on privately or publicly owned land, and includes Christmas trees and short-rotation hardwoods. The sale or exchange of timber includes the cutting or disposal of timber qualifying for capital gains treatment under Title 26 U.S.C. Sec. 631(a) or (b) of the internal revenue code;

(8) (a) Commercial fishing privileges.

(b) For the purposes of this subsection (8), "commercial fishing privilege" means a right, held by a seafood harvester or processor, to participate in a limited access fishery. "Commercial fishing privilege" includes and is limited to:

(i) In the case of federally managed fisheries, quota and access to fisheries assigned pursuant to individual fishing quota programs, limited entry and catch share programs, cooperative fishing management agreements, or similar arrangements; and

(ii) In the case of state-managed fisheries, quota and access to fisheries assigned under fishery permits, limited entry and catch share programs, or similar arrangements; and

(9) Goodwill received from the sale of an auto dealership licensed under chapter 46.70 RCW whose activities are subject to chapter 46.96 RCW.

NEW SECTION. Sec. 7. DEDUCTIONS. In computing tax for a taxable year, a taxpayer may deduct from his or her Washington capital gains:

(1) A standard deduction of \$250,000 per individual, or in the case of spouses or domestic partners, their combined standard deduction is limited to \$250,000, regardless of whether they file joint or separate returns. The amount of the standard deduction shall be adjusted pursuant to section 17 of this act;

(2) Amounts that the state is prohibited from taxing under the Constitution of this state or the Constitution or laws of the United States;

(3) The amount of adjusted capital gain derived from the sale or transfer of the taxpayer's interest in a qualified family-owned small business pursuant to section 8 of this act; and

(4) Charitable donations deductible under section 9 of this act.

NEW SECTION. Sec. 8. QUALIFIED FAMILY-OWNED SMALL BUSINESS DEDUCTION.

(1) In computing tax under this chapter for a taxable year, a taxpayer may deduct from his or her Washington capital gains the amount of adjusted capital gain derived in the taxable year from the sale of substantially all of the fair market value of the assets of, or the transfer of substantially all of the taxpayer's interest in, a qualified family-owned small business, to the extent that such adjusted capital gain would otherwise be included in the taxpayer's Washington capital gains.

(2) For purposes of this section, the following definitions apply:

(a) "Assets" means real property and personal property, including tangible personal property and intangible property.

(b) "Family" means the same as "member of the family" in RCW 83.100.046.

(c) (i) "Materially participated" means an individual was involved in the operation of a business on a basis that is regular, continuous, and substantial.

(ii) The term "materially participated" must be interpreted consistently with the applicable treasury regulations for Title 26 U.S.C. Sec. 469 of the internal revenue code, to the extent that such interpretation does not conflict with any provision of this section.

(d) "Qualified family-owned small business" means a business:

(i) In which the taxpayer held a qualifying interest for at least five years immediately preceding the sale or transfer described in subsection (1) of this section;

(ii) In which either the taxpayer or members of the taxpayer's family, or both, materially participated in operating the business for at least five of the 10 years immediately preceding the sale or transfer described in subsection (1) of this section, unless such sale or transfer was to a qualified heir; and

(iii) That had worldwide gross revenue of \$10,000,000 or less in the 12-month period immediately preceding the sale or transfer described in subsection (1) of this section. The worldwide gross revenue amount under this subsection (2) (d) (iii) shall be adjusted annually as provided in section 17 of this act.

(e) "Qualified heir" means a member of the taxpayer's family.

(f) "Qualifying interest" means:

(i) An interest as a proprietor in a business carried on as a sole proprietorship; or

(ii) An interest in a business if at least:

(A) Fifty percent of the business is owned, directly or indirectly, by any combination of the taxpayer or members of the taxpayer's family, or both;

(B) Thirty percent of the business is owned, directly or indirectly, by any combination of the taxpayer or members of the taxpayer's family, or both, and at least:

(I) Seventy percent of the business is owned, directly or indirectly, by members of two families; or

(II) Ninety percent of the business is owned, directly or indirectly, by members of three families.

(g) "Substantially all" means at least 90 percent.

NEW SECTION. Sec. 9. ADDITIONAL DEDUCTION FOR CHARITABLE DONATIONS. (1) In computing tax under this chapter for a taxable year, a taxpayer may deduct from his or her Washington capital gains the amount donated by the taxpayer to one or more qualified organizations during the same taxable year in excess of the minimum qualifying charitable donation amount. For the purposes of this section, the minimum qualifying charitable donation amount equals \$250,000. The minimum qualifying charitable donation amount under this subsection (1) shall be adjusted pursuant to section 17 of this act.

(2) The deduction authorized under subsection (1) of this section may not exceed \$100,000 for the taxable year. The maximum amount of the available deduction under this subsection (2) shall be adjusted pursuant to section 17 of this act.

(3) The deduction authorized under subsection (1) of this section may not be carried forward or backward to another tax reporting period.

(4) For the purposes of this section, the following definitions apply:

(a) "Nonprofit organization" means an organization exempt from tax under Title 26 U.S.C. Sec. 501(c)(3) of the internal revenue code.

(b) "Qualified organization" means a nonprofit organization, or any other organization, that is:

(i) Eligible to receive a charitable deduction as defined in Title 26 U.S.C. Sec. 170(c) of the internal revenue code; and

(ii) Principally directed or managed within the state of Washington.

NEW SECTION. Sec. 10. OTHER TAXES. The tax imposed under this chapter is in addition to any other taxes imposed by the state or any of its political subdivisions, or a municipal corporation, with respect to the same sale or exchange, including the taxes imposed in, or under the authority of, chapter 82.04, 82.08, 82.12, 82.14, 82.45, or 82.46 RCW.

NEW SECTION. Sec. 11. ALLOCATION OF GAINS AND LOSSES. (1) For purposes of the tax imposed under this chapter, long-term capital gains and losses are allocated to Washington as follows:

(a) Long-term capital gains or losses from the sale or exchange of tangible personal property are allocated to this state if the property was located in this state at the time of the sale or exchange. Long-term capital gains or losses from the sale or exchange of tangible personal property are also allocated to this state even though the property was not located in this state at the time of the sale or exchange if:

(i) The property was located in the state at any time during the taxable year in which the sale or exchange occurred or the immediately preceding taxable year;

(ii) The taxpayer was a resident at the time the sale or exchange occurred; and

(iii) The taxpayer is not subject to the payment of an income or excise tax legally imposed on the long-term capital gains or losses by another taxing jurisdiction.

(b) Long-term capital gains or losses derived from intangible personal property are allocated to this state if the taxpayer was domiciled in this state at the time the sale or exchange occurred.

(2) (a) A credit is allowed against the tax imposed in section 5 of this act equal to the amount of any legally imposed income or excise tax paid by the taxpayer to another taxing jurisdiction on capital gains derived from capital assets within the other taxing jurisdiction to the extent such capital gains are included in the taxpayer's Washington capital gains. The amount of credit under this subsection may not exceed the total amount of tax due under this chapter, and there is no carryback or carryforward of any unused credits.

(b) As used in this section, "taxing jurisdiction" means a state of the United States other than the state of Washington, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or any foreign country or political subdivision of a foreign country.

NEW SECTION. **Sec. 12.** FILING OF RETURNS. (1)(a) Except as otherwise provided in this section or RCW 82.32.080, taxpayers owing tax under this chapter must file, on forms prescribed by the department, a return with the department on or before the date the taxpayer's federal income tax return for the taxable year is required to be filed.

(b)(i) Except as provided in (b)(ii) of this subsection (1), returns and all supporting documents must be filed electronically using the department's online tax filing service or other method of electronic reporting as the department may authorize.

(ii) The department may waive the electronic filing requirement in this subsection for good cause as provided in RCW 82.32.080.

(2) In addition to the Washington return required to be filed under subsection (1) of this section, taxpayers owing tax under this chapter must file with the department on or before the date the federal return is required to be filed a copy of the federal income tax return along with all schedules and supporting documentation.

(3) Each taxpayer required to file a return under this section must, without assessment, notice, or demand, pay any tax due thereon to the department on or before the date fixed for the filing of the return, regardless of any filing extension. The tax must be paid by electronic funds transfer as defined in RCW 82.32.085 or by other forms of electronic payment as may be authorized by the department. The department may waive the electronic payment requirement for good cause as provided in RCW 82.32.080. If any tax due under this chapter is not paid by the due date, interest and penalties as provided in chapter 82.32 RCW apply to the deficiency.

(4)(a) In addition to the Washington return required to be filed under subsection (1) of this section, an individual claiming an exemption under section 6(2) of this act must file documentation substantiating the following:

(i) The fair market value and basis of the real estate held directly by the entity in which the interest was sold or exchanged;

(ii) The percentage of the ownership interest sold or exchanged in the entity owning real estate; and

(iii) The methodology, if any, established by the entity in which the interest was sold or exchanged, for allocating gains or losses to the owners, partners, or shareholders of the entity from the sale of real estate.

(b) The department may by rule prescribe additional filing requirements to substantiate an individual's claim for an exemption under section 6(2) of this act. Prior to adopting any rule under this subsection (4)(b), the department must allow for an opportunity for participation by interested parties in the rule-making process in accordance with the administrative procedure act, chapter 34.05 RCW.

(5) If a taxpayer has obtained an extension of time for filing the federal income tax return for the taxable year, the taxpayer is entitled to the same extension of time for filing the return required under this section if the taxpayer provides the department, before the due date provided in subsection (1) of this section, the extension confirmation number or other evidence satisfactory to the department

confirming the federal extension. An extension under this subsection for the filing of a return under this chapter is not an extension of time to pay the tax due under this chapter.

(6)(a) If any return due under subsection (1) of this section, along with a copy of the federal income tax return, is not filed with the department by the due date or any extension granted by the department, the department must assess a penalty in the amount of five percent of the tax due for the taxable year covered by the return for each month or portion of a month that the return remains unfiled. The total penalty assessed under this subsection may not exceed 25 percent of the tax due for the taxable year covered by the delinquent return. The penalty under this subsection is in addition to any penalties assessed for the late payment of any tax due on the return.

(b) The department must waive or cancel the penalty imposed under this subsection if:

(i) The department is persuaded that the taxpayer's failure to file the return by the due date was due to circumstances beyond the taxpayer's control; or

(ii) The taxpayer has not been delinquent in filing any return due under this section during the preceding five calendar years.

NEW SECTION. Sec. 13. JOINT FILERS.

(1) If the federal income tax liabilities of both spouses are determined on a joint federal return for the taxable year, they must file a joint return under this chapter.

(2) Except as otherwise provided in this subsection, if the federal income tax liability of either spouse is determined on a separate federal return for the taxable year, they must file separate returns under this chapter. State registered domestic partners may file a joint return under this chapter even if they filed separate federal returns for the taxable year.

(3) The liability for tax due under this chapter of each spouse or state registered domestic partner is joint and several, unless:

(a) The spouse is relieved of liability for federal tax purposes as provided under Title 26 U.S.C. Sec. 6015 of the internal revenue code; or

(b) The department determines that the domestic partner qualifies for relief as provided by rule of the department. Such rule, to the extent possible without being inconsistent with this chapter, must follow Title 26 U.S.C. Sec. 6015.

NEW SECTION. Sec. 14. ADMINISTRATION OF TAXES. Except as otherwise provided by law and to the extent not inconsistent with the provisions of this chapter, chapter 82.32 RCW applies to the administration of taxes imposed under this chapter.

NEW SECTION. Sec. 15. CRIMINAL ACTIONS. (1) Any taxpayer who knowingly attempts to evade payment of the tax imposed under this chapter is guilty of a class C felony as provided in chapter 9A.20 RCW.

(2) Any taxpayer who knowingly fails to pay tax, make returns, keep records, or supply information, as required under this title, is guilty of a gross misdemeanor as provided in chapter 9A.20 RCW.

NEW SECTION. Sec. 16. A new section is added to chapter 82.04 RCW to read as follows:

BUSINESS AND OCCUPATION TAX CREDIT.

(1) To avoid taxing the same sale or exchange under both the business and occupation tax and capital gains tax, a credit is allowed against taxes due under this chapter on a sale or exchange that is also subject to the tax imposed under section 5 of this act. The credit is equal to the amount of tax imposed under this chapter on such sale or exchange.

(2) The credit may be used against any tax due under this chapter.

(3) The credit under this section is earned in regards to a sale or exchange, and may be claimed against taxes due under this chapter, for the tax reporting period in which the sale or exchange occurred. The credit claimed for a tax reporting period may not exceed the tax otherwise due under this chapter for that tax reporting period. Unused credit may not be carried forward or backward to another tax reporting period. No refunds may be granted for unused credit under this section.

(4) The department must apply the credit first to taxes deposited into the general fund. If any remaining credit reduces the amount of taxes deposited into the workforce education investment

account established in RCW 43.79.195, the department must notify the state treasurer of such amounts monthly, and the state treasurer must transfer those amounts from the general fund to the workforce education investment account.

NEW SECTION. **Sec. 17.** ANNUAL ADJUSTMENTS. (1) Beginning December 2023 and each December thereafter, the department must adjust the applicable amounts by multiplying the current applicable amounts by one plus the percentage by which the most current consumer price index available on December 1st of the current year exceeds the consumer price index for the prior 12-month period, and rounding the result to the nearest \$1,000. If an adjustment under this subsection (1) would reduce the applicable amounts, the department must not adjust the applicable amounts for use in the following year. The department must publish the adjusted applicable amounts on its public website by December 31st. The adjusted applicable amounts calculated under this subsection (1) take effect for taxes due and distributions made, as the case may be, in the following calendar year.

(2) For purposes of this section, the following definitions apply:

(a) "Applicable amounts" means:

(i) The distribution amount to the education legacy trust account as provided in section 2(1)(a) of this act;

(ii) The standard deduction amount in sections 4(13) and 7(1) of this act;

(iii) The worldwide gross revenue amount under section 8 of this act; and

(iv) The minimum qualifying charitable donation amount and maximum charitable donation amount under section 9 of this act.

(b) "Consumer price index" means the consumer price index for all urban consumers, all items, for the Seattle area as calculated by the United States bureau of labor statistics or its successor agency.

(c) "Seattle area" means the geographic area sample that includes Seattle and surrounding areas.

NEW SECTION. **Sec. 18.** The provisions of RCW 82.32.805 and 82.32.808 do not apply to this act.

NEW SECTION. **Sec. 19.** Sections 1, 2, 4 through 15, and 17 of this act constitute a new chapter in Title 82 RCW.

NEW SECTION. **Sec. 20.** (1) If a court of competent jurisdiction, in a final judgment not subject to appeal, adjudges section 5 of this act unconstitutional, or otherwise invalid, in its entirety, section 16 of this act is null and void in its entirety. Any credits previously claimed under section 16 of this act must be repaid within 30 days of the department of revenue's notice to the taxpayer of the amount due.

(2) If the taxpayer fails to repay the credit by the due date, interest and penalties as provided in chapter 82.32 RCW apply to the deficiency.

NEW SECTION. **Sec. 21.** 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."

Correct the title.

and that the bill do pass as recommended by the Conference Committee:

Senators Pedersen and Robinson
Representatives Frame and Sullivan

There being no objection, the House adopted the conference committee report on ENGROSSED SUBSTITUTE SENATE BILL NO. 5096 and advanced the bill as recommended by the conference committee to final passage.

FINAL PASSAGE OF SENATE BILL AS RECOMMENDED BY CONFERENCE COMMITTEE

Representative Frame spoke in favor of the passage of the bill as recommended by the conference committee.

Representative Orcutt spoke against the passage of the bill as recommended by the conference committee.

The Speaker stated the question before the House to be final passage of Engrossed Substitute Senate Bill No. 5096 as recommended by the conference committee.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Substitute Senate Bill No. 5096, as recommended by the conference committee, and the bill passed the House by the following votes: Yeas: 52; Nays: 44; Absent: 0; Excused: 2

Voting yea: Representatives Bateman, Berg, Bergquist, Berry, Callan, Chopp, Cody, Davis, Dolan, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris-Talley, Jinkins, Johnson, J., Kirby, Kloba, Lekanoff, Lovick, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Peterson, Pollet, Ramel, Ramos, Riccelli, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, and Wylie

Voting nay: Representatives Abbarno, Barkis, Boehnke, Bronoske, Caldier, Chambers, Chandler, Chapman, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Harris, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, Leavitt, MacEwen, Maycumber, McCaslin, Mosbrucker, Orcutt, Paul, Rude, Rule, Schmick, Steele, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox, Ybarra, and Young

Excused: Representatives McEntire and Robertson

ENGROSSED SUBSTITUTE SENATE BILL NO. 5096, as recommended by the conference committee, having received the constitutional majority, was declared passed.

With the consent of the House, ENGROSSED SUBSTITUTE SENATE BILL NO. 5096 was immediately transmitted to the Senate.

April 15, 2021

Mme. SPEAKER:

The Senate reconsidered the following measure and, pursuant to Article 3, Section 12 of the State Constitution, passed the measure over the Governor's objection:

SECOND SUBSTITUTE SENATE BILL NO. 6027

and the same is herewith transmitted.

Sarah Bannister, Deputy Secretary

FINAL PASSAGE OF SENATE BILL, GOVERNOR'S VETO NOTWITHSTANDING

Representatives MacEwen and Fitzgibbon spoke in favor of the passage of the bill, notwithstanding the Governor's veto.

The Speaker stated the question before the House to be final passage of Second Substitute Senate Bill No. 6027, notwithstanding the Governor's veto.

ROLL CALL

The Clerk called the roll on the final passage of Second Substitute Senate Bill No. 6027, notwithstanding the Governor's veto, and the bill passed the House by the following votes: Yeas: 93; Nays: 3; Absent: 0; Excused: 2

Voting yea: Representatives Abbarno, Barkis, Bateman, Berg, Bergquist, Berry, Boehnke, Bronoske, Caldier, Callan, Chambers, Chandler, Chapman, Chase, Chopp, Cody, Corry, Davis, Dent, Dolan, Duerr, Dufault,

Entenman, Eslick, Fey, Fitzgibbon, Frame, Gilday, Goehner, Goodman, Graham, Gregerson, Griffey, Hackney, Hansen, Harris, Harris-Talley, Hoff, Jacobsen, Jinkins, Johnson, J., Kirby, Klicker, Klippert, Kraft, Kretz, Leavitt, Lekanoff, Lovick, MacEwen, Macri, Maycumber, McCaslin, Morgan, Mosbrucker, Orcutt, Ormsby, Ortiz-Self, Orwall, Paul, Peterson, Pollet, Ramel, Ramos, Riccelli, Rude, Rule, Ryu, Santos, Schmick, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Steele, Stokesbary, Stonier, Sullivan, Sutherland, Taylor, Thai, Tharinger, Valdez, Vick, Volz, Walen, Walsh, Wicks, Wilcox, Wylie, and Ybarra

Voting nay: Representatives Dye, Kloba, and Young

Excused: Representatives McEntire and Robertson

SECOND SUBSTITUTE SENATE BILL NO. 6027, notwithstanding the Governor's veto, having received the two-thirds constitutional majority, was declared passed.

MESSAGE FROM THE SENATE

April 24, 2021

Madame Speaker:

The Senate has passed ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1277 with the following amendment:

Strike everything after the enacting clause and insert the following:

"**NEW SECTION. Sec. 1.** A new section is added to chapter 36.22 RCW to read as follows:

(1) Except as provided in subsection (2) of this section, a surcharge of \$100 must be charged by the county auditor for each document recorded, which is in addition to any other charge or surcharge allowed by law. The auditor must remit the funds to the state treasurer to be deposited and used as follows:

(a) Twenty percent of funds must be deposited in the affordable housing for all account for operations, maintenance, and service costs for permanent supportive housing as defined in RCW 36.70A.030;

(b) From July 1, 2021, through June 30, 2023, four percent of the funds must be deposited into the landlord mitigation program account created in RCW 43.31.615 for the purposes of RCW 43.31.605(1). Thereafter, two percent of funds must be deposited into the landlord mitigation program account created in RCW 43.31.615 for purposes of RCW 43.31.605(1); and

(c) The remainder of funds must be distributed to the home security fund account, with 60 percent of funds to be used for project-based vouchers for

nonprofit housing providers or public housing authorities, housing services, rapid rehousing, emergency housing, or acquisition. Priority for use must be given to project-based vouchers and related services, housing acquisition, or emergency housing, for persons who are chronically homeless, including families with children. At least 50 percent of persons receiving a project-based voucher, rapid rehousing, emergency housing, or benefiting from housing acquisition must be living unsheltered at the time of initial engagement. In addition, funds may be used for eviction prevention rental assistance pursuant to section 2 of this act, foreclosure prevention services, dispute resolution center eviction prevention services, rental assistance for people experiencing homelessness, and tenant education and legal assistance.

(2) The surcharge imposed in this section does not apply to: (a) Assignments or substitutions of previously recorded deeds of trust; (b) documents recording a birth, marriage, divorce, or death; (c) any recorded documents otherwise exempted from a recording fee or additional surcharges under state law; (d) marriage licenses issued by the county auditor; or (e) documents recording a federal, state, county, city, or water-sewer district, or wage lien or satisfaction of lien.

NEW SECTION. **Sec. 2.** A new section is added to chapter 43.185C RCW to read as follows:

(1) The eviction prevention rental assistance program is created in the department to prevent evictions by providing resources to households most likely to become homeless or suffer severe health consequences, or both, after an eviction, while promoting equity by prioritizing households, including communities of color, disproportionately impacted by public health emergencies and by homelessness and housing instability. The department must provide grants to eligible organizations, as described in RCW 43.185.060, to provide assistance to program participants. The eligible organizations must use grant moneys for:

(a) Rental assistance, including rental arrears and future rent if needed to stabilize the applicant's housing and prevent their eviction;

(b) Utility assistance for households if needed to prevent an eviction; and

(c) Administrative costs of the eligible organization, which must not exceed limits prescribed by the department.

(2) Households eligible to receive assistance through the eviction prevention rental assistance program are those:

(a) With incomes at or below 80 percent of the county area median income;

(b) Who are families with children, living in doubled up situations, young adults, senior citizens, and others at risk of homelessness or significant physical or behavioral health complications from homelessness; and

(c) That meet any other eligibility requirements as established by the department after consultation with stakeholder groups, including persons at risk of homelessness due to unpaid rent, representatives of communities of color, homeless service providers, landlord representatives, local governments that administer homelessness assistance, a statewide association representing cities, a statewide association representing counties, a representative of homeless youth and young adults, and affordable housing advocates.

(3) A landlord may assist an eligible household in applying for assistance through the eviction prevention rental assistance program or may apply for assistance on an eligible household's behalf.

(4)(a) Eligible grantees must actively work with organizations rooted in communities of color to assist and serve marginalized populations within their communities.

(b) At least 10 percent of the grant total must be subgranted to organizations that serve and are substantially governed by marginalized populations to pay the costs associated with program outreach, assistance completing applications for assistance, rent assistance payments, activities that directly support the goal of improving access to rent assistance for people of color, and related costs. Upon request by an eligible grantee or the county or city in which it exists, the department must provide a list of organizations that serve and are substantially governed by marginalized populations, if known.

(c) An eligible grantee may request an exemption from the department from the requirements under (b) of this subsection. The department must consult with the stakeholder group established under subsection (2)(c) of this section before granting an exemption. An eligible grantee may request an exemption only if the eligible grantee:

(i) Is unable to subgrant with an organization that serves and is substantially governed by marginalized populations; or

(ii) Provides the department with a plan to spend 10 percent of the grant total in a manner that the department determines will improve racial equity for historically underserved communities more effectively than a subgrant.

(5) The department must ensure equity by developing performance measures and benchmarks that promote both equitable program access and equitable program outcomes. Performance measures and benchmarks must be developed by the department in consultation with stakeholder groups, including persons at risk of homelessness due to unpaid rent, representatives of communities of color, homeless service providers, landlord representatives, local governments that administer homelessness assistance, a statewide association representing cities, a statewide association representing counties, a representative of homeless youth and young adults, and affordable housing advocates. Performance measures and benchmarks must also ensure that the race and ethnicity of households served under the program are proportional to the numbers of people at risk of homelessness in each county for each of the following groups:

- (a) Black or African American;
- (b) American Indian and Alaska Native;
- (c) Native Hawaiian or other Pacific Islander;
- (d) Hispanic or Latinx;
- (e) Asian;
- (f) Other multiracial.

(6) The department may develop additional rules, requirements, procedures, and guidelines as necessary to implement and operate the eviction prevention rental assistance program.

(7) (a) The department must award funds under this section to eligible grantees

in a manner that is proportional to the amount of revenue collected under section 1 of this act from the county being served by the grantee.

(b) The department must provide counties with the right of first refusal to receive grant funds distributed under this subsection. If a county refuses the funds or does not respond within a time frame established by the department, the department must identify an alternative grantee. The alternative grantee must distribute the funds in a manner that is in compliance with this chapter.

Sec. 3. RCW 43.185C.045 and 2018 c 85 s 9 are each amended to read as follows:

(1) By December 1st of each year, the department must provide an update on the state's homeless housing strategic plan and its activities for the prior fiscal year. The report must include, but not be limited to, the following information:

(a) An assessment of the current condition of homelessness in Washington state and the state's performance in meeting the goals in the state homeless housing strategic plan;

(b) A report on the results of the annual homeless point-in-time census conducted statewide under RCW 43.185C.030;

(c) The amount of federal, state, local, and private funds spent on homelessness assistance, categorized by funding source and the following major assistance types:

- (i) Emergency shelter;
- (ii) Homelessness prevention and rapid rehousing;
- (iii) Permanent housing;
- (iv) Permanent supportive housing;
- (v) Transitional housing;
- (vi) Services only; and
- (vii) Any other activity in which more than five hundred thousand dollars of category funds were expended;

(d) A report on the expenditures, performance, and outcomes of state funds distributed through the consolidated homeless grant program, including the grant recipient, award amount expended, use of the funds, counties served, and households served;

(e) A report on state and local homelessness document recording fee expenditure by county, including the total amount of fee spending, percentage of total spending from fees, number of people served by major assistance type, and amount of expenditures for private rental housing payments required in RCW 36.22.179;

(f) A report on the expenditures, performance, and outcomes of the essential needs and housing support program meeting the requirements of RCW 43.185C.220; ~~(and)~~

(g) A report on the expenditures, performance, and outcomes of the independent youth housing program meeting the requirements of RCW 43.63A.311;

(h) A county-level report on the expenditures, performance, and outcomes of the eviction prevention rental assistance program under section 2 of this act. The report must include, but is not limited to:

(i) The number of adults without minor children served in each county;

(ii) The number of households with adults and minor children served in each county; and

(iii) The number of unaccompanied youth and young adults who are being served in each county; and

(i) A county-level report on the expenditures, performance, and outcomes of the rapid rehousing, project-based vouchers, and housing acquisition programs under section 1 of this act. The report must include, but is not limited to:

(i) The number of persons who are unsheltered receiving shelter through a project-based voucher in each county;

(ii) The number of units acquired or built via rapid rehousing and housing acquisition in each county; and

(iii) The number of adults without minor children, households with adults and minor children, unaccompanied youth, and young adults who are being served by the programs under section 1 of this act in each county.

(2) The report required in subsection (1) of this section must be posted to the department's website and may include links to updated or revised information contained in the report.

(3) Any local government receiving state funds for homelessness assistance or state or local homelessness document recording fees under RCW 36.22.178, 36.22.179, or 36.22.1791 must provide an annual report on the current condition of homelessness in its jurisdiction, its performance in meeting the goals in its local homeless housing plan, and any significant changes made to the plan. The annual report must be posted on the department's website. Along with each local government annual report, the department must produce and post information on the local government's homelessness spending from all sources by project during the prior state fiscal year in a format similar to the department's report under subsection (1)(c) of this section. If a local government fails to report or provides an inadequate or incomplete report, the department must take corrective action, which may include withholding state funding for homelessness assistance to the local government to enable the department to use such funds to contract with other public or nonprofit entities to provide homelessness assistance within the jurisdiction.

Sec. 4. RCW 43.185C.060 and 2020 c 357 s 915 are each amended to read as follows:

(1) The home security fund account is created in the state treasury, subject to appropriation. The state's portion of the surcharge established in RCW 36.22.179 and 36.22.1791 and section 1 of this act must be deposited in the account. Expenditures from the account may be used only for homeless housing programs as described in this chapter, including the eviction prevention rental assistance program established in section 2 of this act.

(2)(a) By December 15, 2021, the department, in consultation with stakeholder groups specified in section 2(2)(c) of this act, must create a set of performance metrics for each county receiving funding under section 1 of this act. The metrics must target actions within a county's control that will prevent and reduce homelessness, such as increasing the number of permanent supportive housing units and increasing or maintaining an adequate number of noncongregate shelter beds.

(b)(i) Beginning July 1, 2023, and by July 1st every two years thereafter, the department must award funds for project-

based vouchers for nonprofit housing providers and related services, rapid rehousing, and housing acquisition under section 1 of this act to eligible grantees in a manner that 15 percent of funding is distributed as a performance-based allocation based on performance metrics created under (a) of this subsection, in addition to any base allocation of funding for the county.

(ii) Any county that demonstrates that it has met or exceeded the majority of the target actions to prevent and reduce homelessness over the previous two years must receive the remaining 15 percent performance-based allocation. Any county that fails to meet or exceed the majority of target actions to prevent and reduce homelessness must enter into a corrective action plan with the department. To receive its performance-based allocation, a county must agree to undertake the corrective actions outlined in the corrective action plan and any reporting and monitoring deemed necessary by the department. Any county that fails to meet or exceed the majority of targets for two consecutive years after entering into a corrective action plan may be subject to a reduction in the performance-based portion of the funds received in (b) (i) of this subsection, at the discretion of the department in consultation with stakeholder groups specified in section 2(2) (c) of this act. Performance-based allocations unspent due to lack of compliance with a corrective action plan created under this subsection (2) (b) may be distributed to other counties that have met or exceeded their target actions.

(3) The department must distinguish allotments from the account made to carry out the activities in RCW 43.330.167, 43.330.700 through 43.330.715, 43.330.911, 43.185C.010, 43.185C.250 through 43.185C.320, and 36.22.179(1) (b).

((3)) (4) The office of financial management must secure an independent expenditure review of state funds received under RCW 36.22.179(1) (b) on a biennial basis. The purpose of the review is to assess the consistency in achieving policy priorities within the private market rental housing segment for housing persons experiencing homelessness. The independent reviewer must notify the department and the office of financial management of its findings. The first biennial expenditure review, for the

2017-2019 fiscal biennium, is due February 1, 2020. Independent reviews conducted thereafter are due February 1st of each even-numbered year.

((4)) (5) During the 2019-2021 fiscal biennium, expenditures from the account may also be used for shelter capacity grants.

Sec. 5. RCW 43.185C.190 and 2011 1st sp.s. c 50 s 955 are each amended to read as follows:

The affordable housing for all account is created in the state treasury, subject to appropriation. The state's portion of the surcharges established in RCW 36.22.178 and section 1 of this act shall be deposited in the account. Expenditures from the account may only be used for affordable housing programs ((During the 2011-2013 fiscal biennium, moneys in the account may be transferred to the home security fund)), including operations, maintenance, and services as described in section 1(1) (a) of this act.

NEW SECTION. Sec. 6. (1) (a) The legislature finds that affordable housing, housing instability, and homelessness are persistent and increasing problems throughout the state. Despite significant increases in financial resources by the federal, state, and local governments to address these problems, homelessness and the risk of becoming homeless has worsened in Washington since the legislature authorized the first homeless housing document recording surcharge in 2005. The number of unsheltered homeless encampments in greenbelts, under bridges, and on our streets is a visible reminder that the current system is not working.

(b) The legislature finds that the COVID-19 pandemic has exacerbated and shed new light on the state's homelessness problems and forced communities and providers to reexamine the types and delivery of housing and services to individuals and families who are homeless or at risk of homelessness. As a result of the changing conditions COVID-19 created, the federal government has provided an infusion of funding for housing and services for homelessness populations in its COVID-19 relief bills to pursue different strategies to improve outcomes. Moreover, there are various proposals to increase state funding to address housing insecurity and homelessness, including this act to

impose an additional document recording fee to fund an eviction prevention rental assistance program and other services to persons at risk or experiencing homelessness.

(c) The legislature also finds that there are many causes of homelessness and housing instability, including: (i) A shortage of affordable housing; (ii) local land use planning and property management policies that discourage the development of private sector housing stock to serve low and extremely low-income households; (iii) unemployment and lack of education and job skills to acquire an adequate wage job; (iv) mental health, developmental, and physical disabilities; (v) chemical and alcohol dependency; and (vi) family instability and conflict. The legislature intends to provide for an examination of the economic, social, and health causes of current and expected patterns of housing instability and homelessness, and to secure a common understanding of the contribution each has to the current crisis. The legislature intends for this examination to result in a widely accepted strategy for identifying how best to address homelessness in ways that: (A) Address the root causes of the problem; (B) clearly assign responsibilities of state and local government to address those causes; (C) support local control and provision of services at the local level to address specific community needs, recognizing each community must play a part in the solution; (D) respect property owner rights and encourage private sector involvement in solutions and service; and (E) develop pathways to permanent housing solutions and associated services to break the cycle of housing insecurity and homelessness.

(2) (a) The department of commerce must contract with the William D. Ruckelshaus center to conduct an examination of trends affecting, and policies guiding, the housing and services provided to individuals and families who are or at risk of homelessness in Washington. The center must also facilitate meetings and discussions to develop and implement a long-term strategy to improve services and outcomes for persons at risk or experiencing homelessness and develop pathways to permanent housing solutions.

(b) In fulfilling the requirements of this section, the center must work and consult with (i) willing participants

representing tribal and local governments, local providers of housing and services for homeless populations, advocates and stakeholders representing the interests of homeless populations, mental health and substance abuse professionals, representatives of the business community and other organizations, and other representatives the center determines is a necessary participant to examine these issues; (ii) a group of legislators consisting of one member from each of the two largest caucuses in the senate and in the house of representatives appointed by the president of the senate and the speaker of the house of representatives, respectively; and (iii) three representatives of the executive branch appointed by the governor.

(c) (i) The center must conduct fact-finding and stakeholder discussions with participants identified in (b) of this subsection. These discussions must identify stakeholder concerns, barriers, opportunities, and desired principles for a long-term strategy to improve the outcomes and services for persons at risk or experiencing homelessness and develop pathways to permanent housing solutions.

(ii) The center must conduct fact-finding and stakeholder discussions with participants identified in (b) of this subsection to identify root causes of housing instability and homelessness within Washington state. This fact-finding should address root causes demographically within subpopulations of persons at risk or experiencing homelessness such as veterans and persons suffering from mental health or substance abuse issues. The fact-finding should also address root causes that may differ geographically or regionally. The fact-finding must identify existing statutory and regulatory issues that impede efforts to address root causes of housing instability and homelessness within Washington state.

(iii) The center must issue two reports of its fact-finding efforts and stakeholder discussions to the governor and the appropriate committees of the house of representatives and the senate. One report on the subjects covered in (c) (i) of this subsection is due December 1, 2021, and one on the subjects covered in (c) (ii) of this subsection is due December 1, 2022.

(d) The center must facilitate discussions between the stakeholders

identified in this subsection (2) for the purposes of identifying options and recommendations to develop and implement a long-term strategy to improve the outcomes and service for persons at risk or experiencing homelessness and develop pathways to permanent housing solutions, including the manner and amount in which the state funds homelessness housing and services and performance measures that must be achieved to receive state funding. A report on this effort is due to the governor and the appropriate committees of the house of representatives and the senate by December 1, 2023.

Sec. 7. RCW 36.22.178 and 2019 c 136 s 1 are each amended to read as follows:

The surcharge provided for in this section shall be named the affordable housing for all surcharge.

(1) Except as provided in subsection (3) of this section, a surcharge of thirteen dollars per instrument shall be charged by the county auditor for each document recorded, which will be in addition to any other charge authorized by law. The county may retain up to five percent of these funds collected solely for the collection, administration, and local distribution of these funds. Of the remaining funds, forty percent of the revenue generated through this surcharge will be transmitted monthly to the state treasurer who will deposit: (a) The portion of the funds attributable to ten dollars of the surcharge into the affordable housing for all account created in RCW 43.185C.190. The department of commerce must use these funds to provide housing and shelter for extremely low-income households, including but not limited to housing for victims of human trafficking and their families and grants for building operation and maintenance costs of housing projects or units within housing projects that are affordable to extremely low-income households with incomes at or below thirty percent of the area median income, and that require a supplement to rent income to cover ongoing operating expenses; and (b) the portion of the funds attributable to three dollars of the surcharge into the landlord mitigation program account created in RCW 43.31.615.

(2) All of the remaining funds generated by this surcharge will be retained by the county and be deposited into a fund that must be used by the

county and its cities and towns for eligible housing activities as described in this subsection that serve very low-income households with incomes at or below fifty percent of the area median income. The portion of the surcharge retained by a county shall be allocated to eligible housing activities that serve extremely low and very low-income households in the county and the cities within a county according to an interlocal agreement between the county and the cities within the county consistent with countywide and local housing needs and policies. A priority must be given to eligible housing activities that serve extremely low-income households with incomes at or below thirty percent of the area median income. Eligible housing activities to be funded by these county funds are limited to:

(a) Acquisition, construction, or rehabilitation of housing projects or units within housing projects that are affordable to very low-income households with incomes at or below fifty percent of the area median income, including units for homeownership, rental units, seasonal and permanent farmworker housing units, units reserved for victims of human trafficking and their families, and single room occupancy units;

(b) Supporting building operation and maintenance costs of housing projects or units within housing projects eligible to receive housing trust funds, that are affordable to very low-income households with incomes at or below fifty percent of the area median income, and that require a supplement to rent income to cover ongoing operating expenses;

(c) Rental assistance vouchers for housing units that are affordable to very low-income households with incomes at or below fifty percent of the area median income, including rental housing vouchers for victims of human trafficking and their families, to be administered by a local public housing authority or other local organization that has an existing rental assistance voucher program, consistent with or similar to the United States department of housing and urban development's section 8 rental assistance voucher program standards; and

(d) Operating costs for emergency shelters and licensed overnight youth shelters.

(3) The surcharge imposed in this section does not apply to assignments or substitutions of previously recorded deeds of trust or to documents recording a federal lien, or water-sewer district lien, wage lien, or satisfaction of lien.

Sec. 8. RCW 36.22.179 and 2019 c 136 s 2 are each amended to read as follows:

(1) In addition to the surcharge authorized in RCW 36.22.178, and except as provided in subsection (3) of this section, an additional surcharge of sixty-two dollars shall be charged by the county auditor for each document recorded, which will be in addition to any other charge allowed by law. Except as provided in subsection (4) of this section, the funds collected pursuant to this section are to be distributed and used as follows:

(a) The auditor shall retain two percent for collection of the fee, and of the remainder shall remit sixty percent to the county to be deposited into a fund that must be used by the county and its cities and towns to accomplish the purposes of chapter 484, Laws of 2005, six percent of which may be used by the county for the collection and local distribution of these funds and administrative costs related to its homeless housing plan, and the remainder for programs which directly accomplish the goals of the county's local homeless housing plan, except that for each city in the county which elects as authorized in RCW 43.185C.080 to operate its own local homeless housing program, a percentage of the surcharge assessed under this section equal to the percentage of the city's local portion of the real estate excise tax collected by the county shall be transmitted at least quarterly to the city treasurer, without any deduction for county administrative costs, for use by the city for program costs which directly contribute to the goals of the city's local homeless housing plan; of the funds received by the city, it may use six percent for administrative costs for its homeless housing program.

(b) The auditor shall remit the remaining funds to the state treasurer for deposit in the home security fund account to be used as follows:

(i) The department may use twelve and one-half percent of this amount for administration of the program established in RCW 43.185C.020,

including the costs of creating the statewide homeless housing strategic plan, measuring performance, providing technical assistance to local governments, and managing the homeless housing grant program.

(ii) The remaining eighty-seven and one-half percent of this amount must be used as follows:

(A) At least forty-five percent must be set aside for the use of private rental housing payments; and

(B) All remaining funds are to be used by the department to:

(I) Provide housing and shelter for homeless people including, but not limited to: Grants to operate, repair, and staff shelters; grants to operate transitional housing; partial payments for rental assistance; consolidated emergency assistance; overnight youth shelters; grants and vouchers designated for victims of human trafficking and their families; and emergency shelter assistance; and

(II) Fund the homeless housing grant program.

(2) A county issuing general obligation bonds pursuant to RCW 36.67.010, to carry out the purposes of subsection (1)(a) of this section, may provide that such bonds be made payable from any surcharge provided for in subsection (1)(a) of this section and may pledge such surcharges to the repayment of the bonds.

(3) The surcharge imposed in this section does not apply to (a) assignments or substitutions of previously recorded deeds of trust, (b) documents recording a birth, marriage, divorce, or death, (c) any recorded documents otherwise exempted from a recording fee or additional surcharges under state law, (d) marriage licenses issued by the county auditor, or (e) documents recording a federal, state, county, ~~((or))~~ city, or water-sewer district, or wage lien or satisfaction of lien.

(4) Ten dollars of the surcharge imposed under subsection (1) of this section must be distributed to the counties to carry out the purposes of subsection (1)(a) of this section.

(5) For purposes of this section, "private rental housing" means housing owned by a private landlord and includes

housing owned by a nonprofit housing entity.

Sec. 9. RCW 36.22.1791 and 2019 c 136 s 3 are each amended to read as follows:

(1) In addition to the surcharges authorized in RCW 36.22.178 and 36.22.179, and except as provided in subsection (2) of this section, the county auditor shall charge an additional surcharge of eight dollars for each document recorded, which is in addition to any other charge allowed by law. The funds collected under this section are to be distributed and used as follows:

(a) The auditor shall remit ninety percent to the county to be deposited into a fund six percent of which may be used by the county for administrative costs related to its homeless housing plan, and the remainder for programs that directly accomplish the goals of the county's local homeless housing plan, except that for each city in the county that elects, as authorized in RCW 43.185C.080, to operate its own local homeless housing program, a percentage of the surcharge assessed under this section equal to the percentage of the city's local portion of the real estate excise tax collected by the county must be transmitted at least quarterly to the city treasurer for use by the city for program costs that directly contribute to the goals of the city's local homeless housing plan.

(b) The auditor shall remit the remaining funds to the state treasurer for deposit in the home security fund account. The department may use the funds for administering the program established in RCW 43.185C.020, including the costs of creating and updating the statewide homeless housing strategic plan, measuring performance, providing technical assistance to local governments, and managing the homeless housing grant program. Remaining funds may also be used to:

(i) Provide housing and shelter for homeless people including, but not limited to: Grants to operate, repair, and staff shelters; grants to operate transitional housing; partial payments for rental assistance; consolidated emergency assistance; overnight youth shelters; grants and vouchers designated for victims of human trafficking and their families; and emergency shelter assistance; and

(ii) Fund the homeless housing grant program.

(2) The surcharge imposed in this section does not apply to assignments or substitutions of previously recorded deeds of trust or to documents recording a federal or water-sewer district or wage lien or satisfaction of lien.

Sec. 10. RCW 36.22.240 and 2019 c 348 s 11 are each amended to read as follows:

(1) Except as provided in subsection (2) of this section, a surcharge of two dollars and fifty cents shall be charged by the county auditor for each document recorded, which will be in addition to any other charge or surcharge allowed by law. The auditor shall remit the funds to the state treasurer to be deposited and used as follows:

(a) Through June 30, 2024, funds must be deposited into the growth management planning and environmental review fund created in RCW 36.70A.490 to be used first for grants for costs associated with RCW 36.70A.600 and for costs associated with RCW 36.70A.610, and thereafter for any allowable use of the fund.

(b) Beginning July 1, 2024, sufficient funds must be deposited into the growth management planning and environmental review fund created in RCW 36.70A.490 for costs associated with RCW 36.70A.610, and the remainder deposited into the home security fund account created in RCW 43.185C.060 to be used for maintenance and operation costs of: (i) Permanent supportive housing and (ii) affordable housing for very low-income and extremely low-income households. Funds may only be expended in cities that have taken action under RCW 36.70A.600.

(2) The surcharge imposed in this section does not apply to: (a) Assignments or substitutions of previously recorded deeds of trust; (b) documents recording a birth, marriage, divorce, or death; (c) any recorded documents otherwise exempted from a recording fee or additional surcharges under state law; (d) marriage licenses issued by the county auditor; or (e) documents recording a federal, state, county, ~~((or))~~ city, or water-sewer district, or wage lien or satisfaction of lien.

(3) For purposes of this section, the terms "permanent supportive housing," "affordable housing," "very low-income

households," and "extremely low-income households" have the same meaning as provided in RCW 36.70A.030."

On page 1, line 2 of the title, after "services;" strike the remainder of the title and insert "amending RCW 43.185C.045, 43.185C.060, 43.185C.190, 36.22.178, 36.22.179, 36.22.1791, and 36.22.240; adding a new section to chapter 36.22 RCW; adding a new section to chapter 43.185C RCW; and creating a new section."

and the same is herewith transmitted.

Brad Hendrickson, Secretary

SENATE AMENDMENT TO HOUSE BILL

There being no objection, the House concurred in the Senate amendment to ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1277 and advanced the bill, as amended by the Senate, to final passage.

FINAL PASSAGE OF HOUSE BILL AS SENATE AMENDED

Representative Peterson spoke in favor of the passage of the bill.

Representative Caldier spoke against the passage of the bill.

The Speaker stated the question before the House to be the final passage of Engrossed Second Substitute House Bill No. 1277, as amended by the Senate.

ROLL CALL

The Clerk called the roll on the final passage of Engrossed Second Substitute House Bill No. 1277, as amended by the Senate, and the bill passed the House by the following vote: Yeas, 57; Nays, 39; Absent, 0; Excused, 2.

Voting yea: Representatives Bateman, Berg, Bergquist, Berry, Bronoske, Caldier, Callan, Chopp, Cody, Davis, Dolan, Duerr, Entenman, Fey, Fitzgibbon, Frame, Goodman, Gregerson, Hackney, Hansen, Harris, Harris-Talley, J. Johnson, Kirby, Kloba, Leavitt, Lekanoff, Lovick, Macri, Morgan, Ormsby, Ortiz-Self, Orwall, Peterson, Pollet, Ramel, Ramos, Riccelli, Ryu, Santos, Sells, Senn, Shewmake, Simmons, Slatter, Springer, Stonier, Sullivan, Taylor, Thai, Tharinger, Valdez, Walen, Wicks, Wylie, Young and Mme. Speaker.

Voting nay: Representatives Abbarno, Barkis, Boehnke, Chambers, Chandler, Chapman, Chase, Corry, Dent, Dufault, Dye, Eslick, Gilday, Goehner, Graham, Griffey, Hoff, Jacobsen, Klicker, Klippert, Kraft, Kretz, MacEwen, Maycumber, McCaslin, Mosbrucker, Orcutt, Paul, Rude, Rule, Schmick, Steele, Stokesbary, Sutherland, Vick, Volz, Walsh, Wilcox and Ybarra.

Excused: Representatives McEntire and Robertson.

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1277, as amended by the Senate, having received the necessary constitutional majority, was declared passed.

There being no objection, the House adjourned until 1:00 p.m., April 25, 2021, the 105th Legislative Day of the Regular Session.

LAURIE JINKINS, Speaker

BERNARD DEAN, Chief Clerk

